



ASCOM LEASING & INVESTMENTS LIMITED

Our Company was incorporated on December 16, 1986, as "Ascom Leasing & Investments Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh bearing Registration Number 085128. Our company received the certificate of Commencement of Business on January 07, 1987. Subsequently, our Company has shifted the registered office from Hyderabad to Surat, vide certificate issued by the Registrar of Companies, Ahmedabad on November 23, 2015. Our Company holds a certificate of registration dated December 17, 2015 bearing registration number B-01.00559 issued by the RBI to carry on the activities of a non-deposit taking NBFC with the RBI under section 45 IA of the RBI Act, 1934. The Corporate Identification Number of our Company is U65993GJ1986PLC085128. For details of incorporation, change of registered office of our Company, please refer to the section title "History and certain Corporate Matters" on beginning page No. 95 of this Prospectus.

**Registered Office:** 331, 3rd floor, Four Point Complex, Vesu, besides Maniba Park, Surat, Gujarat 395007

**Telephone:** +91 9825140403; **Contact Person:** Mr. Tushar Rohitbhai Pandya, Managing Director

**E-mail:** info@ascomfinance.com; **Website:** [www.ascomfinance.com](http://www.ascomfinance.com); **Corporate Identity Number:** U65993GJ1986PLC085128

**OUR PROMOTER: MR. TUSHAR ROHITBHAI PANDYA**

**INITIAL PUBLIC OFFER OF 21,08,000\* EQUITY SHARES OF FACE VALUE OF Rs. 10.00 EACH (THE "EQUITY SHARES") OF ASCOM LEASING & INVESTMENTS LIMITED, (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 30/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS.20/- PER EQUITY SHARE) (THE "ISSUE PRICE") AGGREGATING RS.632.40 LAKHS (THE "ISSUE"). THE ISSUE INCLUDES A RESERVATION OF 1,08,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT A PRICE OF RS. 30/- PER EQUITY SHARE AGGREGATING RS. 32.40/- LAKHS FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 20,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 30/- PER EQUITY SHARE, AGGREGATING RS. 600 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.99% AND 25.61% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS RS.10.00 EACH**

This Issue is being made through Fixed Price Process in terms of Chapter IX of the SEBI (Issue of Capital & Disclosure Requirements), 2018 as amended from time to time ["SEBI (ICDR) Regulations, 2018]. 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. 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 investors shall participate in this Issue mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing details of their respective bank accounts which will be blocked by SCSBs. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. For details, see "Issue Procedure" beginning on page 169 of this Prospectus.

**RISK IN RELATION TO FIRST ISSUE AND THE ISSUE PRICE IS 3 TIMES THE FACE VALUE OF THE EQUITY SHARE**

This being the first public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs.10 each and the Fixed Price is 3 times of the face value of the equity shares respectively. The Issue Price (as determined & justified by our Company, in consultation with the Lead Manager, in accordance with SEBI (ICDR) Regulation, 2018 as stated in the section titled "Basis for Issue Price" beginning on page 71 of this Prospectus, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investment in equity and equity related securities involves 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 the contents of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 24 of this Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue; that the information contained in this 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares offered through the Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE" i.e. "NSE SME PLATFORM"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended, our Company has received an in-principle approval letter dated October 22, 2019 from NSE for using its name in the Offer document for listing of our shares on the Emerge Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited.

**LEAD MANAGER**

**REGISTRAR TO THE ISSUE**



**FAST TRACK FINSEC PRIVATE LIMITED**  
 B 502, Statesman House, 148 Barakhamba Road,  
 New Delhi -11000, India.  
**Telephone:** +91 11-43029809  
**Email:** mb@ftfinsec.com  
**Contact Person:** Pawan Kumar Mahur  
**Investor grievance email:** investor@ftfinsec.com  
**Website:** www.ftfinsec.com  
**SEBI registration number:** INM000012500  
**CIN:** U65191DL2010PTC200381

**SKYLINE FINANCIAL SERVICES PVT LIMITED**  
 A/505, Dattani Plaza, Andheri Kurla Road,  
 Safeed Pool, Andheri (E), Mumbai- 400072  
**Telephone:** +91 22-28511022/ 02249721245  
**Email:** mumbai@skylinerta.com  
**Investor grievance email:** [grievances@skylinerta.com](mailto:grievances@skylinerta.com)  
**Contact Person:** Mr. Subhash Dhingreja  
**Website:** www.skylinerta.com  
**SEBI Registration Number:** INR000003241  
**CIN:** U74899DL1995PTC071324

**ISSUE PROGRAMME**

ISSUE OPENS ON NOVEMBER 26, 2019

ISSUE CLOSES ON NOVEMBER 28, 2019

\*Number of shares are adjusted per lot size upon determination of issue price.

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**SECTION I: DEFINITIONS AND ABBREVIATIONS**

Unless the context otherwise indicates /requires /implies, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted 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 Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1992("SCRA"), the Depositories Act or the rules and regulations made there under.

**GENERAL TERMS**

<b>Term</b>	<b>Description</b>
"Ascom Leasing & Investments Limited", "ALIL", "Ascom", "We" or "us" or "our Company" or "the Issuer " or "the Company"	Unless the context otherwise requires, refers to Ascom Leasing & Investments Limited, a Company incorporated under the Companies Act, 1956 vide a Certificate of Incorporation issued by the Registrar of Companies, Andhra Pradesh.

**COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AOA/ Articles / Articles of Association	Articles of Association of Ascom Leasing & Investments Limited, as amended from time to time.
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 rules made thereunder disclosed as such in the chapter titled "Our Management" on page 98 of this Prospectus.
Auditor/ Statutory Auditor	The Statutory Auditor of our Company, being <b>M/s Dilip Paresh &amp; Co.</b> , Chartered Accountant.
Bankers/ Lenders to our Company	Such banks which are disclosed as bankers to the Company in the chapter titled "General Information" on page 44 of this Prospectus.
Board of Directors/ the Board / our Board	The director(s) on our Board, unless otherwise specified. For further details of our Directors, please refer to section titled "Our Management" beginning on page 98 of this Prospectus.
Chief Financial Officer/ CFO	Chief Financial Officer of our Company being Ms. Sweta V. Shah.
CIN	Corporate Identification Number
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 & Compliance Officer of our Company, Mr. Hemant Kumar.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.

**ASCOM LEASING & INVESTMENTS LIMITED**

Equity Shares	Equity Shares of our Company of Face Value of Rs. 10.00 each unless otherwise specified in the context thereof.
Equity Shareholders/ Shareholders	The holders of the Equity Shares of our Company.
Group Companies	Group Company shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were 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 issuer. For further details, please refer to section titled "Information with respect to Group Companies" beginning on page 152 of this Prospectus.
HNI	High Networth Individual
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, see "Our Management" on page 98 of this Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India.
Key Management Personnel	Key management personnel of our Company in terms of SEBI Regulations and the Companies Act, 2013. For details, see section entitled "Our Management" on page 98 of this Prospectus.
LLP	Limited Liability Partnership
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on July 04, 2019, in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Ascom Leasing & Investments Limited, as amended till date.
NAV	Net Asset Value.
NBFC	Non-Banking Financial Company as defined under Section 45-IC and 45-IF of the RBI Act, 1934.
NPA	Non-Performing Asset.
Nomination and Remuneration Committee	Nomination and Remuneration Committee of our Company as constituted vide the Board Meeting held on June 24, 2019 in accordance and Section 178 of Companies Act, 2013.
Non-Executive Director	A Director not being an Executive Director.
NSE/ NSE Limited	National Stock Exchange Limited or Emerge Platform of NSE
Promoter	Shall mean Promoter of Our Company i.e. Mr. Tushar Rohitbhai Pandya. For further details, please refer to section titled "Our Promoter and Promoter Group" beginning on page 111 of this Prospectus.
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed under section titled "Our Promoter and Promoter Group" beginning on page 111 of this Prospectus.
RBI Act	Reserve Bank of India constituted under the RBI Act.
Registered Office of our Company	The Registered Office of our Company is situated at 331, 3 <sup>rd</sup> Floor, Four Point Complex, Vesu, Besides Maniba Park, Surat, Gujarat- 395007, India.
RoC / Registrar of Companies,	The Registrar of Companies, Ahmedabad, is situated at Registrar of Companies, ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-

**ASCOM LEASING & INVESTMENTS LIMITED**

Ahmedabad	380013, India.
Restated Financial Information/ Restated Financial Statement	The restated financial information of the Company, which comprises of the restated balance sheet, the restated profit and loss information and the restated cash flow information, as at and for the period ending June 30, 2019 and financial years ended March 31, 2017, 2018, 2019 together with the annexures and notes thereto
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	Securities and Exchange Board of India (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 Listing Regulations, 2015/SEBI Listing Regulations/Listing Regulations/SEBI (LODR) Regulations	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.
Stakeholders' Relationship Committee	Stakeholder's relationship committee of our Company as constituted vide the Board Meeting held on June 24, 2019 in accordance Section 178 of Companies Act, 2013.
Stock Exchange	Unless the context requires otherwise, refers to, NSE Limited (Emerge Platform of NSE).

**ISSUE RELATED TERMS**

<b>Term</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Allot/ Allotment/ Allotted of Equity Shares	Unless the context otherwise requires, offer /allotment of Equity Shares of our Company pursuant to the issue of Equity Shares to the successful Applicants.
Allocation/ Allotment of Equity Shares	The Allocation of Equity Shares of our Company pursuant to issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the applicant who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A Successful applicant (s) to whom the Equity Shares are being/ have been issued /allotted.
Applicant/ Investor	Any prospective investor who makes an application pursuant to the terms of this Prospectus.
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of this 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 Prospectus.
Application Supported by Blocked 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 and will include amount blocked by RIIs using the UPI mechanism.  Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issue opening on or after January 01, 2016, all the investors can apply through ASBA process.  And Pursuant to SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, and SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investor making application for the issue may use UPI as payment mechanism until March

<b>Term</b>	<b>Description</b>
	31, 2020.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the Retail Individual Applicant blocked upon acceptance of UPI Mandate Request by Retail Individual Applicant using the UPI Mechanism to the extent of the application amount of the Applicant.
ASBA Applicant	Any Applicant who intends to apply through ASBA Process.
ASBA Application Location (s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, and Hyderabad.
Banker to the Issue / Refund Banker/ Public Issue Bank	The bank which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be allotted as described in the section titled "Issue Procedure - Basis of Allotment" beginning on page 169 of this Prospectus.
Lead Manager/ LM	Lead Manager to the Issue in this case being Fast Track Finsec Private Limited, SEBI Registered Category I Merchant Banker.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker.  The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the Stock Exchange.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	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 SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the offer and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicant such as their Address, PAN, Occupation and Bank Account details.
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue.
Depository/ Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA 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> 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.

<b>Term</b>	<b>Description</b>
	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.
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 website of the Stock Exchange.
Designated Date	On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
Draft Prospectus	The Draft Prospectus dated August 01, 2019, issued in accordance with Section 32 of the Companies Act, 2013
Designated Market Maker	Jainam Share Consultants Private Limited having registered office at Unit 1-B, 3rd Floor, Gift One Building, Road 5C, Zone 5, Gift City, Gandhinagar - 382355, India
Designated Stock Exchange	The Emerge Platform of NSE.
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation whom the Prospectus constitutes an invitation to subscribe for the Equity Shares offered herein on the basis of the terms thereof
Equity Shares	Equity Shares of our Company of face value of Rs.10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered to with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Fresh Issue	Fresh Issue of up to 21,08,000 Equity Shares aggregating up to Rs.632.40 lakhs to be issued by company pursuant to the Issue.
General Information Document	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 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 and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 notified by SEBI.
IPO	Initial Public Offering
ISIN	International Securities Identification Number. In this case being INE08KD01015.
Listing Agreement	Unless the context specifies otherwise, this means the Listing Agreement to be signed between our Company and National Stock Exchange of India Limited.
LM/ Lead Manager	The Lead Manager for the Issue being Fast Track Finsec Private Limited.
Lot Size	4,000 Equity Shares.
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the Emerge Platform of NSE. In our case, Jainam Share Consultants Private Limited, Market Maker to the Issue.
Market Making Agreement	The Market Making Agreement dated November 16, 2019 between our Company, Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of 108,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 30/- per Equity Share aggregating Rs. 32.40/- Lakhs for the Market



<b>Term</b>	<b>Description</b>
	Maker in this Issue.
Mandate Request	Mandate request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
Minimum Promoter Contribution	Aggregate of 20% of the fully diluted Post-Issue Equity Share capital of our Company held by our Promoter which shall be provided towards minimum promoter of 20% and locked-in for a period of three years from the date of Allotment
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 20,00,000 Equity Shares of Rs. 10 each at a price of Rs. 30/- per Equity Share (the "Issue Price") aggregating up to 600.00 lakhs.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than Rs. 2,00,000/- (but not including NRIs other than Eligible NRIs)
Net Proceeds	Proceeds of the Fresh Issue less the Issue related expenses. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled "Objects of the Issue" beginning on page 68 of this Prospectus.
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
National Payments Corporation of India (NPCI)	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Issue / Issue Size/ Initial Public Offer / Initial Public Offering/ IPO	The initial public offer of 21,08,000 Equity Shares of face value of Rs.10/- each for cash at a price of Rs. 30/- each, aggregating Rs. 632.40/- Lakhs comprising reserved portion of 108,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 30/- per Equity Share aggregating Rs. up to 32.40/- Lakhs for the Market Maker in this Issue and the Net Issue of 20,00,000 Equity Shares of face value of Rs.10/- each for cash at a price of Rs. 30/- each, aggregating Rs.600 Lakhs.
Issue Agreement	The Agreement dated November 16, 2019, between our Company and Lead Manager
Issue Closing date	Thursday, November 28, 2019
Issue Opening date	Tuesday. November 26, 2019
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 Equity Shares will be issued and allotted by our Company being Rs. 30/- per Equity Share of face value of Rs. 10/- each fully paid
Issue proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter title "Objects of the Issue " page no. 68 of this Prospectus
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

<b>Term</b>	<b>Description</b>
	Regulations. OCBs are not allowed to invest in this Issue.
Other Investors	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.
Payment through electronic means	Payment through NECS, NEFT, or Direct Credit, as applicable.
Person/ 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.
Prospectus	This Prospectus, to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI (ICDR) Regulations, containing amongst other things, the Issue Price as determined before filing the Prospectus with ROC.
Public Offer Account	The Bank Account opened with the Banker(s) to this Issue under section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Offer Account Agreement/ Banker to the Issue Agreement	Agreement dated November 18, 2019, entered into between our Company, Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Application Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI (ICDR) Regulations.  A Mutual Fund, Venture Capital Fund, Alternative Investment Fund and Foreign Venture Capital investor registered with SEBI, a foreign portfolio investor other than Category III foreign portfolio investor, registered with the Board; 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 Rs. 2500 Lakhs; a pension fund with minimum corpus of Rs. 2500 Lakhs rupees; 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.
Registered Brokers	Individuals or companies registered with SEBI as “Trading Members” (except Syndicate/Sub Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges.
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.
Registrar/ Registrar to this Issue/RTI	Registrar to the Issue being Skyline Financial Services Pvt Limited.
Registrar to the Company	Registrar to the Company being Skyline Financial Services Pvt Limited.
Registrar Agreement	The agreement dated May 16, 2019 entered into amongst 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.
Reserved Category/	Categories of persons eligible for making application under reservation portion.

<b>Term</b>	<b>Description</b>
Categories	
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
Retail Individual Investors/RIIs	Individual Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs 2 Lakhs in this Issue.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s).
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended from time to time.
Self-Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at  <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html</a>
Specified Locations	Bidding centres where the Syndicate shall accept Application Forms, a list of which is included in the Application Form.
SME Exchange of NSE/ Stock Exchange/ Emerge	The SME platform of NSE for listing of equity shares.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI.
Systemically Important Non- Banking Financial Company	A non-banking financial company registered with the Reserve Bank of India and having a net worth of Rs. 50,000 lakhs or more as per the last audited financial statement.
Systemically Important Non-Banking Financial Company	A non-banking financial company registered with the Reserve Bank of India and having a net worth of Rs. 50,000 lakhs or more as per the last audited financial statement
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the applicant as proof of registration of the application
U.S. Securities Act	U.S. Securities Act of 1933, as amended from time to time.
Underwriters	The Lead Manager 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 dated November 16, 2019 entered into amongst the Underwriters and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request / Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and

<b>Term</b>	<b>Description</b>
	subsequent debit of funds in case of Allotment.
UPI PIN	Password to authenticate UPI transaction.
Willful Defaulter	Willful Defaulter is defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018, means a person or an offeror who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
Working Days	In accordance with Regulation 2(1)(m) of SEBI (ICDR) Regulations, working days means, all days on which commercial banks in the city as specified in the Prospectus are open for business.  However, in respect of announcement of Issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business.  In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays in accordance with circular issued by SEBI.
Wilful Defaulter	A Person or a company categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulter issued by the RBI and includes a company whose director or promoter is categorized as such.

**TECHNICAL AND INDUSTRY RELATED TERMS**

<b>Term</b>	<b>Description</b>
ALM	Asset Liability Management
Bankruptcy Code	The Insolvency and Bankruptcy Code, 2016, as amended from time to time
Bn	Billion
CSR	Corporate Social Responsibility
CAGR	Compounded Annual Growth Rate
CPI	Consumer Price Index
CRAR	Capital Adequacy Ratio
DSA	Direct Selling Agents
DGFT	Directorate General of Foreign Trade
ECB	External Commercial Borrowing
FDI	Foreign Direct Investment
FTA	Foreign Tourist Arrivals
GDP	Gross Domestic Product
GPS	Global Positioning System
IIP	Index of Industrial Production
KYC	Know Your Customer
KYC Norms	Customer identification procedure for opening of account and monitoring transactions of suspicious nature followed by NBFCs for the purpose of reporting it to appropriate authority
LAP	Loans against Property
PE	Private Equity
PMI	Purchasing Managers' Index
SLR	Statutory Liquidity Ratio
Total Assets	Total Assets of our Company
Total AUM	Includes AUM for our Asset Backed Finance, Mortgaged Finance and SME Finance Business.
Tier I Capital	As defined under RBI Regulations for NBFCs
Tier II Capital	As defined under RBI Regulations for NBFCs
US	United States of America
VC	Venture Capital

CONVENTIONAL AND GENERAL TERMS

Term	Description
AGM	Annual General Meeting
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
AMC	Asset Management Company
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
Associate	A person who is an associate of the offeror and as defined under the Companies Act, 2013
Category I foreign portfolio investor(s)	FPIs who are registered as "Category I foreign portfolio investor" under the SEBI FPI Regulations.
Category II foreign portfolio investor(s)	FPIs who are registered as "Category II foreign portfolio investor" under the SEBI FPI Regulations.
Category III foreign portfolio investor(s)	FPIs who are registered as "Category III foreign portfolio investor" under the SEBI FPI Regulations.
Client ID	The client identification number maintained with one of the Depositories in relation to Demat account.
Companies Act, 1956	Companies Act, 1956 ( <i>without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013</i> ) along with the relevant rules made thereunder.
Companies Act/ Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder.
Competition Act	The Competition Act, 2002.
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Depositories Act	The Depositories Act, 1996.
Equity Listing Agreement/ Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and National Stock Exchange of India Limited.
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations ( <i>defined later</i> ).
Financial Year/ Fiscal Year/ Fiscal Year/ F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations ( <i>defined later</i> ) and registered with SEBI under applicable laws in India.
Fugitive economic offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
Income Tax Act or the I.T. Act	The Income Tax Act, 1961
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016.
LLP Act	The Limited Liability Partnership Act, 2008
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Government as having come into effect prior to the date of this Prospectus.
NRE Account	Non-resident external account
NRO Account	Non-resident ordinary account
RBI Act	Reserve Bank of India Act, 1934
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as

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	amended.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI Listing Regulations / SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SARFESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended.
Securities Act	U.S. Securities Act of 1933, as amended.
State Government	The government of a state of the Union of India.
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporates or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations.

**GENERAL TERMS/ ABBREVIATIONS**

<b>Term</b>	<b>Description</b>
₹,Rs. or Rupees or INR	Indian Rupees
A/c	Account
AMT	Amount
AGM	Annual General Meeting
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
ASBA	Applications Supported by Blocked Amount
A.Y.	Assessment year
AOA	Articles of Association
Approx.	Approximately
B.A.	Bachelor of Arts
B. Com	Bachelor in Commerce
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BPLR	Bank Prime Lending Rate
NSE	National Stock Exchange Limited
NSE (NIFTY)	NIFTY is an index; market indicator of the position of stock that is listed in the NSE.
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CC	Cash Credit
Cr	Crore
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary and Compliance Officer
CFO	Chief Financial Officer
CARO	Companies (Auditor's Report) Order, 2003
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CLB	Company Law Board
CrPC	Criminal Procedure Code, 1973, as amended
CSR	Corporate Social Responsibility
CMD	Chairman and Managing Director
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India.
DP	Depository Participant
DP ID	Depository participant's identification

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ECS	Electronic Clearing System
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation
ESIC	Employee's State Insurance Corporation
EGM	Extraordinary General Meeting of the Shareholders of the Company
EPS	Earnings Per Share
ESOS	Employee Stock Option Scheme
EXIM/EXIM Policy	Export-Import Policy
FIPB	Foreign Investment Promotion Board
FBT	Fringe Benefit Tax
GAAR	General anti avoidance rules
GIR	General index register
GST	Goods and Services Tax
GoI/Government	Government of India
HNI	High Net worth Individual
HSC	Higher Secondary Certificate
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IIP	Index of Industrial Production
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
ISO	International Organization for Standardization
IT Act	The Income Tax Act, 1961, as amended
IT Rules	The Income Tax Rules, 1962, as amended
IRDA	Insurance Regulatory and Development Authority
ICSI	The Institute of Company Secretaries of India
Ltd.	Limited
M.B.A.	Master of Business Administration
MoF	Ministry of Finance, Government of India
MCA	Ministry of Corporate Affairs, Government of India
MoU	Memorandum of understanding
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MVAT	Maharashtra Value Added Tax Act
N.A.	Not Applicable
NAV/ Net Asset Value	Net asset value being paid up equity share capital plus free reserves ( <i>excluding reserves created out of revaluation</i> ) less deferred expenditure not written off ( <i>including miscellaneous expenses not written off</i> ) and debit balance of profit and loss account, divided by number of issued Equity Shares.
Net worth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account.
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NPV	Net Present Value
NoC	No Objection Certificate
No.	Number
NR	Non-resident
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit before tax
PF	Provident Fund
PSU	Public Sector Undertaking(s)
P/E Ratio	Price per earnings ratio
Pvt.	Private
RBI	Reserve Bank of India
ROE	Return on Equity
RoC	Registrar of Companies

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RONW	Return on Net Worth
RTGS	Real time gross settlement
SME	Small and Medium Enterprises
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
SSC	Secondary School Certificate
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
SCSB	Self-certified syndicate bank
UIN	Unique identification number
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value added tax
w.e.f.	With effect from
Willful Defaulter	A willful defaulter, as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, means a person who or which is categorized as a willful defaulter by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guideline on willful defaulter issued by the RBI.
-, ()	Represent Outflow

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI (ICDR) Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in the sections "Statement of Special Tax Benefits", "Financial Statements" and "Description of Equity Shares and terms of the articles of association" on pages 74, 116 & 198 respectively, shall have the meaning given to such terms in such sections.



## CURRENCY CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to "India" in this Prospectus are to the Republic of India, all references to the "U.S.", the "USA" or the "United States" are to the United States of America, together with its territories and possessions.

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

### Financial Data

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled 'Financial Statements' beginning on page 116 of this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013 and have been restated in accordance with the SEBI (ICDR) Regulations.

In this Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Prospectus.

Our Company's Financial Year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year. The Restated Financial Information for the period ending June 30, 2019 and the Financial Years ended March 31, 2019, March 31, 2018 and March 31, 2017 are included in this Prospectus.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. The reconciliation of the financial information to IFRS or U.S. GAAP financial information has not been provided. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus, and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Indian GAAP, Ind AS, the Companies Act and the SEBI (ICDR) Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, Ind AS, the Companies Act, the SEBI Regulations on the financial disclosures presented in this Prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this Prospectus, including in sections titled "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 24, 82 and 135 respectively, have been calculated on the basis of the Restated Financial Information prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations.

In this Prospectus, all figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places.

### Currency and Units of Presentation

All references to: "Rupees", "₹", "Rs.", "INR" are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled "Industry Overview" throughout the Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 24, 82 and 135 respectively in this Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

Except where specified, including in the section titled "Industry Overview", Our Company has presented certain numerical

information in this Prospectus in "Lakhs/ Lacs/ Lac" units. One lakh represents Rs.1,00,000. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

### **Exchange Rates**

This Prospectus does not contain conversion of any other currency amounts into Indian Rupees.

### **Industry and Market Data**

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

Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified by the Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section "Risk Factors" on page 24 of this Prospectus. Accordingly, investment decisions should not be based solely on such information.

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

Although, we believe that the industry and market data used in this Prospectus is reliable, neither we nor the LM nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

In accordance with the SEBI (ICDR) Regulations, we have included in the section titled "Basis for Issue Price" beginning on page 71 of this Prospectus, information pertaining to the peer group companies of our Company. Such information has been derived from publicly available data of the peer group companies.

## FORWARD LOOKING STATEMENT

This Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

All statements regarding our expected financial condition and results of operation, 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 reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the industries in which we operate in India and abroad and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

1. Our ability to manage our credit quality;
2. Maintenance of our relationship with our sourcing intermediaries;
3. Interest rates and inflation in India;
4. Volatility in interest rates for our lending and investment operations as well as the rates at which our Company borrows from banks/ financial institutions;
5. Competition from our existing as well as new competitors;
6. Availability of adequate debt and equity markets;
7. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
8. Our exposure to risk associated with fluctuations in foreign exchange rates;
9. Our ability to retain and hire key employees or maintain good relations with our workforce;
10. Our ability to effectively manage interest rate risks;
11. Our ability to successfully diversify our products portfolio;
12. Impact of any reduction in sales of the products to our customers or defects in the customer products;
13. Realization of Contingent Liabilities, if any;
14. Any strikes by our workforce may affect the production capability;
15. Increased competition in industries/sector in which we operate;
16. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
17. Changes in laws and regulations relating to the Sectors in which we operate;
18. Political instability or changes in Government in India or in the Government of states where we operate could cause us significant adverse effects;
19. Any adverse outcome in the legal proceedings in which we are involved;
20. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
21. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and
22. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 24 and 135 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and

could be materially different from what actually occurs in future. As a result, actual future gain or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward looking statements speaks only as of the date of this Prospectus. Neither we, our Directors, Lead Manager, Underwriter(s) 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, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

## SECTION II: SUMMARY OF ISSUE DOCUMENT

### PRIMARY BUSINESS OF THE COMPANY

Our Company was incorporated in the year 1986. Our Company is a Non-Banking Finance Company (“NBFC”) registered with the Reserve Bank of India as a non-deposit taking company. We are a professionally managed and institutionally owned organization which is primarily engaged in providing bespoke Indian Rupee denominated financing solutions to individuals and corporates borrowers in India. Our domain expertise and focus on employees working with public sector undertakings/ enterprises, experienced management team and vigilant monitoring of our assets, our business has experienced growth since the commencement of our effective operations in 2015.

### NAME OF PROMOTER

The Promoter of our Company is Mr. Tushar Rohitbhai Pandya. For more detailed information on Promoter and Promoters’ Group, please refer to Chapter titled “Our Promoter and Promoters’ Group” on page no. 111 of this Prospectus.

### SIZE OF THE ISSUE

Initial Public Offering of 21,08,000 equity shares of face value of ₹10/- each, at an Issue price of Rs. 30 per equity share for cash, aggregating Rs. 632.40/- lakhs ("Public Issue"), out of which 1,08,000 Equity Shares at an Issue Price of Rs.30 per equity share for cash, aggregating to Rs.32.40 lakhs has been reserved for subscription by the Market Maker to the Issue (the “Market Maker Reservation Portion”). The Issue less Market Maker Reservation Portion i.e. Issue of 1,08,000 equity shares of face value of Rs.10/- each, at an Issue Price of Rs. 30/- per equity share for cash, aggregating to Rs.32.40 lakhs is hereinafter referred to as the "Net Issue". The Public Issue and Net Issue will constitute 26.99 % and 25.61 % respectively of the post- issue paid-up equity share capital of our Company.

### OBJECT OF THE ISSUE

#### Fresh Issue

Our Company intends to utilize the Net Proceeds of the Fresh Issue (Issue proceeds of the Fresh Issue less Company’s part of the Issue Expenses) towards the following Objects:

Particulars	Amount to be financed by Net Proceeds	Percentage of Net Proceeds
For the purpose of onward lending, financing and augmenting the capital base	446.80	75.50
General Corporate purposes*	145.00	24.50
<b>Total</b>	<b>591.80</b>	<b>100.00</b>

*\*The Amount utilised for general corporate purpose shall not exceed 25% of the Net Proceeds of the Issue.*

### SHAREHOLDING

The table below presents the shareholding of our Promoter and Promoter Group, who hold Equity Shares as on the date of filing of this Prospectus:

Particulars	Pre-Issue	
	No. of Equity Shares	% of Pre-Issue Paid up Equity Shares
<b>Promoter</b>		
Mr. Tushar Rohitbhai Pandya	38,68,853	67.86
<b>Promoter Group</b>		
Mrs. Rupalben Tushar Pandya	11,39,090	19.98
Mr. Rohitbhai Balvantrai Pandya	60,000	1.05
Tushar Rohit Kumar Pandya HUF	2,42,500	4.25
Rohit Pandya HUF	1,56,000	2.74
Ms. Suvidyaben Rohitbhai Pandya	1,75,000	3.06
<b>Total</b>	<b>56,41,443</b>	<b>98.94</b>

**FINANCIAL DETAILS**

Following are details as per the restated financial statements for the period ended June 30, 2019 and the financial years ended on March 31, 2019, 2018 and 2017:

(Amount Rs. In Lakh)

Particulars	June 30, 2019	March 31, 2019	March 31, 2018	March 31, 2017
Share Capital	570	570	570	556
Net Worth	1623	1426	1076	612
Total Revenue	262	914	624	366
Profit after tax	197	345	444	49
Earning per share (in Rs.)	3.45	6.06	7.79	0.87
NAV per share (in Rs.)	28.46	25.01	18.86	11.01
Total borrowings (as per balance sheet)	967	1034	497	115

**AUDITORS' QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS.**

There is no auditor qualification which has not been given effect to in the Restated Financial Statements.

**OUTSTANDING LITIGATIONS**

Particulars	No. of Cases	Amount (in Rs Lakhs)
<b>A. Cases filed against our Company</b>		
Taxation	Income Tax Proceedings	1*
	Tax Deduction at Source Proceedings	Nil
<b>B. Cases filed by our Company</b>		
<b>C. Cases filed against Promoter and Directors of our Company</b>		
<b>D. Cases filed by Promoter and Directors of our Company</b>		

\*Assessment proceedings u/s 143(3) are in process with Income Tax for Financial year 2017-18.

For detailed information on the "Outstanding Litigations", please refer to chapter titled "Outstanding Litigations and Material Developments" on page no. 145 of this Prospectus.

**RISK FACTORS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no. 24 of this Prospectus.

**CONTINGENT LIABILITIES**

The details of Restated Summary Statement of Contingent Liabilities is given hereunder.

(Rs. In Lakhs)

Particulars	For financial year ended			
	As at June 30, 2019	March 31, 2019	March 31, 2018	March 31, 2017
Income Tax Dues for A.Y.	Nil	Nil	Nil	Nil
<b>Total</b>	Nil	Nil	Nil	Nil

For further details please refer the section titled "Financial Statements" and "Outstanding Litigation and Material Developments" on page 116 and 145 of this Prospectus.

**Summary of Related Party Transactions**

(Amount in Rs. lakhs)

Nature of Transaction	As at	For the Financial year		
	June 30, 2019	March 31, 2019	March 31, 2018	March 31, 2017
<b>1. Director Remuneration</b>				
Tushar Rohitbhai Pandya	6.00	24.00	3.96	3.96
Rupalben Tusharbhai Pandya	6.00	24.00	4.20	4.20
<b>2. Payment of Rent</b>				
Tushar Rohitbhai Pandya	2.70	10.83	9.02	9.02
Rupalben Tusharbhai Pandya	2.93	11.72	9.76	9.76
<b>3. Interest of Unsecured Loan</b>				
Tushar Rohitbhai Pandya	4.21	17.28	6.75	0.15
Rupalben Tusharbhai Pandya	2.79	8.64	2.60	1.91
<b>4.Unsecured Loan</b>				
<b>Tushar Rohitbhai Pandya</b>				
-Loan received during the year	72.90	64.50	333.01	49.50
-Loan repaid during the year	81.71	60.50	135.97	30.50
<b>Rupalben Tusharbhai Pandya</b>				
-Loan received during the year	4.16	29.00	82.00	39.00
-Loan repaid during the year	0.20	-	10.58	23.00

**FINANCING ARRANGEMENTS**

There are no financing arrangements whereby the Promoter, member of Promoter Group, the Directors of the Company which a Promoter of the Issuer, the Director of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this Prospectus.

**WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTER**

Our Promoter has not acquired any shares of the Company during last one (1) years from the date of filing of this Prospectus.

**AVERAGE COST OF ACQUISITION OF SHARES**

The average cost of acquisition of Equity Shares by our Promoter is set forth in the table below:

Particulars	No. of Pre-IPO Shares held	Average cost of Acquisition (Rs. Per Share)
Mr. Tushar Rohitbhai Pandya	38,68,853	10.04

**PRE-IPO PLACEMENT**

Our Company has not placed any Pre-IPO Placement.

**ISSUE OF SHARE FOR CONSIDERATION OTHE THAN CASH**

Our Company has not issued shares for consideration other than cash during last one year.

**SPLIT / CONSOLIDATION**

No Split or Consolidation was happened during the last one year.

### **SECTION III: RISK FACTORS**

An investment in the Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. You should read this chapter together with "Industry Overview", "Our Business", "Key Regulations and Policies", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 76, 82, 87 and 135 respectively, as well as the financial statements, including the annexures thereto, and other financial information included elsewhere in this Prospectus. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

The risks and uncertainties described below are not exhaustive. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows. If any or a combination of the following risks, or other risks that we are not currently aware of or believe to be material, occur, our business prospects, financial condition, results of operations and cash flows could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this document.

Unless otherwise indicated or the context requires otherwise, the financial information included in this chapter are based on our Restated Financial Statements as of and for the period ended June 30, 2019 and the financial year ended March 31, 2019, 2018, 2017 & 2016 included in this Prospectus. For further information, see "Financial Statements" on page 116.

#### **INTERNAL RISK FACTORS**

##### **Risk Relating to our Business**

- 1. Categorization of Company as "High Risk Financial Institutions" on account of non-compliance with PMLA and PML Rules in the list of FIU-IND could affect our business and operations.***

In accordance to the list as on January 01, 2018 issued by the Finance Ministry, our Company name has been included by the FIU-IND in its list of "High Risk Financial Institutions" for non-compliance with the provisions of Prevention of Money Laundering Act, 2002 and Prevention of Money Laundering (Maintenance of Records) Rules, 2005 ("PML Rules") and the directions and guidelines issued by RBI under Rule 9 (14) of the PML Rules. Further our Company has complied with the provisions of said Rules and has duly furnished the requisite details to the RBI on January 29, 2018 and our Company has been allotted FIU Registration No. FINBF14072 by the RBI.

- 2. We are affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to decline and adversely affect our return on assets and profitability.***

Our interest income is affected by any volatility in interest rates in our lending operations. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors, which have historically generated a relatively high degree of volatility in interest rates in India. Persistently high inflation in India may discourage the Government from implementing policies that would cause interest rates to decrease. Moreover, if there is an increase in the interest rates we pay on our borrowings that we are unable to pass to our customers, we may find it difficult to compete with our competitors, who may have access to low-cost funds. Further, to the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than lenders that borrow only at fixed interest rates.

Further, pursuant to our loan agreements with customers, we lend money on fixed interest rate basis. The agreement for lending on fixed interest rate basis, typically does not include provisions that interest rates due under our loan



agreements will increase if interest rates in the market increase. Our inability to effectively and efficiently manage interest rate variations and our failure to pass on increased interest rates on our borrowings may cause our net interest income to decline, which would decrease our return on assets and could adversely affect our business, future financial performance and result of operations.

**3. *Our operations are concentrated in the states of Gujarat only and any adverse developments in the state could have an adverse effect on our business, financial condition, results of operations and cash flows.***

As of March 31, 2019 & June 30, 2019, we conducted our operations through more than 22 districts in the state of Gujarat. As of March 31, 2019 & June 30, 2019, 100 % of our gross sales originated in Gujarat. While we endeavor to manage and monitor our concentration risk at the district level, we are susceptible to risks relating to concentration in the states and in the event of a regional slowdown in the economic activity in the state, or any other developments including political unrest, disruption or sustained economic downturn that make our products in any of these states less beneficial, we may experience an adverse impact on our business, financial condition, results of operations and cash flows. Further, the market for our products in the states may fluctuate and be subject to, market and regulatory developments that are different for various states of India. There can be no assurance that the demand for our products will grow and will not decrease in the future in these states.

**4. *Personal loans are unsecured and are susceptible to various operational, credit and political risks which may result in increased levels of NPAs, thereby adversely affecting our business, results of operation and financial condition.***

The focus client segment for our loans is service class, specifically working with public sector undertakings. As of March 31, 2019 & June 30, 2019, 90% of our clients were salaried class respectively. Our clients typically have limited sources of income, savings and credit histories and as a result, are usually adversely affected by delay in govt. norms and policies in release of their salaries. Furthermore, although we use CIBIL reports generated from the website [www.transunioncibil.com](http://www.transunioncibil.com) to check certain background information such as the total indebtedness of each potential client and her existing repayment/ default history, the information in such reports may be incomplete or unreliable and accordingly the credit risk analyses we carry out on potential clients may be limited. Further, we rely primarily on non-traditional guarantee mechanisms rather than any tangible assets such as collateral. In addition, the finance business is susceptible to various political and social risks, including political interference in the working of NBFC's at the district, state or national level; adverse publicity or litigation relating to the finance sector; public criticism of the finance sector; introduction of a stringent regulatory regime; or religious beliefs relating to loans and interest payments, which adversely affect repayment by our clients and may have an adverse effect on our business prospects and future financial performance.

**5. *We are subject to supervision and regulation by the RBI as a NBFC, and changes in RBI's regulations governing us could adversely affect our business.***

We are subject to the RBIs guidelines on financial regulation of NBFCs, including capital adequacy, exposure norms and other master directions. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs.

The RBIs regulations of NBFCs could change in the future which may require us to restructure our activities, incur additional cost, raise additional capital or otherwise adversely affect our business and our financial performance. The RBI, from time to time, amends the regulatory framework governing NBFCs to address concerns arising from certain divergent regulatory requirements for NBFCs. We are subject to the RBIs regulations, as amended from time to time.

The laws and regulations governing financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, investments, ethical issues, money laundering and privacy. Moreover, these laws and regulations can be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses to comply with such laws and regulations, which could materially and adversely affect our business and our financial performance.

Compliance with many of the regulations applicable to our operations in India, including any restrictions on investments and other activities currently being carried out by us, involves a number of risks, particularly in markets where applicable regulations may be subject to varying interpretations. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. We are also subject to changes in laws, regulations and accounting principles and practices. There can be no assurance that the laws governing the financial services sector will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not adversely affect our business and future financial performance.

Additionally, we are required to make various filings with the RBI, the Registrar of Companies and other relevant authorities pursuant to the provisions of RBI regulations, the Companies Act and other regulations. If we fail to comply with these requirements, or a regulator claims we have not complied with these requirements, we may be subject to penalties and compounding proceedings. For further information on laws and regulations applicable to us, see “Key Regulations and Policies” on page 87.

**6. *We have significant exposure to the real estate sector and any negative events affecting this sector could adversely affect our business and result of operations.***

Lending products to our housing finance business include housing loans and small-ticket loans against property and developer financing for various infrastructure projects. Our business prospects will depend on the performance of the real estate sector in India and could be adversely affected if market conditions deteriorate. The real estate business is in turn significantly affected by changes in government policies, grant of statutory/regulatory approvals, economic and other conditions, such as economic slowdowns, demographic trends, employment levels, availability of financing, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur. Further, any delay in the grant of necessary approvals for construction or any delay in construction by developers would lead to an adverse impact on our sales, collection and receivables. These factors can adversely affect the demand for, and pricing of, our investments in the real estate sector and may materially and adversely affect our financial condition, results of operations and cash flows.

There can be no assurance that our real estate investments will grow, in the future. Any such reduction in demand could have an adverse effect on our business, results of operations, financial condition and cash flows.

The primary security for the loans disbursed by us is the underlying property; the value of this security is largely dependent on housing market conditions prevalent at that time, as well the quality of the construction and the relevant developer. We rely on the opinion of valuers in order to determine the valuation of the property and for verification of title to the property. The value of the collateral on the loans disbursed by us may decline due to adverse market conditions including an economic downturn or a downward movement in real estate prices. In the event the real estate sector is adversely affected due to a decline of demand for real properties, changes in regulations or other trends or events, which negatively impact the real estate sector, the value of our collaterals may diminish which may affect our business and results of operations. Failure to recover the expected value of collateral could expose us to losses and, in turn, result in a material adverse effect on our business, results of operations and financial condition.

**7. *Our insurance coverage may not adequately protect us against losses.***

We maintain insurance coverage that we believe is adequate for our business operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We cannot, however, assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or coinsurance requirement, could adversely affect our business, financial condition and results of operations.

**8. *We have availed certain borrowings which may be recalled by our lenders at any time.***

We have currently availed certain borrowings (including overdraft demand loan facilities), which may be recalled by the relevant lender at any time, during the tenure of the loan with or without the existence of an event of default. In the event that the lender seeks a repayment of the loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to procure such financing, we may not have adequate working capital to undertake new initiatives or complete our ongoing strategies. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations.

**9. *Non-compliance with the provisions applicable on NHBs could have an adverse effect on our Company***

The Indian housing finance industry is extensively regulated and any changes in laws and regulations applicable to HFCs could have an adverse effect on our business. Non-compliance with the NHBs observation made pursuant to its periodic inspections could expose us to certain penalties and restrictions.

**10. We have a portion of collection of receivables in cash and its loss may adversely affects our business operations**

A portion of our collections from customers is in cash, exposing us to certain operational risks. The bankruptcy code in India may affect our rights to recover loans from our customers.

**11. Our company is exposed to risk of balance transfer to other bankers or financial institutions**

We are exposed to risks that may arise if our customers opt for balance transfers to other banks or financial institutions, or if customers face increased difficulties in refinancing their existing housing loans from other banks and financial institutions to our Company.

**12. *Competition from banks and other Non-Banking financial Companies, as well as state-sponsored social programs, may adversely affect our profitability and position in the Indian credit lending industry.***

Many of the Non-Banking Financial companies which we compete may be larger in terms of business volume or may have greater assets, higher geographical penetration and better access to, and lower cost of, funding than we do. In certain districts, they may also have better brand recognition than us. We anticipate that we may encounter greater competition as we continue expanding our operations in India, and this may result in an adverse effect on our business, results of operations and financial condition.

**13. *There can be no assurance that we will be able to access capital as and when we need it and at a cost favorable for our growth.***

Our liquidity and profitability are, in large part, dependent upon our timely access to capital and costs associated with raising capital. Our funding requirements have historically been met from working capital facilities from banks. Any change in the RBI regulations on priority sector lending, or our inability to maintain relationships with such banks and financing institutions could adversely affect our business, results of operations and financial condition. Our business depends and will continue to depend on our ability to access diversified low cost funding sources. As a financial services company, we face certain additional regulatory restrictions on our ability to obtain financing from banks. For further information, see "Key Regulations and Policies" on page 87.

If we are unable to access the necessary amounts of capital, it may adversely impact our ability to grow our overall business and may even require us to curtail or withdraw from some of our current business operations. If we are unable to access funds at an effective cost that is comparable to or lower than our competitors, we may not be able to offer competitive interest rates on our loans to clients. Our ability to raise funds on acceptable terms and at competitive

rates continues to depend on various factors, including the regulatory environment and policy initiatives in India, liquidity in the market, developments in the international markets affecting the Indian economy, investors' and/ or lenders' perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition. There can also be no assurance that we would be able to raise adequate additional capital in the future on terms favorable to us, or at all, and this may hamper and adversely impact our growth plans.

***14. If we are unable to manage our growth effectively, our financial, accounting, administrative, operational and technology infrastructure, as well as our business and reputation could be adversely affected.***

Our growth strategy includes business growth and branch expansion, which may further constrain our capital and human resources, and make asset quality management increasingly important. As we move to newer geographies, we may not be able to maintain the quality of our portfolio. We will need to continue to enhance and improve our financial, accounting, information technology, administrative/ risk management and operational infrastructure and internal capabilities in order to manage the future growth of our business effectively. We may not be able to implement the necessary improvements in a timely manner, or at all, and we may encounter deficiencies in existing systems and controls. If we are unable to manage our future expansion successfully, our ability to provide products and services to our clients would be adversely affected, and, as a result, our reputation could be damaged and our business and results of operations materially and adversely impacted.

***15. Our inability to recover the full value of collateral or amounts outstanding under defaulted loans in a timely manner or at all could adversely affect our results of operations.***

For each mortgaged loan, we sanction an amount of credit that is less than 50% of the value of the immoveable property, which we take as collateral. The value of the collateral, however, may decline during the term of the loan for a variety of reasons, including political, societal norms. As a result, if our customers default, we may receive less money from liquidating collateral than is owed under the relevant financing facility, and, in turn, incur losses, even where we successfully repossess and liquidate the collateral. While we require borrowers to secure a guarantee on the basis of their profile, we may not be able to enforce or collect the amount owed under such guarantee, if at all.

We may also encounter difficulties in repossessing and liquidating collateral. When a customer defaults under a financing facility, we typically repossess and then sell the collateral through an auction. There is no assurance, however, that we will be able to successfully repossess the collateral in the event of default under a loan agreement and additional expenses are to be incurred to enforce our rights in relation to mortgaged properties. We may face additional delay and expense in conducting an auction to sell the collateral and may face significant delay in repossessing collateral, as litigation against defaulting customers, can be slow and expensive in India, and may cause a further delay in our recovery process leading to depreciation of the secured asset. In the event of any inability or delay in the repossession and liquidation of the collateral securing loans in default, we may incur losses, which could adversely affect our results of operations and financial condition.

***16. An inability to effectively manage our growth, sustain our rate of growth, or maintain operational efficiencies, may adversely affect our business and we may not be able to increase our revenues or maintain our profitability***

We have experienced significant growth in recent times and our current growth strategy includes increasing the number of loans we extend, diversifying our product portfolio, aligning it based on the changing business environment and requirements of our customers and expanding our customer base. However, we cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to expand further or diversify our product portfolio. If we increase the number of loans we extend too quickly or fail to properly assess credit risks associated with new borrowers, a higher percentage of our loans may become inoperative, which may adversely affect the quality of our assets and our results of operations and financial condition.

Our rapid growth may exposes us to a wide range of risks, including business and management risks, such as the possibility that a number of our impaired loans may increase faster than anticipated or that we fail to understand the new markets we enter into, as well as operational risks and fraud, regulatory and legal risks. It will also place

sufficient demands on our management, financial and other resources and will require us to continuously develop and improve our operational, financial and internal controls.

Moreover, our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key managerial personnel, maintaining effective risk management policies, continuing to offer products which are relevant and cost effective for our target customers, training managerial personnel to address emerging challenges, developing and maintaining technical infrastructure and systems and ensuring a high standard of customer service. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to evolving internal controls and risk management procedures. Failure to train our employees for the above operational controls may result in loss of business, erosion of the quality of customer service, diversion of management resources, an increase in our exposure to high-risk credit, significant costs and an increase in employee attrition rates, any of which could adversely affect our business. We may not be able to identify, monitor and manage risks and effectively implement our risk management policies.

***17. Internal or external fraud or misconduct by our employees could adversely affect our reputation and our results of operations.***

Misconduct by our employees could also include binding us to transactions that exceed authorised limits or present unacceptable risks or concealing unauthorized or unlawful activities from us. Employee misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm.

Misconduct also includes sharing of an incorrect risk assessment report and leading to higher risk associated with the facility extended to the customer.

It is not always possible to deter fraud or misconduct by employees and customers and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Any instances of such fraud or misconduct could adversely affect our reputation, business, results of operations and financial condition.

***18. We depend on the services of our management team and key employees, our inability to recruit and retain them may adversely affect our business.***

Our future success depends substantially on the continued service and performance of members of our management team and key employees and retaining key managerial personnel, developing managerial experience, addressing emerging challenges and ensuring a high standard of client service. If we cannot hire additional or retain existing management personnel and employees, our ability to expand our business will be impacted and our revenue could be adversely affected. Failure to train and motivate our employees properly may result in a further increase in employee attrition rates, require additional hiring, divert management resources, adversely affect our origination and collection rates, increase our exposure to high-risk credit and impose significant costs on our operations. Our inability to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance.

We cannot assure that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and result operations.

***19. Companies operating in India are subject to a variety of central and state government taxes and surcharges. Any increase in tax rates could adversely affect our business and results of operations.***

Tax and other levies including Stamp duty imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, goods and service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time.

Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The maximum statutory corporate income tax in India, which includes a surcharge on the tax and an education cess on the tax. The central or state government may in the future increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business and results of operations. There can be no assurance that our Company will pay adequate stamp duty as levied in all states where our Company functions or pay any stamp duty altogether, which may result in additional duty being levied on our Company and our Company getting exposed to statutory liabilities, which may have an adverse impact on our financial position and our reputation.

**20. *Any failure, inadequacy and security breach in our information technology systems may adversely affect our business.***

Our operations depend on our ability to process a large number of transactions on a daily basis across our network, most of which are connected through computer systems and servers to our head office. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are beyond our control, including a disruption of electrical or communications services. Our business is particularly susceptible to such disruptions because of our reliance on technology. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of products.

Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, servers, software, including software licensed from vendors and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security and result in identity theft including customer data, employee data and propriety business data, for which we could potentially be liable. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our business.

**21. *We may not be able to maintain our current levels of profitability due to increased costs or reduced spreads between the interest rates at which we borrow and lend.***

Our business strategy involves a high level of ongoing interaction with our customers. We believe that this involvement is an important part of developing our relationship with our customers, identifying new cross – selling opportunities and monitoring our performance. However, this level of involvement also entails higher levels of operating costs and also requires a relatively higher gross spread, or margin, on the finance products we offer in order to maintain profitability. There can be no assurance that we will be able to maintain our current levels of profitability if the gross spreads on our finance products were to reduce substantially, which could adversely affect our results of operations.

**22. *Our business reputation may be adversely affected by any adverse publicity or market perception regarding our operations which may have a material adverse effect on our business, prospects, financial condition and results of operations.***

Our business is significantly dependent on the strength of our brand and reputation, as well as market perception regarding our operations. While we have developed our brand and business reputation over the years, any negative incidents or adverse publicity could rapidly erode customer trust and confidence in us, particularly if such incidents receive widespread adverse mainstream and social media publicity or attract regulatory investigations or litigation.

Litigation, employee misconduct, operational failures, regulatory investigations, press speculation and negative publicity, whether actual, unfounded or merely alleged, could damage our brand and our business reputation and confidence of customers. Our brand and reputation may also be adversely affected if the products or services recommended by us (or any of our employees, agents or other intermediaries) do not perform as expected by the customers (irrespective of whether such expectations are legitimate or reasonable), or if there is a change in customers expectations from the relevant financing product. Negative publicity could be based, for instance, on allegations that we have failed to comply with regulatory requirements or result from failure in business continuity or the performance of our information technology systems, loss of customer data or confidential information, unsatisfactory service levels or insufficient transparency in product terms and administration of claims.

Any damage to our brand or our business reputation may result in withdrawal of business by our existing customers or our intermediaries as well as loss of new business from potential customers and arrangements with new agents and other intermediaries. Furthermore, negative publicity may result in an increase in regulatory scrutiny of industry practices as well as an increase in claims litigation, which may further increase our costs of doing business and affect our profitability. Negative publicity may also influence market perception of our business and affect our ability to maintain our credit ratings. Accordingly, any adverse impact on our brand and business reputation may have a material adverse effect on our business, prospects, financial condition and results of operations.

**23. *Any failure by us to identify, manage, complete and integrate acquisitions, divestitures and other significant transactions successfully could adversely affect our business and results of operations.***

As part of our business strategy, we may acquire complementary companies or businesses, divest non-core businesses or assets, enter into strategic alliances and make investments to further expand our business. In order to pursue this strategy successfully, we must identify suitable candidates for and successfully complete such transactions, some of which may be large and complex, and manage the integration of acquired companies or employees. We may not fully realize all of the anticipated benefits of any such transaction within our anticipated timeframe, or at all. Any increased or unexpected costs, unanticipated delays or failure to achieve contractual obligations could make such transactions less profitable or unprofitable. Managing business combination and investment transactions requires varying levels of management resources, which may divert our attention from other business operations and may result in significant costs and expenses.

**24. *Certain documents filed by us with the RoC & RBI and certain corporate records and other documents, are not traceable. While we have conducted a search with the RoC, in respect of the unavailability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future.***

We are unable to trace copies of certain prescribed forms filed by us with the RoC, relating to allotments of equity shares of our Company. These include the prescribed Form 2, 5 32 etc. filed by us with the RoC with respect to allotments made by our Company and the corollary board and shareholders resolutions, as applicable, for the period commencing from our incorporation.

Further, while we have conducted a search with the RoC through a practicing company secretary, we have been unable to locate such corporate records with the RoC. We have been informed by the practicing company secretary that the RoC did not allow the physical verification of the documents filed with them, at this stage.

We cannot assure you that the RBI or ROC filings were made in a timely manner and that we shall not be subject to any penalty imposed by the regulatory authorities in this respect.

**25. *We require certain statutory and regulatory approvals for conducting our business and our inability to obtain, retain or renew them in a timely manner, or at all, may adversely affect our operations.***

We require certain statutory and regulatory approvals for conducting our business and may also need additional approvals from regulators for carrying out our finance business and general business. In addition, our office is

required to be registered under the relevant shops and establishments laws of the state and also require trade license in certain states and the application is yet to be made with the concerned department(s). The shops and establishment laws regulate various employment conditions, including working hours, holidays and leave. A court or regulatory authority may in the future find that we have not complied with applicable legal or regulatory requirements. We may also be subject to lawsuits or claims by customers, employees or other third parties in the different state jurisdictions in India in which we conduct our business. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of these conditions, our certificate of registration may be suspended or cancelled and we shall not be able to carry on such activities. We may also incur substantial costs related to litigation if we are subject to significant regulatory action, which may adversely affect our business, future financial performance and results of operations.

**26. *Affordable housing finance business is subject to certain tax and fiscal benefits which may be discontinued in the future by the Government of India (“GoI”) or by state governments relating to financing of purchase or construction of property.***

Our company is engaged in mortgage financing and its focus is on the affordable housing finance segment. Tax reliefs have been instrumental in driving growth in the housing and housing finance sectors. The government has provided tax reliefs to both borrowers and lenders. The GoI has also provided incentives to the housing finance industry which are aimed at providing low-cost, long-term credit to the low and middle income segments in rural and urban parts of India. In addition, the RBI has provided certain incentives to the housing finance industry by extending priority sector status to certain housing loans and making funds available to housing finance companies at lower rates.

There can be no assurance that the RBI and the GoI will continue to offer such benefits to borrowers at the current levels or at all, which may adversely affect the demand for housing and consequently housing finance. In addition, the GoI may not implement proposals to facilitate investment in affordable housing. If there is any discontinuation or modification to the tax and fiscal benefits available to company, its business prospects, financial condition and results of operations may be adversely affected.

**27. *We depend on the accuracy and completeness of information about customers and counterparties and any misrepresentation, errors or incompleteness of such information could cause our business to suffer.***

While we may collect information in accordance with applicable KYC Guidelines, in deciding whether to extend credit or enter into other transactions with customers and counterparties, we rely on information furnished to us by or on behalf of customers and counterparties, including financial statements and other financial information.

We may also rely on certain representations as to the accuracy and completeness of that information and, with respect to financial statements, on reports of their independent auditors. For instance, in deciding whether to extend credit, we may assume that a customer’s audited financial statements conform to generally accepted accounting principles and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer.

Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our non-performing and restructured assets, which could materially and adversely affect our business, financial condition, results of operations and cash flows.

**28. *We have entered into, and will continue to enter into, related party transactions and we cannot assure you that we could not have achieved more favorable terms had such transactions not been entered into with related parties.***

We have entered into transactions with several related parties, including our Directors. We can give no assurance that we could not have achieved more favorable terms had such transactions been entered into with parties that were not related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. The transactions we have entered into and any future transactions with our related



parties have involved or could potentially involve conflicts of interest. For more information, see “Financial Statements” on page 116.

**29. We are running our office on leased premises and these agreements are not duly stamped and registered.**

We are continuing the business at the premises taken on lease with the Promoter / Directors of the company and these agreements are not for long term lease. Additionally, these agreements are not duly stamped and registered with the concerned registrar authority. And the non-compliance of the same may attract the penalties and notices from the concerned department which may affect the smooth business operations of the company and also affect the cash flows.

**30. We do not own the intellectual property rights of our brands and which may be subject to infringement or we may breach third party intellectual property rights.**



The logo promoted by the company is applied vide application no. 4240584 in class 36 on July 2019 by the promoter Mr. Tushar Rohitbhai Pandya in its own name.

We are accordingly subject to the risk of brand dilution and consequently, loss of revenue in case of any misuse of our brand name by our agents or any third party. In addition, we may not be able to protect our intellectual property rights against third party infringement and unauthorized use of our intellectual property, including by our competitors. Further, our inability to obtain or maintain these registrations may adversely affect our competitive business position. This may affect our brand value and consequently our business.

We may also be subject to claims by third parties, both inside and outside India, if we breach their intellectual property rights by using slogans, names, designs, software or other such subjects, which are of a similar nature to the intellectual property these third parties may have registered. Any legal proceedings that result in a finding that we have breached third parties intellectual property rights, or any settlements concerning such claims, may require us to provide financial compensation to such third parties or make changes to our marketing strategies or to the brand names of our products, which may have a materially adverse effect on our brand, business, prospects, financial condition and results of operations.

**31. System failures or inadequacy and security breaches in computer systems may adversely affect our business.**

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communications services.

Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. The information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of products. We use collection software installed in a handheld device using which the payment details are updated on the server. Our operations rely on the secure processing, storage and transmission of these confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security.

Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations.

Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our

businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

**32. *If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.***

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

**33. *Our business is dependent on relationships with our customers established through, amongst others and Business Locations. Closure of Business Locations or loss of our key personnel may lead to damage to these relationships and a decline in our revenue and profits.***

Our business is dependent on the key personnel i.e. Managing Director of the company, who directly manage customer relationships. We render dedicated personnel to service specific customers since we believe that this leads to long-term client relationships, a trust-based business environment and, over time, better cross-selling opportunities. While no other personnel contribute a meaningful percentage of our business, our business may suffer materially if our Managing Director either perform at less than optimal efficiency or leave the Company due to any reason viz illness. Closure of key Business Locations or loss of our key personnel i.e. Managing Director may lead to damage to customer relationships and a decline in our revenue and profits.

**34. *Certain Directors and certain key management personnel hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.***

Certain of our Directors and key management personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. There can be no assurance that our Directors and our key management personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see "Our Management" on page 98.

**35. *Inaccurate appraisal of credit may adversely impact our business.***

We may be affected by failure of our employees to comply with our internal procedures requiring extensive appraisal of credit or financial worth of our clients. Failure or inaccurate appraisal of credit or financial worth of our clients by our employees may allow a loan sanction, which may eventually result in a bad debt on our books of accounts. In the event, we are unable to check the risks arising out of such lapses, it may have an adverse effect on our business and results of operations.

**36. *Our Company's business is highly regulated by NBFC regulations and non-compliance of the same may affect our business, prospects, results of operations and financial condition.***

As an NBFC, we have to comply with the Master Direction-NBFC-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 the company is required to obtain the credit ratings from credit rating agencies and shall also disclose the same in the annual reports and if the same is observed by RBI, it may attract the penal provisions.

**37. *We may not be able to successfully diversify our product portfolio or enter new lines of business, which may have material impact and adversely affect our business prospects and impact our future financial performance.***

We intend to expand our product portfolio and commence certain new lines of businesses as part of our growth strategy. We intend to open our branches across India and also to serve credit facilities to the real estate markets.

We cannot assure that such diversification or expansion of operations will in future yield and/or continue to yield favourable or expected results, as our overall profitability and success will be subject to various factors, including, among others, our ability to obtain necessary statutory and/or regulatory approvals and licenses in connection with such proposed business in a timely manner, our ability to effectively recruit, retain and motivate appropriate managerial talent, and ability to compete with banks and other NBFCs that are already well established in this market segment.

New businesses will require significant capital investment and commitment of time from our senior management. There also can be no assurance that our management will be able to develop the skills necessary to successfully manage these new business areas. Our inability to effectively manage any of these issues could materially and adversely affect our business and impact our future financial performance and/or cash flows.

## **EXTERNAL RISK**

### ***Risks Relating to the Equity Shares***

**38. *The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The Issue Price of the Equity Shares will be determined by the Company in consultation with the Lead Manager. This price will be based on numerous factors, as described under “Basis for Issue Price” on page 71 and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

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

Our Company has not paid any dividend on its Equity Shares during the last three Fiscals. The amount of future dividend payments, if any, will depend upon a number of factors, including but not limited to our future earnings, financial condition, cash flows, working capital requirements, contractual obligations, applicable Indian legal restrictions and capital expenditures. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing agreements our Company may enter into to finance our fund requirements for our business activities. There can be no assurance that we will be able to pay dividends in the future. For additional details relating to our dividend policy, see “Dividend Policy” on page 115.

**40. *The Equity Shares may experience price and volume fluctuations.***

The market price of the Equity Shares can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian finance and lending sector, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India’s economic liberalization and deregulation policies, and significant developments in India’s fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares.

General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance also affect the price of the Equity Shares. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

**41. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the NSE Emerge Platform of NSE in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the NSE Emerge Platform of NSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**42. *A slowdown in economic growth in India could cause our business to suffer.***

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, financial condition and the trading price of the shares.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the shares.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like application of GST; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India or its financial services sectors.

**43. *The growth rate of India's housing finance industry may not be sustainable.***

We expect the housing finance industry in India to continue to grow as a result of anticipated growth in India's economy, increases in household income, further social welfare reforms and demographic changes. However, it is not clear how certain trends and events, such as the pace of India's economic growth, the development of domestic capital markets and the ongoing reform will affect India's housing finance industry. In addition, there can be no assurance that the housing finance industry in India is free from systemic risks. Consequently, there can be no assurance that the growth and development of India's housing finance industry will be sustainable.

**44. *A decline in India's foreign exchange reserves and higher interest rates in the Indian economy could adversely affect us.***

A decline in India's foreign exchange reserves could impact the valuation of the Rupee and could result in reduced liquidity and higher interest rates which could adversely affect our financial condition. A future material decline in these reserves could result in reduced liquidity and higher interest rates in the Indian economy which in turn, could adversely affect our business and future financial performance.

**45. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, results of operations and, financial condition.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, prospects, results of operations and financial condition, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

**46. *Our Company is subject to various Indian taxes and any adverse development in the taxation regime may have a material adverse effect on our results of operations.***

Any increase in taxes and/or levies, or the imposition of new taxes and/or levies in the future, could increase the cost of production/operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

**47. *Our business is substantially affected by prevailing economic, political and others prevailing conditions in India.***

Our Company is incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions;
- prevailing income conditions among Indian consumers and Indian corporations
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets; and
- other significant regulatory or economic developments in or affecting India or the sector in which we operate

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, prospects, results of operations and financial condition and the price of the Equity Shares.

**48. *Any future issuance of Equity Shares may dilute the shareholding of the Investor and sales of our Equity Shares by our Promoter or other major shareholders and dilution in net tangible book value may adversely affect the trading price of Equity Shares.***

Any future issuance of our Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also

adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire Post-Issue paid-up share capital held by our Promoter and other shareholders will be locked-in for a period of 1 (one) year and 20% of our post-Issue paid-up capital held by our Promoter will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. For further information relating to such Equity Shares that will be locked-in, please refer to the sub-section titled "Notes to the Capital Structure" under the section titled "Capital Structure" beginning on page 53 of this Prospectus.

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

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

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

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

**51. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy; disrupt the transportation of goods and supplies, and costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

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

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

**53. *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.

***54. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**SECTION IV: INTRODUCTION**

**THE ISSUE**

<b>Particulars</b>	<b>No. of Equity Shares</b>
Public Issue of Equity Shares	21,08,000 Equity Shares of face value of Rs.10/- each aggregating to Rs. 632.40 Lakhs.
<b>of which</b>	
Market Maker Reservation Portion	108,000 Equity Shares of face value of Rs.10/- each aggregating to Rs. 32.40 Lakhs.
Net Issue to Public*	20,00,000*Equity Shares of face value of Rs.10/- each aggregating to Rs. 600.00 Lakhs.
<b>of which</b>	
<b>A) Retail Portion</b>	10,00,000* Equity Shares of face value of Rs.10/- each aggregating to Rs. 300.00 Lakhs.
<b>B) Non- Retail Portion</b>	10,00,000* Equity Shares of face value of Rs.10/- each aggregating to Rs. 300.00 Lakhs.
<b>Pre and post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	57,01,453 Equity Shares of face value of Rs.10/- each
Equity Shares outstanding after the Issue	78,09,453 Equity Shares of face value of Rs.10/- each
Use of Net Proceeds	Please refer to the section titled "Objects of the Issue" beginning on page 68 of this Prospectus for information about the use of the proceeds from the Fresh Issue.

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

- a) Minimum of 50% to retail individual investors; and*
- b) Remaining to:*
  - (i) individual applicants other than 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 (a) or (b) above may be allocated to the applicants in the other category.*

*Explanation: If the retails individual investor category is entitled to more than fifty per cent of the Issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage.*

**Notes:** *The Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company in terms of Rule 19(2)(b)(i) of SCRR.*

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details, please refer to section titled "terms of the issue " beginning on page 160 of this Prospectus.*

*The present issue has been proposed and authorized by our Board by way of resolution passed at its meeting held on July 04, 2019 and by our Shareholders via special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM held on July 27, 2019.*



**SUMMARY OF FINANCIAL INFORMATION**

Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)

Annexure - I

**Restated Statement of Assets And Liabilities**

	Particulars	Note No.	As at				
			30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>I</b>	<b>EQUITY AND LIABILITIES</b>						
(1)	<b>Shareholders' Funds</b>						
	(a) Share Capital	1	5,70,14,530	5,70,14,530	5,70,14,530	5,55,60,000	5,55,60,000
	(b) Reserve & Surplus	2	10,52,66,633	8,55,81,352	5,05,36,089	55,98,280	5,69,039
	(c) Money Received against Share Warrants		-	-	-	-	-
	<b>Sub-Total - Shareholders' Funds</b>		<b>16,22,81,163</b>	<b>14,25,95,882</b>	<b>10,75,50,619</b>	<b>6,11,58,280</b>	<b>5,61,29,039</b>
(2)	<b>Share Application Money Pending Allotment</b>	3	-	-	-	63,62,000	63,62,000
(3)	<b>Non-Current Liabilities</b>						
	(a) Long-Term Borrowings	4	7,01,37,307	6,80,46,233	4,97,28,203	96,71,380	20,75,411
	(b) Deferred Tax Liabilities (Net)	5	-	-	3,321	3,321	3,321
	(c) Other Long-Term Liabilities		-	-	-	-	-
	(d) Long-term Provision		-	-	-	-	-
	<b>Sub-Total - Non-Current Liabilities</b>		<b>7,01,37,307</b>	<b>6,80,46,233</b>	<b>4,97,31,524</b>	<b>96,74,701</b>	<b>20,78,732</b>
(4)	<b>Current Liabilities</b>						
	(a) Short Term Borrowings	6	2,65,71,131	3,53,15,469	-	17,92,339	17,60,441
	(b) Trade Payables		-	-	-	-	-
	(c) Other Current Liabilities	7	1,01,02,688	76,86,597	1,76,460	7,678	-
	(d) Short-term provisions	8	-	1,68,12,508	45,54,842	23,32,847	2,06,895
	<b>Sub-Total - Current Liabilities</b>		<b>3,66,73,818</b>	<b>5,98,14,574</b>	<b>47,31,302</b>	<b>41,32,864</b>	<b>19,67,336</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>26,90,92,288</b>	<b>27,04,56,689</b>	<b>16,20,13,445</b>	<b>8,13,27,845</b>	<b>6,65,37,107</b>
<b>II</b>	<b>ASSETS</b>						
(1)	<b>Non-current assets</b>						
	(a) Fixed assets						
	(i) Tangible assets	9	34,59,677	26,90,515	25,95,604	28,14,465	34,779
	(ii) Intangible assets		-	-	-	-	-
	(iii) Capital Work in Progress		-	-	-	-	-
	(iv) Intangible assets under development		-	-	-	-	-
	(b) Deferred Tax Assets (net)		-	-	-	-	-
	(c) Non Current Investments	10	-	-	-	-	10,000
	(d) Long-term loans and advances		-	-	-	-	-
	(e) Other non-current assets	11	12,54,505	5,48,720	8,77,952	10,97,440	13,71,800
	<b>Sub-Total - Non-Current Assets</b>		<b>47,14,182</b>	<b>32,39,235</b>	<b>34,73,556</b>	<b>39,11,905</b>	<b>14,16,579</b>
(2)	<b>Current assets</b>						
	(a) Current investments		-	-	-	-	-
	(b) Inventories		-	-	-	-	-
	(c) Trade receivables	12	21,34,92,097	20,34,60,390	15,04,18,961	7,08,39,218	5,90,85,880
	(d) Cash and Cash Equivalents	13	5,05,42,231	4,96,84,543	35,66,085	58,77,230	52,29,203
	(e) Short-term loans and advances	14	3,43,777	1,40,72,520	45,54,842	6,99,493	8,05,445
	(f) Other current assets		-	-	-	-	-
	<b>Sub-Total - Current Assets</b>		<b>26,43,78,106</b>	<b>26,72,17,453</b>	<b>15,85,39,889</b>	<b>7,74,15,941</b>	<b>6,51,20,528</b>
	<b>TOTAL - ASSETS</b>		<b>26,90,92,288</b>	<b>27,04,56,689</b>	<b>16,20,13,445</b>	<b>8,13,27,845</b>	<b>6,65,37,107</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)

Restated Statement Of Profit & Loss Account

Annexure - 2

	Particulars	Not e No.	For Qtr. Ended			For the Year Ended					
			30th June, 2019	%	31st March, 2019	%	31st March, 2018	%	31st March, 2017	%	31st March, 2016
<b>I</b>	<b>Revenue From Operations</b>										
	Revenue from Operations	15	2,54,57,454	97	8,97,52,801	98	6,20,96,839	99	3,62,45,589	99	94,57,297
<b>II</b>	Other income	16	7,20,531	3	16,76,320	2	3,31,383	1	3,86,011	1	2,58,581
<b>III</b>	<b>Total Revenue (I) + (II)</b>		<b>2,61,77,985</b>		<b>9,14,29,120</b>		<b>6,24,28,222</b>		<b>3,66,31,600</b>		<b>97,15,878</b>
<b>IV</b>	<b>Expenses:</b>										
	Cost of Raw Materials Consumed		-		-		-		-		-
	(Increase)/ Decrease in Inventory		-		-		-		-		-
	Employee Benefit Expenses	17	31,35,253	12	1,66,61,296	18	51,74,345	8	1,02,93,551	28	57,91,275
	Operating and Other Expenses	18	13,00,418	5	72,97,153	8	59,37,111	10	1,78,35,781	49	28,70,718
	<b>Total Expenses</b>		<b>44,35,672</b>	<b>17</b>	<b>2,39,58,449</b>		<b>1,11,11,456</b>		<b>2,81,29,332</b>		<b>86,61,993</b>
<b>V</b>	<b>Profit Before Interest, Tax, Depreciation and Amortisation, as Restated</b>		2,17,42,313	83	6,74,70,672	74	5,13,16,766	82	85,02,268	23	10,53,885
	Depreciation and Amortization Expense	19	3,81,529	1	18,83,331	2	5,36,897	1	4,57,123	1	4,181
	Financial Costs	20	16,75,504	6	53,27,711	6	18,08,719	3	8,69,335	2	4,17,937
<b>VI</b>	<b>Profit before Exceptional and Extraordinary Items and Tax</b>		<b>1,96,85,281</b>	<b>75</b>	<b>6,02,59,630</b>	<b>66</b>	<b>4,89,71,150</b>	<b>78</b>	<b>71,75,810</b>	<b>20</b>	<b>6,31,767</b>
<b>VI I</b>	Exceptional Items		-		-		-		-		-
<b>VI II</b>	Extraordinary Items	21	-		89,13,830	10	-		-		-
<b>IX</b>	<b>Profit Before Tax, as Restated Tax Expense:</b>		<b>1,96,85,281</b>	<b>75</b>	<b>5,13,45,800</b>	<b>56</b>	<b>4,89,71,150</b>	<b>78</b>	<b>71,75,810</b>	<b>20</b>	<b>6,31,767</b>
<b>X</b>	<b>Tax Expense:</b>										
	Current Tax		-		1,68,12,508	18	45,54,842	7	23,17,847	6	1,91,895
	Deferred Tax Expense		-		(3,321)	(0)	-		-		3,321
	Total Tax Expenses :		-		<b>1,68,09,187</b>		<b>45,54,842</b>		<b>23,17,847</b>		<b>1,95,216</b>
<b>XI</b>	<b>Net Profit, as Restated</b>		<b>1,96,85,281</b>		<b>3,45,36,613</b>	<b>38</b>	<b>4,44,16,308</b>	<b>71</b>	<b>48,57,963</b>	<b>13</b>	<b>4,36,551</b>
	Total No. of Shares		57,01,453		57,01,453		57,01,453		55,56,000		55,56,000
<b>XI I</b>	<b>Earning Per Share</b>		<b>3.45</b>		<b>6.06</b>		<b>7.79</b>		<b>0.87</b>		<b>0.08</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)

Restated Statement of Cash Flow

Annexure - 3

Particulars	For Qtr. Ended	For the Year Ended			
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>A. Cash Flow From Operating Activities</b>					
<b>Net Profit Before Tax and Extraordinary Items</b>	1,96,85,281	6,02,59,630	4,89,71,150	71,75,810	6,31,767
<b>Adjustments for:</b>					
Depreciation and Amortisation Expense	3,81,529	18,83,331	5,36,897	4,57,123	4,181
Interest Expense	16,63,770	52,74,457	17,63,703	8,36,847	3,88,330
Trade Receivable Written Off	-	-	16,85,167	-	-
Transfer to Reserve	-	5,08,651	3,76,047	1,77,098	-
<b>Operating Profit Before Working Capital Changes</b>	<b>2,17,30,579</b>	<b>6,79,26,069</b>	<b>5,33,32,965</b>	<b>86,46,878</b>	<b>10,24,278</b>
<b>Movement in Working Capital</b>					
Decrease/(Increase) in trade receivables	(1,00,31,707)	(5,30,41,429)	(8,12,64,910)	(1,17,53,338)	(5,92,35,880)
Decrease/(Increase) in loans and advances	1,37,28,743	(95,17,678)	(38,55,349)	1,05,952	44,86,455
Increase/(Decrease) in Current Liabilities	24,16,091	75,10,137	1,68,782	7,678	-
Increase/(Decrease) in Short term provisions	(1,68,12,508)	1,22,57,666	22,21,995	21,25,952	1,78,265
Increase/(Decrease) in Short term borrowings	(87,44,339)	3,53,15,469	(17,92,339)	31,898	(5,00,000)
Decrease/(Increase) in Non Current Investments	-	-	-	-	(10,000)
Decrease/(Increase) in Non Current Investments	(7,74,375)	-	-	-	-
<b>Cash Generated From Operating Activities</b>	<b>15,12,484</b>	<b>6,04,50,234</b>	<b>(3,11,88,856)</b>	<b>(8,34,980)</b>	<b>(5,40,56,882)</b>
Earlier year tax paid on assessment	-	-	-	(5,819)	-
Direct taxes paid (net)	-	(1,68,12,508)	(45,54,842)	(23,17,847)	(1,91,895)
Prior Period Expense	-	(89,13,830)	-	-	-
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>15,12,484</b>	<b>3,47,23,896</b>	<b>(3,57,43,698)</b>	<b>(31,58,646)</b>	<b>(5,42,48,777)</b>
<b>B. Cash Flow From Investing Activities</b>					
Purchase of fixed assets, including CWIP and capital advances	(10,82,100)	(16,49,012)	(98,549)	(29,62,449)	(38,960)
Proceeds from sale of Investments	-	-	-	10,000	-
<b>Net Cash Used in Investing Activities (B)</b>	<b>(10,82,100)</b>	<b>(16,49,012)</b>	<b>(98,549)</b>	<b>(29,52,449)</b>	<b>(38,960)</b>
<b>C. Cash Flow From Financing Activities</b>					
Proceeds from issue of Shares	-	-	-	-	4,95,60,000
Change in Long Term Liabilities	20,91,075	1,83,18,030	4,00,56,823	75,95,969	34,35,851
Application Money Pending for Allotment	-	-	(47,62,017)	-	63,62,000
Interest Expense	(16,63,770)	(52,74,457)	(17,63,703)	(8,36,847)	(3,88,330)
<b>Net Cash Flow From/(Used in) Financing Activities (C)</b>	<b>4,27,305</b>	<b>1,30,43,573</b>	<b>3,35,31,103</b>	<b>67,59,122</b>	<b>5,89,69,521</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>8,57,688</b>	<b>4,61,18,457</b>	<b>(23,11,145)</b>	<b>6,48,028</b>	<b>46,81,785</b>
<b>Opening Cash and Cash Equivalents</b>	<b>4,96,84,543</b>	<b>35,66,085</b>	<b>58,77,230</b>	<b>52,29,203</b>	<b>5,47,418</b>
<b>Closing Cash and Cash Equivalents</b>	<b>5,05,42,231</b>	<b>4,96,84,543</b>	<b>35,66,085</b>	<b>58,77,230</b>	<b>52,29,203</b>

Statement showing Cash and Cash Equivalent

Particulars	For the Year Ended				
		31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Cash in hand	1,02,986	65,140	20,214	4,65,340	29,608
Bank balances	5,04,39,245	4,96,19,403	35,45,872	54,11,890	51,99,595
<b>Total</b>	<b>5,05,42,231</b>	<b>4,96,84,543</b>	<b>35,66,085</b>	<b>58,77,230</b>	<b>52,29,203</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**SECTION V: GENERAL INFORMATION**

Our Company was incorporated on December 16, 1986, as "*Ascom Leasing & Investments Limited*" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh bearing Registration No. 085128. Our company received the certificate of Commencement of Business on January 07, 1987. Subsequently our Company has shifted the Registered Office from Hyderabad to Surat, vide certificate issued by the Registrar of Companies, Ahmedabad on November 23, 2015. Our Company holds a certificate of registration dated December 17, 2015 bearing registration number B-01.00559 issued by the RBI to carry on the activities of a non-deposit taking NBFC with the RBI under section 45 IA of the RBI Act, 1934. For further details, please refer to the section titled "History and Certain Corporate Matters" on page no. 95 of this Prospectus.

**Corporate Identification Number**– U65993GJ1986PLC085128.

**Registration No. with RBI** - B-01.00559

**Registered Office of the Company**

331, 3rd floor, Four Point Complex,  
Vesu, besides Maniba Park,  
Surat, Gujarat 395007, India  
**Telephone:**+91 9825140403,  
**Website:**[www.ascomfinance.com](http://www.ascomfinance.com)  
**Email:**[info@ascomfinance.com](mailto:info@ascomfinance.com)

**Designated Stock Exchange**

**Emerge Platform of National Stock Exchange of India Limited (NSE SME Platform)**

Exchange Plaza Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra(E)  
Mumbai -400051  
**Tel. No.:** (022) 226598100-8114  
**Website:**[www.nseemerge.com](http://www.nseemerge.com)

**Registrar of Companies**

**The Registrar of Companies, Ahmedabad**

ROC Bhavan, Opp. Rupal Park Society,  
Behind Ankur Bus Stop, Naranpura,  
Ahmedabad-380013  
**Telephone:** +91-079-27437597;  
**Email:** [roc.ahmedabad@mca.gov.in](mailto:roc.ahmedabad@mca.gov.in)

**Board of Directors**

The following table sets out details regarding our Board as on the date of this Prospectus:

<b>Name, Designation</b>	<b>Age</b>	<b>DIN</b>	<b>Residential Address</b>
Mr. Tushar Rohitbhai Pandya <b>Designation:</b> Chairman & Managing Director	42 years	03264783	8, Shree Darshan Society, Near Jamna Nagar Bus Stop, Ghod Dod Road, Sunavali, Surat 395001, Gujarat, India
Ms. Rupalben Tushar Pandya <b>Designation:</b> Whole Time Director	41 years	06396751	8, Shree Darshan Society, near Jamna Nagar Bus stop, Ghod Dod Road, Sunavali, Surat 395001 Gujarat, India
Mr. Rohitkumar Balvantrai Pandya <b>Designation:</b> Whole Time Director	70 Years	06400619	8, Shree Darshan Society, B/H S. T. Xaviers School, Jamna Nagar, Ghod Dod Road Surat 395001, Gujarat, India
Mr. Ketanbhai Dhanjibhai Lakhani <b>Designation:</b> Independent Director	43 years	07098256	2, Bajrang Nagar, Nana Varacha, Surat, Gujarat-395006

Name, Designation	Age	DIN	Residential Address
Mrs. Jayshriben Rajendra Pathak <b>Designation:</b> Independent Director	71 years	08490562	A-136, Vijaydeep SOC, Opp. Utran Railway Station, Amroli, Chorasi Surat, Gujarat – 394107
Mr. Pradeep Champaklal Wadiwalal <b>Designation:</b> Independent Director	40 years	08490596	50, Pratishtha Awas Society, St. Xaviers School, Ghoddod Road, Sunwali, Nanpura, Surat, Gujarat - 395001

For brief profile and further details of our Directors, see the chapter titled "Our Management" on page 98 of this Prospectus.

#### Chief Financial Officer of our Company

Ms. Sweta V. Shah is the Chief Financial Officer (CFO). The contact details are set forth hereunder:

##### Ms. Sweta V Shah

##### Ascom Leasing & Investments Limited

331, 3rd floor, Four Point Complex,

Vesu, besides Maniba Park,

Surat, Gujarat 395007, India

**Telephone:**+91-8000140406

**Email:**[cfoadityagroup.in@gmail.com](mailto:cfoadityagroup.in@gmail.com)

#### Company Secretary and Compliance Officer of our Company

##### Mr. Hemant Kumar

##### Ascom Leasing & Investments Limited

331, 3rd floor, Four Point Complex,

Vesu, besides Maniba Park,

Surat, Gujarat 395007, India

**Telephone:** +91-9825140403

**Email:**[adityagroup.in@gmail.com](mailto:adityagroup.in@gmail.com)

Investors can contact our Company Secretary and Compliance Officer and/ or Registrar to the Issue and/ or LM in case of any pre- Issue or post- Issue related matters such as non-receipt of letters of allotment, non-credit of allotted shares in the respective beneficiary account, Non-receipt of refund orders and non-receipt of funds by electronic mode etc.

All grievances relating to ASBA Process including UPI may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form number, details of UPI IDs, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

#### Designated Intermediaries

##### Lead Manager

##### FAST TRACK FINSEC PRIVATE LIMITED

B-502, Statesman House, 148,

Barakhamba Road, New Delhi- 110001

**Telephone:**+91-11-43029809

**Website:**[www.ftfinsec.com](http://www.ftfinsec.com)

**ASCOM LEASING & INVESTMENTS LIMITED**

**Email:** [mb@ftfinsec.com](mailto:mb@ftfinsec.com)

**Investor mail:** [investor@ftfinsec.com](mailto:investor@ftfinsec.com)

**Contact person:** Mr. Pawan Kumar Mahur

**SEBI registration number:** INM000012500

**Legal Counsel to the Issue**

**MV KINI, Law Firm**

Kini House, 6/39, Jangpura-B,  
New Delhi-110 014, India.

**Telephone:** + 91-11-24371038/39/40, +91-9899016169

**Facsimile:** +91-11-24379484

**Website:** [www.mvkini.com](http://www.mvkini.com)

**Email:** [raj@mvkini.com](mailto:raj@mvkini.com)

**Contact Person:** Mrs. Raj Rani Bhalla

**Registrar to the Company & Issue**

**Skyline Financial Services Pvt Limited**

A/505, Dattani Plaza,

Andheri Kurla Road,

Andheri East, Mumbai- 400072

**Telephone:** +91 22-28511022/ 02249721245

**Email:** [mumbai@skylinerta.com](mailto:mumbai@skylinerta.com)

**Investor grievance email:** [grievances@skylinerta.com](mailto:grievances@skylinerta.com)

**Contact Person:** Mr. Subhash Dhingreja

**Website:** [www.skylinerta.com](http://www.skylinerta.com)

**SEBI Registration Number:** INR000003241

**CIN:** U74899DL1995PTC071324

**Statutory Auditors**

**M/s Dilip Paresh & Co.,**

Chartered Accountants

Address: 241, 2<sup>nd</sup> Floor, Golden Point,

Nr. BSNL Bhavan, Falsawadi, Ring Road,

Surat, Gujarat- 395004

**Telephone:** +91-9081422241/ +91- 7405227767

**Email:** [dilipparesh@gmail.com](mailto:dilipparesh@gmail.com)

**Firm registration no:** 127544W

**Contact Person:** Mr. Dilip P. Thesiya

**Banker to the Company**

**ICICI Bank LIMITED**

Address: F58-60, Floor Four point Complex,  
VIP Road, Surat – 395007

**Telephone/Mobile No:** +91-7435950548/9998633134

**Email:** [mehul.patel@icicibank.com](mailto:mehul.patel@icicibank.com)

**Website:** [www.icicibank.com](http://www.icicibank.com)

**Contact Person:** Mr. Mehul Patel

**BANK OF BARODA**

Address: Adarsh Society, Atmajyot Apartment-1,  
Athwalines, Surat – 395001

**Telephone/Mobile No:** +91-0261 2669062

**Email:** [saysur@bankofbaroda.com](mailto:saysur@bankofbaroda.com)

**Website:** [www.bankofbaroda.com](http://www.bankofbaroda.com)

**Contact Person:** Mr. Sujeet Kumar

**AXIS BANK LIMITED**

Address: Shop No. 1 Gr Floor, Western Shoppers, VIP Road, Althan, Surat – 395017

**Telephone/Mobile No:** +91-9687679961

**Email:** [althan.branchhead@axisbank.com](mailto:althan.branchhead@axisbank.com)

**Website:** [www.axisbank.com](http://www.axisbank.com)

**Contact Person:** Mr. BijalKhatiwala

**STATE BANK OF INDIA**

Address: 3-4, Ground Floor, Titanium Square, Adajan Hazira Road, Surat – 395009

**Telephone/Mobile No:** +91-7600039877

**Email:** [sbi.18802@sbi.co.in](mailto:sbi.18802@sbi.co.in)

**Website:** [www.onlinesbi.co.in](http://www.onlinesbi.co.in)

**Contact Person:** Ms. Pooja Patel

**DENA BANK**

Address: Shop No. 12, 14, Ground Floor, Western Business Park, Op. SD Jain School, Vesu Surat – 395007

**Telephone/Mobile No:** +91-0261-2215254/57

**Email:** [vesu@denabank.com](mailto:vesu@denabank.com)

**Website:** [www.debabank.co.in](http://www.debabank.co.in)

**Contact Person:** Mr. Manthan Solanki

**Banker to the Issue/ Sponsor Bank/ Public Issue Account Bank**

**ICICI Bank LIMITED**

Capital Market Division,  
First Floor, 122, Mistry Bhavan,  
Dinshaw Vachha Road,  
Backbay Reclamation, Churchgate,  
Mumbai – 400020

**Telephone/Mobile No:** +022-66818911/23/24

**Email:** [kmr.saurabh@icicibank.com](mailto:kmr.saurabh@icicibank.com)

**Website:** [www.icicibank.com](http://www.icicibank.com)

**Contact Person:** Mr. Saurabh Kumar

**SEBI Registration Number:** IMBI00000004

**Statement of inter se allocation of Responsibilities for the Issue**

Fast Track Finsec Private Limited is the sole Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

**Designated Intermediaries**

**1. Self-Certified Syndicate Banks (SCSBs)**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, see the above-mentioned link.

**2. Investors Bank or Issuer Banks for UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

### **3. Registered Brokers**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

### **4. Registrar to Issue and Share Transfer Agents**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchange for acting in such capacity.

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 websites of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

### **5. Collecting Depository Participants**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

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 websites of Stock Exchange at [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time and updated from time to time

### **6. Brokers to the Issue**

All brokers registered with SEBI & members of the Recognised Stock Exchange can act as brokers to the Issue.

#### **Experts**

Except the report of the Statutory Auditors namely, M/s Dilip Paresh & Co., Chartered Accountants on statement of possible tax benefits and report on Restated Financial Statements as included in this Prospectus, our Company has not obtained any expert opinion.

#### **Credit Rating**

As the Issue is of Equity Shares, credit rating is not required.

#### **Debenture Trustees**

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

#### **IPO Grading**

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

#### **Monitoring Agency**

In terms of Regulation 262(1) of the SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.10,000 Lakhs. Since the Issue size is only of Rs. 632.40 lakhs, our Company has not appointed



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any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

### Appraising Agency

Our Company has not appointed any appraising agency for appraisal of the Project.

### Filing of Issue Document

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Issue Document in terms of Regulation 246 of SEBI (ICDR) Regulations. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Draft Prospectus/ 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 under Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Ahmedabad, situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013.

### Underwriter

Our Company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten.

The Underwriting Agreement entered into by our Company with the Underwriter is dated November 16, 2019. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter are subject to certain conditions specified therein. The Underwriter has indicated their intention to underwrite the following number of specified securities being offered through this Issue. The details of the Underwriting commitments are as under:

Name, Address, Telephone, Fax, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue size Underwritten
Fast Track Finsec Private Limited B – 502, Statesman House, Barakhamba Road, Delhi – 110001 Telephone: +91-11-43029809 Email: <a href="mailto:mb@ftfinsec.com">mb@ftfinsec.com</a> Investor Grievance Email: <a href="mailto:investor@ftfinsec.com">investor@ftfinsec.com</a> Website: <a href="http://www.ftfinsec.com">www.ftfinsec.com</a> Contact Person: Mr. Pawan Kumar Mahur SEBI Reg. No: INM000012500	21,08,000	632.40 lakhs	100

*\*Includes 108,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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.

### Withdrawal of the Issue

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform EMERGE Platform of NSE Limited on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from EMERGE Platform of NSE Limited, which our Company shall apply

for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

### Changes in Auditors during Last Three Financial Years

Except as mentioned below, there has been no changes in the Auditors in last three financial years preceding the date of this Prospectus.

Particulars of Previous Auditor	Effective Date	Reason
<b>M/s HI Jhaveri &amp; Co.,</b> Chartered Accountants Address: 1/1493-B Snehkunj Building, Godha Street, Nanpura, Surat, Gujarat - 395003 Tel No.: 8460707485 Email: <a href="mailto:yandan2@rediffmail.com">yandan2@rediffmail.com</a> Firm Registration No.: 0104234W Contact Person: Mr. H I Jhaveri	June 01, 2019	Resignation
<b>M/s Dilip Paresh &amp; Co.,</b> Chartered Accountants Address: 241, 2 <sup>nd</sup> Floor, Golden Point, Nr. BSNL Bhavan, Falsawadi, Ring Road, Surat, Gujarat- 395004 Telephone: 9081422241 Email: dilipparesh@gmail.com Firm registration no:127544W Contact Person: Mr. Dilip P. Thesiya	June 21, 2019	Appointment (Casual Vacancy)

\*E-Form ADT-1 & ADT-3 for the appointment and resignation of the auditor has been duly filed by the Company.

### Details of Market Making Arrangement for the Issue

Our Company and Lead Manager have entered into Market Making Agreement dated November 16, 2019 with the following Market Maker registered with NSE Limited in order to fulfil the obligations of Market Making.

#### Market Maker

<b>Name</b>	Jainam Share Consultants Private Limited
<b>Address</b>	Unit 1B, 3rd Floor, Gift One Building, Road 5, C-Zone 5, Gift City, Gandhinagar, Gujarat- 382355
<b>Tel No.</b>	0261-6725541
<b>E-mail</b>	compliance@jainam.in
<b>Contact Person</b>	Mr. Saurabh Shah
<b>SEBI Registration No.</b>	INZ000198735

Jainam Share Consultants Private Limited is registered with Emerge Platform of NSE as a Market Maker and has agreed to receive or deliver the Equity Shares in the market making process for a period of three (3) years from the date of listing of our Equity or for a period as may be amended to SEBI (ICDR) Regulations.

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 NSE and SEBI regarding this matter from time to time.

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

- 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).
- 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 NSE and SEBI from time to time.

3. The minimum depth of the quote shall be Rs. 1,00,000. However, the investors with holdings of value less than Rs.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 NSE SME Platform (in this case currently the minimum trading lot size is 4000 equity shares; however the same may be changed by the SME Platform of NSE 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% Equity Shares would not be taken into 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 two (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, NSE 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 (5) 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.
10. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE Limited and market maker will remain present as per the guidelines mentioned under NSE Limited and SEBI circulars.
11. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
12. 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.
13. The Market Maker(s) shall have the right to terminate said arrangement by giving a three (3) month's notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five (5) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on Working Days.
14. **Risk containment measures and monitoring for Market Makers:**

Emerge Platform of NSE Limited will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

**15. Punitive Action in case of default by Market Makers:**

Emerge Platform of NSE Limited 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: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. 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 as follows:

<b>Issue Size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue size)</b>
Upto Rs. 20 Crore	25%	24%
Rs. 20 Crore to Rs. 50 Crore	20%	19%
Rs. 50 Crore to Rs.80 Crore	15%	14%
Above Rs. 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.

**SECTION VI: CAPITAL STRUCTURE**

Our Company's share capital, as of the date of filing this Prospectus, before and after the proposed Issue, is set forth below:

Amount (Rs. in Lakhs except share data)			
S. No.	Particulars	Aggregate Value at Face Value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	1,50,00,000 Equity Shares of Rs.10/- each	1500.00	--
<b>B.</b>	<b>Issued, Subscribed and Paid Up Capital before the Issue</b>		
	57,01,453 Equity Shares of Rs.10/- each	570.14	--
<b>C.</b>	<b>Present Issue in terms of this Prospectus</b>		
	Fresh Issue of 21,08,000 Equity Shares of face value Rs. 10/- each at a price of Rs. 30 per Equity Share	210.80	632.40
	of which		
	Market Maker Reservation Portion 108,000 Equity Shares of face value of Rs.10.00 each at a price of Rs. 30 per Equity Share	10.80	32.40
	Net Issue to Public*- of 20,00,000 Equity Shares of face value of Rs. 10.00 each at a price of Rs. 30 per Equity Share	200.00	600.00
	of which		
	Minimum 50% to retail individual investors aggregating to 10,00,000 Equity Shares of Rs. 10.00 each at an Issue Price of Rs.30 per Equity Share.	100.00	300.00
	Balance 50% to Non -Retail investors aggregating to 10,00,000 Equity Shares of Rs. 10.00 each at an Issue Price of Rs. 30 per Equity Share	100.00	300.00
<b>D.</b>	<b>Issued, Subscribed and Paid-up Capital after the Issue</b>		
	78,09,453 Equity Shares of face value of Rs.10.00 each	780.94	
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue	1.45	
	After the Issue	423.05	

\* For detailed information on the Net Issue and its allocation various categories, please refer chapter titled "The Issue" beginning on page no. 40 of this Prospectus.

- (1) The Issue has been proposed and authorized by our Board pursuant to a resolution passed at its meeting held on July 04, 2019 and by our Equity Shareholders pursuant to a resolution passed at the EGM held on July 27, 2019.
- (2) The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up.

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

**1. Changes in the Authorized Share Capital of the Company since incorporation:**

The Authorized Share Capital of our Company at the time of incorporation was Rs.10.00 Lakhs divided into 1,00,000 Equity Shares of Rs.10/- each. The following table gives the changes in the Authorized Capital post Incorporation of our Company:

Sr. No.	Particulars of Increase	Type of meeting	Date of shareholders' approval
1	Increase in authorized capital from Rs.10.00 Lakhs comprising of 1,00,000 Equity shares of Rs. 10 each to Rs.30.00 Lakhs comprising of	EGM	Form not available*

Sr. No.	Particulars of Increase	Type of meeting	Date of shareholders' approval
	3,00,000 Equity shares of Rs.10.00 each.		
2	Increase in authorized capital from Rs.30.00Lakhs comprising of 3,00,000 Equity shares of Rs.10.00 each to Rs. 60.00 Lakhs comprising of 6,00,000 Equity shares of Rs. 10.00 each.	EGM	March 25, 2011
3	Increase in authorized capital from Rs. 60.00 Lakhs comprising of 6,00,000 Equity shares of Rs. 10.00 each to Rs. 200.00 Lakhs comprising of 20,00,000 Equity shares of Rs.10.00 each.	EGM	April 01, 2015
4	Increase in authorized capital from Rs. 200.00 Lakhs comprising of 20,00,000 Equity shares of Rs.10.00 each to Rs.500.00 Lakhs comprising of 50,00,000 Equity shares of Rs. 10.00 each.	EGM	May 05, 2015
5	Increase in authorized capital from Rs. 500.00 Lakhs comprising of 50,00,000 Equity shares of Rs. 10.00 each to Rs.1500.00 Lakhs comprising of 1,50,00,000 Equity shares of Rs. 10.00 each.	EGM	July 29, 2015

*\*We have placed reliance on the records provided by management of the Company and found on MCA portal, as certified by M/s. Jinendra Jain & Associates, Company Secretaries, under their search report dated June 14, 2019. For further information, please refer to chapter titled "Risk Factors" beginning on page 24 of the Prospectus.*

#### Notes on Capital Structure:

#### 2. Equity Share capital history of our Company.

The following is the history of the Equity Share capital of our Company:

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue Price per Equity Share (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Share Capital (Rs.)
On Incorporation	70	10.00	10.00	Cash	Subscription to the MoA (1)	70	700
Forms not available-*	2,92,430	Forms not available-*	Forms not available-*	Forms not available-*	Forms not available-*	2,92,500	29,25,000
March 31, 2011	3,07,500	10.00	10.00	Cash	Right Issue (2)	6,00,000	6,000,000
May 22, 2015	7,40,000	10.00	10.00	Cash	Right Issue(3)	13,40,000	1,34,00,000
May 30, 2015	2,05,000	10.00	10.00	Cash	Right Issue(4)	15,45,000	1,54,50,000
June 28, 2015	7,05,000	10.00	10.00	Cash	Right Issue (5)	22,50,000	2,25,00,000
July 26, 2015	9,50,000	10.00	10.00	Cash	Right Issue (6)	32,00,000	3,20,00,000

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue Price per Equity Share (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Share Capital (Rs.)
August 30, 2015	5,28,000	10.00	10.00	Cash	Right Issue (7)	37,28,000	3,72,80,000
October 30, 2015	6,07,500	10.00	10.00	Cash	Right Issue (8)	43,35,500	4,33,55,000
November 26, 2015	3,08,500	10.00	10.00	Cash	Right Issue (9)	46,44,000	4,64,40,000
January 01, 2016	5,43,000	10.00	10.00	Cash	Right Issue (10)	51,87,000	5,18,70,000
February 01, 2016	2,90,000	10.00	10.00	Cash	Right Issue (11)	54,77,000	5,47,70,000
March 01, 2016	79,000	10.00	10.00	Cash	Right Issue (12)	55,56,000	5,55,60,000
September 23, 2017	1,45,453	10.00	11.00	Cash	Right Issue (13)	57,01,453	5,70,14,530

*\*We have placed reliance on the entries mentioned in the Register of Members, to ascertain the details of the issue of Equity Shares, the nature of allotment and the nature of consideration since Form 2 for the relevant allotment is not present in the records of the Company and is not found in the records of the RoC, as certified by M/s. Jinendra Jain & Associates, Company Secretaries, under their search report dated June 14, 2019. For further information, please refer to chapter titled "Risk Factors" beginning on page 24 of the Prospectus.*

**Notes:**

**1. The Initial Subscribers to the Memorandum of Association of our Company were:**

Names of Allottees	Number of Equity Shares
Mr. Kanwal Gupta	10
Mr. Pawan Gupta	10
Mr. Raman Gupta	10
Mr. Arun Gupta	10
Mr. Ramesh Gupta	10
Mrs. Anuradha Gupta	10
Mrs. Bindu Gupta	10
<b>Total</b>	<b>70</b>

**2. Further Allotment of 3,07,500 Equity Shares to:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mrs. Kamala Devi Jain	92,000
Jek Finance Corporation	30,000
Mrs. Rekha Jain	6,100
Mr. Priyank Jain	77,000
Mr. Sujanmal Chandraprakash Jain	33,000
Mr. Chandra Prakash Jain	69,400
<b>Total</b>	<b>307,500</b>

**3. Further Allotment of 7,40,000 Equity Shares to:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Tushar Rohitbhai Pandya	6,35,000
Mrs. Rupalben Tushar Pandya	1,05,000
<b>Total</b>	<b>7,40,000</b>

**4. Further Allotment of 2,05,000 Equity Shares:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Tushar Rohitbhai Pandya	205,000
<b>Total</b>	<b>205,000</b>

**5. Further Allotment of 7,05,000 Equity Shares:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Tushar Rohitbhai Pandya	5,47,000
Mrs. Rupalben Tushar Pandya	1,58,000
<b>Total</b>	<b>7,05,000</b>

**6. Further Allotment of 9,50,000 Equity Shares:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Tushar Rohitbhai Pandya	8,80,000
Mrs. Rupalben Tushar Pandya	70,000
<b>Total</b>	<b>9,50,000</b>



**7. Further Allotment of 5,28,000 Equity Shares:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Tushar Rohitbhai Pandya	3,91,000
Mrs. Rupalben Tushar Pandya	1,20,000
Tushar Rohitkumar Pandya (HUF)	17,000
<b>Total</b>	<b>5,28,000</b>

**8. Further Allotment of 6,07,500 Equity Shares:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Tushar Rohitbhai Pandya	3,87,000
Mrs. Rupalben Tushar Pandya	1,00,000
Tushar Rohitkumar Pandya (HUF)	59,500
Rohit Pandya (HUF)	61,000
<b>Total</b>	<b>6,07,5000</b>

**9. Further Allotment of 3,08,500 Equity Shares:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Tushar Rohitbhai Pandya	1,72,500
Mrs. Rupalben Tushar Pandya	20,000
Tushar Rohitkumar Pandya (HUF)	41,000
Rohit Pandya (HUF)	75,000
<b>Total</b>	<b>3,08,500</b>

**10. Further Allotment of 5,43,000 Equity Shares:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Tushar Rohitbhai Pandya	3,60,000
Mrs. Rupalben Tushar Pandya	1,53,000
Tushar Rohitkumar Pandya (HUF)	10,000
Rohit Pandya (HUF)	20,000
<b>Total</b>	<b>5,43,000</b>

**11. Further Allotment of 2,90,000 Equity Shares:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Tushar Rohitbhai Pandya	1,50,000

Names of Allottees	Number of Equity Shares
Mrs. Rupalben Tushar Pandya	30,000
Tushar Rohitkumar Pandya (HUF)	1,10,000
<b>Total</b>	<b>2,90,000</b>

**12. Further Allotment of 79,000 Equity Shares:**

Names of Allottees	Number of Equity Shares
Mrs. Rupalben Tushar Pandya	79,000
<b>Total</b>	<b>79,000</b>

**13. Further Allotment of 1,45,453 Equity Shares:**

Names of Allottees	Number of Equity Shares
Mr. Tushar Rohitbhai Pandya	1,36,363
Mrs. Rupalben Tushar Pandya	9,090
<b>Total</b>	<b>1,45,453</b>

**14. Preference Share capital history of our Company**

Our Company does not have any preference share capital as on the date of this Prospectus.

**15. Details of Allotment made in the last two (2) years preceding the date of this Prospectus**

Our Company has allotted 1,45,543 equity shares on right issue basis on September 23, 2017. Brief details of the same are as under:

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Allottees	No. of Shares allotted
September 23, 2017	1,45,543	10.00	11.00	Mr. Tushar Rohitkumar Pandya	1,36,363
				Mrs. Rupalben Tushar Pandya	9,090

**16. Equity Shares issued for consideration other than cash**

As on date of this Prospectus, our Company has not issued and allotted any Equity Shares for consideration other than cash.

As on the date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 or sections 230- 240 of the Companies Act, 2013.

Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.

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

**17. Issue of Equity Shares at a price lower than the Issue Price in the last one (1) year:**

Our Company has not made any issue of specified securities at a price lower than the Issue Price during the preceding one (1) year from the date of filing of this Prospectus.

## 18. Shareholding Pattern of our company

The table below presents the shareholding pattern of our Company as per SEBI (LODR) Regulations, 2015.

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)		No. of fully paid up equity shares held (IV)		No. of Partly paid-up equity shares held (V)		No. of shares underlying Depository Receipts (VI)		Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including convertible securities) (including full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares (XII)	Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		Equity shares	Class	Total	No of Voting Rights														
					Total as a % of (A+B+C)	No (a)	As a % of total Shares held (b)	As a % of total Shares held (b)											
(A)	Promoter and Promoter Group	6	56,41,443	Nil	Nil	56,41,443	98.95	56,41,443	Nil	56,41,443	98.95	56,41,443	Nil	98.95	Nil	Nil	Nil	56,41,443	
(B)	Public	2	60,010	Nil	Nil	60,010	1.05	60,010	Nil	60,010	1.05	60,010	Nil	1.05	Nil	Nil	Nil	60,010	
(C)	Non-Promoter-Non Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(C1)	Shares underlying DRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(C2)	Shares held by Employee Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
	<b>Total</b>	<b>8</b>	<b>57,01,453</b>	<b>Nil</b>	<b>Nil</b>	<b>57,01,453</b>	<b>100.00</b>	<b>57,01,453</b>	<b>Nil</b>	<b>57,01,453</b>	<b>100.00</b>	<b>57,01,453</b>	<b>Nil</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>57,01,453</b>	

### Notes:

- We have already entered tripartite agreement with NSDL and CDSL dated June 11, 2019 and May 29, 2019 and have received the ISIN – INE08KD01015.
- In terms of SEBI Circulars bearing nos. Cir/ISD/3/2011 and SEBI/Cir/ISD/05/2011 dated June 17, 2011 and September 30, 2011 respectively, the Equity Shares held by our Promoter and Promoter Group are in dematerialized form as on date of filing of this Prospectus;
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of NSE before commencement of trading of such Equity Shares.

- The list of the shareholders of the company holding 1% or more of the paid-up share capital aggregating to 80% or more of the paid up share capital of the company:

**19. As on the date of this Prospectus:**

Sr. No.	Particulars	No. of Equity Shares	% of Pre-Issue paid up Equity Shares
1	Mr. Tushar Rohitbhai Pandya	38,68,853	67.86
2	Mrs. Rupalben Tushar Pandya	11,39,090	19.98
3	Mr. Rohitkumar Balvantrai Pandya	60,000	1.05
4	Digitek Infotech Private Limited	60,000	1.05
5	Mr. Tushar Rohitkumar Pandya HUF	2,42,500	4.25
6	Mrs. Suvidyaben Pandya	1,75,000	3.07
7	Rohit Pandya HUF	1,56,000	2.74
	<b>Total</b>	<b>57,01,443</b>	<b>99.99</b>

**20. Ten days prior to the date of this Prospectus:**

Sr. No.	Particulars	No. of Equity Shares	% of Pre-Issue paid up Equity Shares
1	Mr. Tushar Rohitbhai Pandya	38,68,853	67.86
2	Mrs. Rupalben Tushar Pandya	11,39,090	19.98
3	Mr. Rohitkumar Balvantrai Pandya	60,000	1.05
4	Digitek Infotech Private Limited	60,000	1.05
5	Mr. Tushar Rohitkumar Pandya HUF	2,42,500	4.25
6	Mrs. Suvidyaben Pandya	1,75,000	3.07
7	Rohit Pandya HUF	1,56,000	2.74
	<b>Total</b>	<b>57,01,443</b>	<b>99.99</b>

**21. One year prior to the date of this Prospectus:**

Sr. No.	Particulars	No. of Equity Shares	% of Pre-Issue paid up Equity Shares
1	Mr. Tushar Rohitbhai Pandya	38,68,853	67.86
2	Mrs. Rupalben Tushar Pandya	11,39,090	19.98
3	Mr. Rohitkumar Balvantrai Pandya	60,000	1.05
4	Digitek Infotech Private Limited	60,000	1.05
5	Mr. Tushar Rohitkumar Pandya HUF	2,42,500	4.25

6	Mrs. Suvidyaben Pandya	1,75,000	3.07
7	Rohit Pandya HUF	1,56,000	2.74
	<b>Total</b>	<b>57,01,443</b>	<b>99.99</b>

**22. Two years prior to the date of this Prospectus:**

Sr. No.	Particulars	No. of Equity Shares	% of Pre-Issue paid up Equity Shares
1	Mr. Tushar Rohitbhai Pandya	37,32,490	67.18
2	Mrs. Rupalben Tushar Pandya	11,30,000	20.34
3	Mr. RohitkumarBalvantrai Pandya	60,000	1.08
4	Digitel Infotech Private Limited	60,000	1.08
5	Mr. Tushar Rohitkumar Pandya HUF	2,42,500	4.36
6	Mrs. Suvidyaben Pandya	1,75,000	3.15
7	Rohit Pandya HUF	1,56,000	2.81
	<b>Total</b>	<b>55,55,990</b>	<b>99.99</b>

23. 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 this Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

24. Our public shareholder, Digitel Infotech Private Limited holds more than 1% of the pre- Issue share capital of our Company.

**25. Build-up of our Promoter Shareholding, Promoter Contribution and Lock-in**

**i. Build-up of our Promoter shareholding in our Company**

The current Promoter of our Company is Mr. Tushar Rohitbhai Pandya. As on the date of this Prospectus, our Promoter holds 38,68,853 Equity Shares, which constitutes approximately 67.86% of the issued, subscribed and paid-up Equity Share capital 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 equity shareholding of our Promoter, since the incorporation of our Company.

**Mr. Tushar Rohitbhai Pandya**

Date of Allotment / Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue/ Acquisition/ Sale Price per Equity Share (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of Pre Issue paid up Equity Shares	% of post Issue paid up Equity Share	Pledge
March 03, 2015	4,990	10.00	12.75	Cash	Transfer of shares from Mr. Sujanmal Chandra Prakash Jain <sup>#</sup>	0.09	0.06	No
May 22, 2015	6,35,000	10.00	10.00	Cash	Further Allotment <sup>##</sup>	11.14	8.13	No
May 30, 2015	2,05,000	10.00	10.00	Cash	Further Allotment <sup>##</sup>	3.60	2.63	No
June 28, 2015	5,47,000	10.00	10.00	Cash	Further Allotment <sup>##</sup>	9.59	7.00	No
July 26, 2015	8,80,000	10.00	10.00	Cash	Further Allotment <sup>##</sup>	15.43	11.27	No
August 30, 2015	3,91,000	10.00	10.00	Cash	Further Allotment <sup>##</sup>	6.86	5.01	No
October 30, 2015	3,87,000	10.00	10.00	Cash	Further Allotment <sup>##</sup>	6.79	4.96	No
November 26, 2015	1,72,500	10.00	10.00	Cash	Further Allotment <sup>##</sup>	3.03	2.21	No
January 01, 2016	3,60,000	10.00	10.00	Cash	Further Allotment <sup>##</sup>	6.31	4.61	No
February 01, 2016	1,50,000	10.00	10.00	Cash	Further Allotment <sup>##</sup>	2.63	1.92	No
September 23, 2017	1,36,363	10.00	11.00	Cash	Further Allotment <sup>##</sup>	2.39	1.75	No
<b>Total</b>	<b>38,68,853</b>					<b>67.86</b>	49.54	

*# the equity shares were acquired in tranches by the promoter, Mr. Tushar Rohitbhai Pandya and others namely, Rupalben Tushar Pandya, Suvidya Rohitkumar Pandya, Digitech Infotech Private Limited, Sweta Shah, Tusharbhahi Pandya HUF as per the agreed terms defined particularly in the said MOU. 6,00,000 equity shares were acquired @ Rs. 12.75/- per equity shares by the afore said persons in due compliance of the provision of the Companies Act, 2013 and RBI rules and regulations (including the modification or amendment thereto)*

*##Allotment of Equity Shares has been made at a face value of Rs.10.00each.*

All the Equity Shares held by our Promoter were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoter have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoter have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

As on the date of this Prospectus, none of the Equity Shares held by our Promoter are subject to any pledge. Our Company has not issued any preference shares to our Promoter as on the date of this Prospectus.

## ii. Details of Promoters' Contribution Locked-in for Three (3) Years

Pursuant to Regulations 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the fully diluted post- Issue equity share capital of our Company held by our Promoter shall be considered as the minimum Promoter's contribution ("Promoter Contribution") and shall be locked- in for a period of three (3) years from the date of Allotment of equity shares issued pursuant to this Issue. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Prospectus, our Promoter hold 38,68,853 Equity Shares constituting 49.54 % of the Post-Issue issued, subscribed and paid-up Equity Share capital of our Company, which are eligible for the Promoters' Contribution.

Our Promoter has given written consent to include such number of Equity Shares held by him and subscribed by him as a part of Promoters' Contribution constituting 21% of the post Issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter Contribution, for a period of three years from the date of allotment in the Issue.

Name of Promoter	Date of Allotment/ transfer / made fully paid up	No. of Equity shares locked-in*#	Face Value	Issue Price	Nature of transaction	% of Post Issue shareholding	Lock in Period
Mr. Tushar Rohitbhai Pandya	March 03, 2015	4,990	10.00	10.00	Transfer of shares from Mr. Sujanmal Chandra Prakash Jain	0.06	3 Years
	May 22, 2015	6,35,000	10.00	10.00	Further Allotment	8.13	3 Years
	May 30, 2015	2,05,000	10.00	10.00	Further Allotment	2.63	3 Years
	June 28, 2015	5,47,000	10.00	10.00	Further Allotment	7.00	3 Years
	July 26, 2015	8,80,000	10.00	10.00	Further Allotment	11.27	(2,48,010 shares out of 8,80,000 will be in locked-in for 3 years & remaining for 1 year)
	August 30, 2015	3,91,000	10.00	10.00	Further Allotment	5.01	1 year

	October 30, 2015	3,87,000	10.00	10.00	Further Allotment	4.96	1 year
	November 26, 2015	1,72,500	10.00	10.00	Further Allotment	2.21	1 year
	January 01, 2016	3,60,000	10.00	10.00	Further Allotment	4.61	1 year
	February 01, 2016	1,50,000	10.00	10.00	Further Allotment	1.92	1 year
	September 23, 2017	1,36,363	10.00	11.00	Further Allotment	1.75	1 year
	<b>Total</b>	<b>38,68,853</b>				49.54	

\*Assuming full subscription to the Issue.

The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI (ICDR) Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' Contribution in terms of Regulation 237 of the SEBI (ICDR) Regulations. In connection, we confirm the following:

- a) The Equity Shares offered for minimum 20% Promoters' Contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoter contribution;
- b) The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price;
- c) No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the Issue price;
- d) The Equity Shares held by the Promoter and offered for minimum Promoters' contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoter are in the dematerialized; and
- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

### iii. Details of Share Capital locked in for one year

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

### iv. Other requirement in respect of lock-in:

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.



Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 242(a) of the SEBI (ICDR) Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the specified securities till the lock-in period stipulated in these regulations has expired.

The Equity Shares held by our Promoter which are locked-in may be transferred to and amongst the Promoter Group entities or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

Further, pursuant to Regulation 243 of the SEBI (ICDR) Regulations, 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 239 of the SEBI (ICDR) Regulations, along with the equity shares proposed to be transferred, provided that lock-in on such equity shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI (ICDR) Regulations has ended and in compliance with the Takeover Code, as applicable.

We further confirm that our Promoter Contribution of 49.54 % of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund, foreign venture capital investors, scheduled commercial banks, public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India.

26. As on date of this Prospectus, our Company has Eight (8) shareholders.

27. None of the Promoter, Promoter Group, Directors of our Company and their relatives have purchased or sold any Equity Shares of our Company, during a period of 6 (six) months preceding the date of this Prospectus.

28. There are no financing arrangements wherein the Promoter, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 (six) months immediately preceding the date of filing of the Prospectus.

29. There were no shares purchased/sold by the Promoter and Promoter Group, directors and their relatives during last six months.

**30. The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group are as under:**

The table below presents the shareholding of our Promoter and Promoter Group, who hold Equity Shares as on the date of filing of this Prospectus:

Name	Pre Issue		Post Issue	
	No. of Equity Shares	% of Pre Issue paid up Equity Shares	No. of Shares	% of Post Issue paid up Equity Shares
<b>Promoter</b>				
Mr. Tushar Rohitbhai Pandya	38,68,853	67.86	38,68,853	49.54
<b>Promoter Group</b>				
Mr. Rohitbhai Balvantrai Pandya	60,000	1.05	60,000	0.76

Name	Pre Issue		Post Issue	
	No. of Equity Shares	% of Pre Issue paid up Equity Shares	No. of Shares	% of Post Issue paid up Equity Shares
Ms. Suvidyaben Pandya	1,75,000	3.06	1,75,000	2.24
Mrs. Rupal Tushar Pandya	11,39,090	19.98	11,39,090	14.58
Tushar Rohitkumar Pandya HUF	2,42,500	4.25	2,42,500	3.10
Rohit Pandya HUF	1,56,000	2.74	1,56,000	2.00
<b>Total</b>	<b>56,41,443</b>	<b>98.94</b>	<b>56,41,443</b>	<b>72.24</b>

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (₹Per share)
Mr. Tushar Rohitbhai Pandya	38,68,853	10.04

32. The Lead Manager and their respective associates do not hold any Equity Shares as on the date of this Prospectus.

33. The Lead Manager and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.

34. Except as mentioned below, none of the Directors and KMP's hold Equity Shares in our Company as on the date of this Prospectus:

Name	Designation	No. of Equity Shares held
Mr. Tushar Rohitbhai Pandya	Chairman and Managing Director	38,68,853
Ms. Sweta V. Shah	Chief Financial Officer	10
<b>Total</b>		<b>38,68,863</b>

35. We have not granted any options or issued any shares under any employee stock option or employees stock purchase scheme and we do not intend to allot any Equity Shares to our Employees under ESOS/ESOP scheme from Proposed Issue.

36. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of this Prospectus.

37. There are no Equity Shares against which depository receipts have been issued.

38. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed.

39. Our Company, our Promoter, members of our Promoter Group, our Directors and the Lead Manager has not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares being offered through this Issue from any person.

40. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.
41. As per RBI regulations, OCBs are not allowed to participate in this Issue.
42. Our Company has not raised any bridge loans against the proceeds of the Issue.
43. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
44. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
45. An applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
46. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoter to the persons who receive allotments, if any, in this Issue.
47. Except for the equity shares offered by our promoter group, our Promoter and the members of our Promoter Group will not participate in this Issue.
48. Our Company has not made any public issue since its incorporation.
49. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2019, 2018 and 2017 and for the period ended June 30, 2019, please refer to paragraph titled Details of Related Parties Transactions as restated in the chapter titled “Financial Statements” on page 116 of this Prospectus.
50. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “Our Management” beginning on page 98 of this Prospectus.

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

#### *The Fresh Issue*

The Issue comprises of Fresh Issue up to 21,08,000 Equity Shares, aggregating to Rs.632.40 Lakhs by our Company. We intend to utilize the proceeds of the Fresh Issue to meet the following objects:

- For the purpose of onward lending, financing and augmenting the capital base;
- General corporate expenses, and
- To meet the Issue expenses

(together, the “**Objects of the Fresh Issue**”)

The Net Proceeds shall not be used for any purpose which is in contravention of the applicable guidelines issued by the RBI.

Further, our company expects that the listing of the Equity Shares will enhance our visibility and our brand image. The listing of our share will also provide a public market for the Equity Shares in India.

The main objects clause of our Memorandum of Association enables us to undertake the activities for which the funds are being raised by us in the Fresh Issue. Further, the activities we have been carrying out until now are in accordance with the main objects clause of our Memorandum of Association.

#### **Requirements and Utilization of funds:**

The following table summarizes the requirement of funds:

<b>Particulars</b>	<b>Amount (in Rs. Lakhs)</b>
For the purpose of onward lending, financing and augmenting the capital base	446.80
General Corporate purpose*	145.00
Issue Expenses	40.60
<b>Gross Issue Proceeds</b>	<b>632.40</b>
<b>Less: Issue Expenses</b>	<b>40.6</b>
<b>Net Issue Proceeds (“Net Proceeds”)</b>	<b>591.80</b>

*\*general corporate purposes shall not be exceeding 25% of the amount raised in the Issue.*

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 completely finance the Objects from the Net Proceeds, share capital, internal accruals and financing from banks and financial institutions including non-banking financial institutions. Accordingly, we confirm that we are in compliance with the 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 amount to be raised through the Net Issue Proceeds and existing identifiable internal accruals.

In case of any increase in the actual utilization of funds earmarked for the Objects of the Fresh Issue, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals and any additional equity and/or debt arrangements. If the actual utilization towards any of the Objects of the Fresh Issue is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing Objects of the Fresh Issue, if required and general corporate purposes. In the event that estimated utilization out of the Net Proceeds in a fiscal is not completely met, the same shall be

utilized in the next fiscal. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

### Issue Related Expenses:

The total expenses of the Issue are estimated to be approximately Rs.40.60 Lakhs. The Issue related expenses include fees payable to the LM and legal counsel, fees payable to the auditors, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The fees and expenses relating to the Issue shall be borne by our Company.

The estimated Issue expenses are as follows:

Particulars	Amount (in Rs. Lakhs)		
	Estimated Amount	As a % of Total Estimated Expenses*	As a % of Issue Size
Lead Manager fee including underwriting commission and others miscellaneous expenses	30	74	4.74
Fees payable to Registrar to the Issue	0.75	2	0.11
Fees payable to Legal Advisor to the Issue	1.25	3.07	0.18
Fees payable to Advertising Expenses	1.50	3.70	0.24
Fees payable to Regulators including Stock Exchange	2.25	5.30	0.36
Payment for Printing and Distribution of Issue Stationary	1.25	3.07	0.18
Other (Fees payable to Peer Review Auditor, Marketing expenses, Brokerage, Processing Fees for application and miscellaneous expenses)	3.60	8.86	0.57
<b>Total Estimated Issue Expenses</b>	<b>40.60</b>	<b>100.00</b>	<b>6.38</b>

The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them. SCSBs will be entitled to a processing fee of Rs. 10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment. Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.05% on the Amount Allotted (Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price). The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

### Bridge Financing Facilities

Our Company has not raised any bridge loans from any banks or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities including by way of any other overdraft arrangement / cash credit facility with our lenders, short-term instrument like non-convertible debentures, commercial papers, etc., pending receipt of the Net Proceeds. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance the objects of the Issue will be repaid from the Net Proceeds.

### Interim Use of Net Proceeds

Pending utilization of the Net Proceeds for the Objects of the Fresh Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Fresh Issue as described above, it shall not use the funds from the Net Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

### **Monitoring of Utilization of Funds**

We have not appointed a monitoring agency to monitor the utilisation of the proceeds of the Fresh Issue since the Fresh Issue size is less than Rs . 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Fresh Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges. Pursuant to Regulation 32(5) of the SEBI Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Prospectus, certified by the statutory auditors of our Company and place it before the Audit Committee, as required under applicable laws. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full.

Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Prospectus.

### **Variation in Objects of the Fresh Issue**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, in accordance with our AoA and Companies Act, 2013, and as may be prescribed by SEBI, in this regard.

### **Appraising Agency**

None of the Objects of the Fresh Issue for which the Net Proceeds will be utilised have been appraised by any agency.

### **Other Confirmations**

No part of the Net Proceeds will be paid by us to the Promoter and Promoter Group, the Directors, associates or Key Managerial Personnel or Group Companies, except in the normal course of business and in compliance with the applicable laws.

## BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is Rs.10/- each and the Issue Price is Rs. 30 which is 3 times of the face value. Investors should also refer “Our Business”, “Risk Factors” and “Financial Statements” beginning on pages 82, 24 and 116 respectively, of this Prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

- ISO certified organisation
- Experienced and professional management team
- Track Record of consistent growth with quality loan portfolio
- Robust credit assessment and risk management framework
- Stable customer base

For further details, refer chapter titled “Our Business” beginning on page 82 of this Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for the period ended June 30, 2019 and financial years ended March 31, 2019, 2018, 2017 and 2016 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For details, refer chapter titled “Financial Statements” and “Other Financial Information” beginning on pages 116 and 133 of this Prospectus. Some of the quantitative factors, which may form the basis for computing the Issue Price, are as follows:

#### 1. Basic and Diluted Earnings per Share (EPS):

Year/ Period Ended	Basic/ Diluted EPS (₹)	Amount (in Rs. Lakhs)
		Weight
March 31, 2017	0.87	1
March 31, 2018	7.79	2
March 31, 2019	6.06	3
Weighted Average	5.77	
For the period ended June 30, 2019*	3.45	

\*Not Annualized

Notes:

1. Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year. The figures disclosed above are based on the Restated Summary Financial Information of our Company.
2. The face value of each Equity Share is ₹ 10/-.
3. Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.
4. Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders / Number of shares outstanding during the year/ period.
5. Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.

6. *Weighted average = Aggregate of year-wise weighted Basic EPS divided by the aggregate of weights i.e. [Basic (EPS x Weight) for each fiscal] / [Total of weights].*
7. *The figures disclosed above are based on the Restated Financial Information of our Company.*

**2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 30/- per share.**

Particulars	P/E
P/E ratio based on Basic and Diluted EPS for FY 2018-19	4.13
P/E ratio based on Weighted Average Basic and Diluted EPS	7.70
Highest (Bajaj Finserve Limited)	374.72
Lowest (LKP Finance Limited)	3.35
Average	97.47

*\*Industry composite comprises of Bajaj Finserve Limited and LKP Finance Limited as on July 31, 2019 from [www.bseindia.com](http://www.bseindia.com)*

**3. Average Return on Net Worth (RoNW).**

Year/ Period Ended	RoNW (%)	Weight
March 31, 2017	7.94	1
March 31, 2018	41.30	2
March 31, 2019	24.22	3
Weighted Average	27.2	
For the period ended June 30, 2019*	12.13	
Average	24.49	

*\*Not Annualized*

**Notes:**

- The RONW has been computed by dividing net profit after tax (excluding exceptional income, if any) as restated by net worth (excluding revaluation reserve, if any) as restated as at year/period end.*
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. [(RoNW x Weight) for each fiscal] / [Total of weights].*
- The figures disclosed above are based on the Restated Financial Information of our Company.*

**4. Net Asset Value (NAV) per share:**

Particulars	Amount Per Share
March 31, 2017	11.01
March 31, 2018	18.86
March 31, 2019	25.01
June 30, 2019*	28.46
NAV per Equity Share after the Issue	28.88
Issue Price per equity share	30

*\*Not Annualized*

*Note: Net Asset Value per Equity Share has been computed as Net Worth divided by closing number of equity shares.*



## 5. Comparison with listed industry peers:

Particulars	CMP*	Basic and Diluted EPS	PE Ratio	NAV (Per Share)	Face Value (Per Share)	Total Income (In ₹ Cr.)
Ascom Leasing & Investments Limited	30	6.06	4.95	25.01	10	9.14
<b>Peer Group</b>						
Bajaj Finserv Limited	9057.90	19.30	477.99	19.30	5	423.05
Kama Holdings Limited	5316.95	80.83	90.95	55.34	10	18.38
LKP Finance Limited	84.750	19.24	4.40	15.68	10	(1.28)
Edelweiss Financial Services Limited	129.10	1.10	117.36	1.10	1	70.44

\* CMP for our Company is considered as Issue Price

\*\*Source: [www.bseindia.com](http://www.bseindia.com) (for CMP of companies) and audit reports of the respective companies.

### Notes:

1. Considering the nature and size of business of the Company, the peer is not strictly comparable. However the same has been included for broad comparison.
2. The figures for our Company are based on the restated financial statements for the year ended March 31, 2019.
3. The figures for the peer are based on the audited results for the year ended March 31, 2019.
4. Current Market Price (CMP) is the closing prices of respective scripts as on November 16, 2019.
5. NAV per share is computed as the closing net worth divided by the closing outstanding number of paid up equity shares as on March 31, 2019 audited financials available on [www.bseindia.com](http://www.bseindia.com). Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off).
6. RoNW has been computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off).

The Issue Price of ₹30/- has been determined by our Company in consultation with the Lead Manager through the Fixed Price Process and is justified in view of the above qualitative and quantitative factors. Investors should read the above-mentioned information along with “Our Business” “Risk Factors” and “Financial Statements” beginning on pages 82, 24 and 116 of this Prospectus, 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 BENEFITS

The Board of Directors  
**Ascom Leasing & Investments Limited**  
331, 3<sup>rd</sup> Floor, Four Point Complex  
Vesu, Besides Maniba Park,  
Surat, Gujarat- 395007

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to Ascom Leasing & Investments Limited and its shareholders prepared in accordance with the requirements under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')**

We hereby confirm that the enclosed annexure, prepared by Ascom Leasing & Investments Limited ('the Company') provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income Tax Act, 1961 (the "Act") and Income tax Rules, 1962 including amendments thereof, presently in force in India as on the signing date. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act.

Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, these benefits are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, 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 of the Company (the "Issue") 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 possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

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, where applicable have been/would be met.

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

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

We hereby give consent to include this Statement in the prospectus and the prospectus and in any other material used in connection with the Proposed Issue, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Dilip Paresh & Co.**  
**Chartered Accountants**  
Firm Registration No.: 127544W

*Sd/-*

**Dilip P. Thesiya**  
**Partner**  
**Membership No.: 118059**  
**Place: Surat**  
**Date: July 29, 2019**

### **Annexure to the statement of possible Tax Benefits**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 ('the Act')

#### ***A. Special Tax Benefits available to the Company under the Act:***

There are no special Tax benefits available to the Company under the Act.

#### ***B. Special Tax Benefits available to the shareholders of the Company under the Act:***

There are no special Tax Benefits available to the shareholders of the Company.

#### **Notes:**

1. The above is as per the current Act as amended by the Finance Act presently in force.
2. This Statement does not discuss any tax consequences in any country outside India of an investment in the shares. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

## **SECTION VIII: ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

*The information in this section has been extracted from publicly available information and statistics from various government publications and industry sources. The data may have been re-classified by us for the purpose of presentation. Information provided in this section has not been independently verified by us, LM or any of our or their respective affiliates or advisors. 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 that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.*

### **GLOBAL ECONOMY OVERVIEW**

On the surface, global economic growth appears robust. The world economy is projected to expand at a steady pace of 3 per cent in 2019 and 2020. Growth rates in many developed economies have risen near to what is widely considered their potential, while unemployment rates have fallen towards historical lows. Among the developing economies, the East and South Asia regions remain on a strong growth trajectory, while many commodity-exporting countries are continuing a gradual recovery. However, a closer look below this surface reveals significant shortcomings in the foundations and quality of global economic growth.

Short-term risks are rising, with the potential to severely disrupt economic activity and inflict significant damage on longer-term development prospects. These include escalating trade disputes, financial stress and volatility, and an undercurrent of geopolitical tensions. Amid the significant build-up in global public and private debt, policy space has narrowed considerably across the world, and any negative shock could have severe and long-lasting implications for global growth. Waning support for multilateralism also raises questions around the capacity for collaborative policy action in the event of a widespread global shock. These short-term risks compound underlying structural vulnerabilities of a longer term nature. Economic growth is often failing to reach where it is needed most. Per capita incomes are stagnant or declining in several regions, including some with high rates of poverty. With persistently high levels of inequality, the goal of poverty eradication by 2030 is moving increasingly out of reach. In addition, the critical transition towards environmentally sustainable patterns of production and consumption is not happening fast enough. While some progress has been made in reducing the greenhouse gas intensity of production, this progress remains insufficient to reduce aggregate emission levels, given the increased volume of production. The level of carbon emissions continues to rise, accelerating climate change.

Urgent and concrete policy action is needed to change the trajectory of the global economy towards a sustainable path and implement the actions and policy changes needed to deliver the ambitious goals of the 2030 Agenda for Sustainable Development. This includes sound macroeconomic and macroprudential policies, structural and redistributive reforms, and industrial policies, adapted as appropriate to country-specific circumstances. At the international level, progress relies on a cooperative and long-term strategy for global policy in key areas such as climate change, sustainable consumption and responsible finance, supported by declines in income and gender inequality. A withdrawal from multilateralism will pose further setbacks for those already being left behind.

(Source: [https://unctad.org/en/PublicationsLibrary/wesp2019\\_en.pdf](https://unctad.org/en/PublicationsLibrary/wesp2019_en.pdf))

### **INDIAN ECONOMY OVERVIEW**

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19. India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US\$ 405.64 billion in the week up to March 15, 2019, according to data from the RBI. With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India reached record US\$ 129.4 billion in 2018 while private equity (PE) and venture capital (VC) investments reached US\$ 20.5 billion.

The interim Union Budget for 2019-20 was announced by Mr Piyush Goyal, Union Minister for Finance, Corporate Affairs, Railways and Coal, Government of India, in Parliament on February 01, 2019. It focuses on supporting the needy farmers, economically less privileged, workers in the unorganised sector and salaried employees, while continuing the Government of India's push towards better physical and social infrastructure. Total expenditure for 2019-20 is budgeted at Rs 2,784,200 crore (US\$ 391.53 billion), an increase of 13.30 per cent from 2018-19 (revised estimates).

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms. India's revenue receipts are estimated to touch Rs 28-30 trillion (US\$ 385-412 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST). India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from to 175 GW by 2022.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

## OVERVIEW ON NON BANKING FINANCIAL COMPANIES

Non-banking financial companies (NBFCs) are fast emerging as an important segment of Indian financial system. It is an heterogeneous group of institutions (other than commercial and co-operative banks) performing financial intermediation in a variety of ways, like accepting deposits, making loans and advances, leasing, hire purchase, etc. They raise funds from the public, directly or indirectly, and lend them to ultimate spenders. They advance loans to the various wholesale and retail traders, small-scale industries and self-employed persons. Thus, they have broadened and diversified the range of products and services offered by a financial sector. Gradually, they are being recognised as complementary to the banking sector due to their customer-oriented services; simplified procedures; attractive rates of return on deposits; flexibility and timeliness in meeting the credit needs of specified sectors; etc.

The working and operations of NBFCs are regulated by the [Reserve Bank of India \(RBI\)](#) within the framework of the [Reserve Bank of India Act, 1934](#) (Chapter III B) and the [directions](#) issued by it under the Act. As per the RBI Act, a 'non-banking financial company' is defined as:- (i) a financial institution which is a company; (ii) a non banking institution which is a company and which has as its principal business the receiving of deposits, under any scheme or arrangement or in any other manner, or lending in any manner; (iii) such other non-banking institution or class of such institutions, as the bank may, with the previous approval of the Central Government and by notification in the Official Gazette, specify.

### The types of NBFCs registered with the RBI are:-

- **Equipment leasing company:-** is any financial institution whose principal business is that of leasing equipments or financing of such an activity.
- **Hire-purchase company:-** is any financial intermediary whose principal business relates to hire purchase transactions or financing of such transactions.
- **Loan company:-** means any financial institution whose principal business is that of providing finance, whether by making loans or advances or otherwise for any activity other than its own (excluding any equipment leasing or hire-purchase finance activity).

- **Investment company**:- is any financial intermediary whose principal business is that of buying and selling of securities.

**Now, these NBFCs have been reclassified into three categories:-**

- Asset Finance Company (AFC)
- Investment Company (IC) and
- Loan Company (LC). Under this classification, 'AFC' is defined as a financial institution whose principal business is that of financing the physical assets which support various productive/economic activities in the country.

(Source:[https://archive.india.gov.in/business/business\\_financing/non\\_banking.php](https://archive.india.gov.in/business/business_financing/non_banking.php))

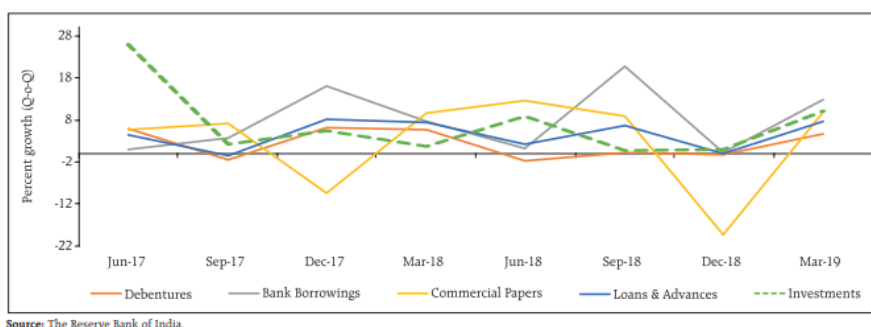
Non-Banking Financial Companies (NBFCs) play an important role in the Indian financial system given their unique position in providing complementarity as well as competition to banks. They cater to diverse financial needs of a wide variety of customers, both in urban and rural areas. This sector, with a size of around 16 per cent of the combined balance sheet of SCBs, has been growing at a faster pace in recent years. As at end-March 2019, the aggregate CRAR of NBFC sector was 19.3 per cent, while the gross NPA ratio was 6.6 per cent. The credit growth of NBFCs, which was over 20 per cent earlier, slowed down in the third quarter of 2018-19 after the debt default by a systemically important NBFC. However, market confidence somewhat resurfaced in the last quarter of 2018-19 as the major sources of funding registered a recovery.

The debt default by a large NBFC in mid-2018 highlighted the vulnerability and need for strengthening regulatory vigil on the sector in general and on the asset liability management (ALM) framework in particular. The Reserve Bank has recently come out with guidelines for a robust liquidity framework for the NBFCs. Further, the Reserve Bank has relaxed the norms for NBFCs to securitise their loan books. In addition, banks have been allowed to provide partial credit enhancement (PCE) to bonds issued by the systemically important non-deposit taking NBFCs and Housing Finance Companies. With a view to eschewing the regulatory arbitrage between banks and non-banks, the Reserve Bank has been aligning the regulatory and supervisory frameworks for NBFCs with that of SCBs. A comprehensive Information Technology (IT) framework for strengthening off-site surveillance of NBFCs is being put in place. Further, multiple categories of NBFCs are being rationalised into fewer categories in order to provide them greater operational flexibility. The Reserve Bank has also taken steps to enhance the supervision over NBFCs. These efforts are primarily focused on improving the four supervisory pillars – on-site examination, off-site surveillance, market intelligence and annual reports of statutory auditors. A fifth pillar of supervision in the form of an institutionalised arrangement for periodic interaction with all the stakeholders including statutory auditors, credit rating agencies and banks having large exposures to NBFCs is being put in place.

(Source:[https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/RBIBULL110618\\_F9D318D0A5FF74AA4A7962FEC08146CAE.PDF](https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/RBIBULL110618_F9D318D0A5FF74AA4A7962FEC08146CAE.PDF))

NBFCs operate in niche areas with significant diversity in the origination of underlying assets. There were 9,659 non-banking financial companies (NBFCs) registered with the Reserve Bank as on March 31, 2019, of which 88 were deposit accepting (NBFCs-D) and 263 systemically important non-deposit accepting NBFCs (NBFCs-ND-SI).<sup>37</sup> All NBFC-D and NBFCs-ND-SI are subject to prudential regulations such as capital adequacy requirements and provisioning norms along with reporting requirements.

### **Growth rates in assets and liabilities of NBFC's**



## Recent Developments

As per estimates of the flow of resources to the commercial sector in 2018-19, the non-bank share in credit was at 26.6 per cent of the aggregate domestic sources. While the share is showing a declining trend relative to 2017-18 (39.1 per cent), non-bank sources nevertheless constitute a significant part of credit flows to the commercial sector. On the other hand, mutual funds are expanding their scope in financial intermediation (though their principal characteristic is the pass-through nature of investment) which is a reflection of the financial sector's development. From a regulatory perspective, however, the growing financial networks along with their potential to trigger a contagion often tend to create policy ambivalence straddling financial market development and financial market stability. This part deals with recent market developments as also certain emerging concerns related to the sector encompassing non-banking financial companies (NBFCs) including housing finance companies (HFCs) and mutual funds (MFs).

Recent developments in the Non-banking financial companies (NBFC) sector have brought the sector under greater market discipline as the better performing companies continued to raise funds while those with ALM and/or asset quality concerns were subjected to higher borrowing costs. Joint Solvency-Liquidity contagion losses to the banking system due to idiosyncratic failure of banks show that the losses as on March 2019 are significantly lower than in March 2018 (FSR June 2018) due to a better capitalised public sector banking system. Solvency contagion losses to the banking system due to idiosyncratic NBFC failure show that the failure of largest of these can cause losses comparable to those caused by the big banks, underscoring the need for greater surveillance over large NBFCs.

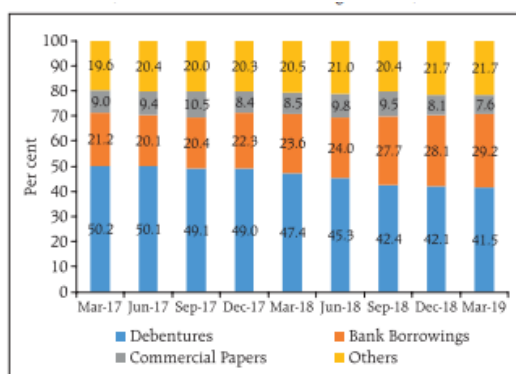
Even as their importance in credit intermediation is growing, recent developments in the domestic financial markets have brought the focus on the NBFC sector (including housing finance companies or HFCs) especially with regard to their exposures, quality of assets and asset-liability mismatches (ALM). The liquidity stress in NBFCs reflected in the third quarter of the last financial year (September - December 2018) was due to an increase in funding costs as also difficulties in market access in some cases. Despite the dip in confidence, better performing NBFCs with strong fundamentals were able to manage their liquidity even though their funding costs moved with market sentiments and risk perceptions.

NBFCs depend largely on public funds which account for 70 per cent of the total liabilities of the sector. Bank borrowings, debentures and commercial papers are the major sources of funding for NBFCs. Bank borrowings have shown an increasing trend as the share of bank borrowings to total borrowings have increased from 21.2 percent in March 2017 to 23.6 percent in March 2018 and further to 29.2 percent in March 2019. During the same period, dependence on debentures declined from 50.2 percent in March 2017 to 41.5 percent in March 2019. This indicates that banks are compensating for the reduced market access for NBFCs in the wake of stress in the sector. The top 10 NBFCs accounted for more than 50 per cent of total bank exposure to the sector while the top 30 NBFCs (including government owned NBFCs) accounted for more than 80 per cent of the total exposure.

In the CP market, the absolute issuance of CPs by NBFCs have declined sharply relative to its level pre - IL&FS default. During the stress period, CP spread of all entities had increased, particularly that of NBFCs, highlighting a reduced risk-appetite for them. Subsequently, the CP spread for NBFCs has reduced and its gap vis-à-vis other issuers has narrowed. Thus, in a way the IL&FS stress episode brought the NBFC sector under greater market discipline as the better performing companies continued to raise funds while those with ALM and/or asset quality concerns were subjected to higher borrowing costs.

Post crisis, while banks' overall exposure to NBFCs increased, their subscription to CPs of NBFCs continued to decline.

### Major Components of sources of fund of NBFCs



Source: The Reserve Bank of India.

### Performance

The consolidated balance sheet size of the NBFC sector grew by 20.6 per cent to Rs. 28.8 trillion during 2018-19 as against an increase of 17.9 per cent to Rs. 24.5 trillion during 2017-18. 2.53 The NBFC sector's net profits increased by 15.3 per cent in 2018-19 as compared to 27.5 per cent in 2017-18. RoA was 1.7 per cent in 2018-19.

### Aggregated Balance sheet of the NBFC Sector: y-o-y growth

(per cent)

Particulars	Mar-18	Mar-19
1. Share capital	6.0	6.3
2. Reserves and surplus	18.7	14.6
3. Total borrowings	19.6	19.6
Of which		
3.1 Debentures	13.1	5.2
3.2 Bank borrowings	34.4	47.9
3.3 Commercial paper	13.3	4.0
4. Current liabilities and provisions	22.4	48.7
<b>Total Liabilities / Assets</b>	17.9	20.6
1. Loans and advances	21.1	18.6
2. Investments	12.9	24.4
3. Others	26.7	-2.0
<b>Income/Expenditure</b>		
1. Total income	11.4	17.8
2. Total expenditure	9.6	17.8
3. Net profit	27.5	15.3

Source: The Reserve Bank's Supervisory Returns.

### Asset quality and capital adequacy

GNPAs of the NBFC sector as a percentage of total advances increased from 5.8 per cent in 2017-18 to 6.6 per cent in 2018-19. However, the net NPA ratio declined marginally from 3.8 per cent in 2017-18 to 3.7 per cent in 2018-19. As on March 2019, the CRAR of the NBFC sector moderated at 19.3 per cent from 22.8 per cent in March 2018.

### Resilience

Stress tests for the credit risk for the NBFC sector as a whole for the year ended March 2019 were carried out under three scenarios: Increase in GNPA by (i) 0.5 standard deviation (SD), (ii) 1 SD and (iii) 3 SD. The results indicate that in the first scenario, the sector's CRAR declined from 19.5 per cent to 17.9 per cent. In the second scenario, it declined to 15.3 per cent and in the third scenario it declined to 11.7 per cent.



The stress tests' results for individual NBFCs indicate that under the first two scenarios, around 8 per cent of the companies will not be able to comply with the minimum regulatory capital requirements of 15 per cent. Around 13 per cent of the companies will not be able to comply with the minimum regulatory CRAR norms under the third scenario.

(Source: <https://rbidocs.rbi.org.in/rdocs/PublicationReport/Pdfs/FSRJUNE2019E5ECDDAD7E514756AFEF1E71CB2ADA2B.PDF>)

## OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “**Forward - Looking Statements**” for a discussion of the risks and uncertainties related to those statements and also “**Risk Factors**” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular Fiscal are to the twelve-month period ended March 31 of that year.*

*In this section, any reference to “we”, “us” or “our” refers to Ascom Leasing & Investments Limited, as the context requires, and any reference to the “Company” refers to Ascom Leasing & Investments Limited.*

Our Company was incorporated in the year 1986, we started our business as NBFC in 2001 with the mission of providing services to economically active poor who are not adequately served by the financial institutions. Our company is engaged in the business of finance, hire purchase, leasing and lending terms loans, mortgage financing. Our customers include first-time buyers of vehicles, self-employed and professional or non-professional individuals, small and medium entrepreneurs and customers with informal income and limited banking and credit history. As of June 30, 2019, we have around 2000 plus active customers. Company operations are concentrated in the State of Gujarat Only. Being the NBFC – Non-Deposit company, company is not entitled to take deposit from the general public. And the company sources the funds from the promoter investments and Bank funding. And presently, the company having NIL revenue from the trading operations.

We offer a diverse range of loan products to cater to the specific requirements of our customers. Our products can be classified under two broad categories, namely, mortgage loans and individual loans. Depending upon the end use, these products can be further sub-divided into education, home improvement, home purchase, vehicle purchase etc.

LTV Ratio:

- In Loan against property the LTV ratio is 50 % as calculated Market Value.
- For Home renovation loan LTV ratio is 60-65% as calculated Market Value.

Home Renovation loan:

- Tenure : Max 60 Months
- Interest rate: 18% to 24 % per annum
- Standard fee of Rs. 1950/- per file along with the stamp duty on registration is payable by the Customers.

We have adopted a decentralized management structure for our operations, comprising presence in more than 22 districts across Gujarat. Our management hierarchy consist of leadership personnel who is responsible for taking on ground operational decisions. They possess significant experience in banking and financial services industry, which helps the company to understand the ground reality and local diversity of a particular region, enabling quick decision making.

As of June 30, 2019, we served over 2062 customers with business size of exceeding ₹20 Cr. Our growth has been rapid and calibrated in equal measure. We believe we are a customer centric organization, and this is reflected in our customer retention ratio. We have a dedicated service quality department addressing customer grievances and their feedback.

Our total revenues in Financial Years 2017, 2018 and 2019 and for the three month’s period ended June 30, 2019 was ₹366 Lakhs, ₹624 Lakhs, ₹914 Lakhs and ₹262Lakhs, respectively. Our profit after tax in Financial Years 2017, 2018, 2019 and the three month period ended June 30, 2019 was ₹ 49 Lakhs, ₹ 444 Lakhs, ₹ 345 Lakhs and ₹196 Lakhs, respectively.

### **Our Competitive Strengths**

Over the last three financial year, we have worked towards our mission to cater to the unserved and underserved segments of the population and built a structured business foundation.

- Our customer base, healthy customer retention ratio and customer protection initiatives are validation to our customer-centric approach.
- We are a professionally managed company, and our management team has significant experience in the financial services industry.
- Our decentralized management structure enables us to effectively manage our pan-India presence through quick on ground decision making.

The Promoter of our Company Mr. Tushar Rohitbhai Pandya holds more than fifteen (15) years of experience in the finance industry. Our Promoter have sound knowledge of finance and lending industry and is an ex-banking personnel.

#### ***Deep market knowledge through extensive sourcing channels***

We have developed an extensive operational network in Gujarat. We focus on developing grass root level market knowledge and operational experience in markets we operate, in order to better understand customer requirements and ensure better collection, reduced loan delinquencies and greater efficiency of operations.

We leverage our in-depth market knowledge to identify and the credibility of the customers. These measures enable us to diversify deployment of capital. With our extensive operational experience in these markets and financing products. We believe that our understanding of local markets and customer demographics and practices enable us to identify market opportunities, improve operating efficiencies, grow our loan portfolio and increase our customer base.

#### ***Robust credit assessment and risk management framework***

Our target customers include micro-enterprises, SMEs, traders and individuals from low and middle income customer segments. We have developed customised credit analysis procedures for each product depending on the nature of the customer, purpose of the loan and the amount of loan advanced. Typically, we analyse past financial information and the applicant's business trends to assess their income levels. In addition to document verification and credit bureau reports, we conduct site verification, interviews, and market and reference checks on the applicant, co-applicant and guarantor, as applicable. We continuously monitor the quality of such hypothecated loan portfolio.

#### ***Experienced management team with reputed investors***

We believe that the industry knowledge and experience of our senior management has enabled us to maintain consistent growth of our business over the years. Our promoter, Mr. Tushar Rohit Bhai Pandya, Director have over 15 years of experience in the financial services sector. He is supported by the accomplished board of Directors and key management personnel. We believe that our senior management team has enabled us to develop and implement a consistent business plan and operational procedures. The experience of our promoter and senior management allows us to identify market opportunities, offer products and services targeted at specific customer segments, develop customer and product specific credit policies, while ensuring effective risk management and quality of loan portfolio. We believe that their combined market experience has contributed to our growth and profitability, as well as strong capital position. For further information, refer to "Our Management" on page 100.

#### **Our finance products Includes:**

***Micro-Enterprise Loans (Loan against property/ Personal Loan):*** We provide two categories of micro-enterprise loans: (i) loans up to ₹ 15,000 to ₹10,00,000 typically to government employed personnel; and (ii) loans ranging between ₹ 10,00,001 and ₹ 5,00,00,000, typically to self employed persons. In Fiscal 2019 and in the three month period ended June 30, 2019, the Average Disbursement in our micro-enterprise loan segment was ₹ 13,75,64,086/- and ₹ 7,83,87,305/- respectively.

***Pre-Owned Vehicle Loans.*** We provide Pre-owned Vehicle Loans primarily to self-employed and salaried individuals as well as professionals.

**Home Renovation Loans.** We provide housing loans to customers for the purchase of new and old houses, construction of houses on owned plots, home improvement and for the purchase and construction of commercial property. Our customers in this segment typically include salaried and self-employed individuals. We also plans to extend loans to developers for construction of affordable housing projects.

A significant part of our business origination in various segments is represented by loans extended to pre-owned Vehicle loans, two-wheeler loans and housing loans. We offer a diverse range of financial products and services targeted at the low and middle income customer segments. We believe that our diversified product portfolio and customer base aligned with increasing market demand is a key component of our growth and success.

### **Business Process**

#### **Step 1 –**

Generate Leads Through Advertise in Local News Paper / Field Marketing /Road Shows.

#### **Step 2-**

Once inquiry received on sales inquiry no, tele calling dept will assist client & give information regarding loan product & required docs and collecting docs via field executive like Photo/ Pan/ Aadhar /Salary Slip /Bank Statement/ IT Return of the prospective customer.

#### **Step 3-**

Filing Loan application form by back office, and subsequently, Credit approval officer of the company will analyse the CIBIL score, KYC, and if the same are in order, will proceed for filed verification.

#### **Step 4-**

Post filed verification, all terms & conditions of the loan sanction is shared with the customer.

#### **Step5-**

Post receipt of signed loan agreement and other documents and allotment of loan account number, the loan amount is disbursed.

### **Our Business Strategy**

#### ➤ **Brand Image**

We would continue to associate ourselves with customers and execute their requirements. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

#### ➤ **Strengthening relationship with existing customers and widen our customer base**

We look to further strengthen our relationship with our existing customers and meet their requirements. Whilst we continue to cater to our existing customers, we are emphasizing a lot on establishing new relationship with prospective customers so that we can expand our customer base in other areas as well.

#### ➤ **Continue to expand and increase business / production capacity**

Our Company constantly endeavors to explore opportunities to expand our operations by developing new products and services within our existing lines of business. We expect that the increase in our product base will result in an increase in customer base and enable us target more customers and market segments.

#### ➤ **Continue to improve operational efficiencies and cost competitiveness continuously**

We continue to adopt best practices and standards across our financial services. We continue to increase efficiencies through comprehensive product planning resulting in nil rates of NPA.

### **Plant & Machinery**

Since we are in engaged in service Industry, no Plant and Machinery is required. The Computer system, software, ERP system and network connectivity as part of office equipment are owned by the Company.

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

Our Company has not entered into any collaboration, or Performance guarantee or assistance for marketing with any Company.

### **Infrastructure facilities for raw materials and utilities like water, electricity etc.**

#### ***Water***

As we are in service industry, water is required for drinking and sanitation purpose only.

#### ***Electricity:***

Our existing power requirement for the administrative office is catered from “DGVCL”, for the effective working and management of our computer system in operation.

#### ***Human resource***

We believe that we have a qualified and experienced employee base, managed by middle and senior management personnel.

As on June 30, 2019 we had 30 employees (excluding field executives) at our office. On satisfactory completion of six months’ probation period employees are confirmed by us as permanent employees. There is human resource policy uniformly adopted across all personnel engaged in our management and staff. The employee strength of our Company as on June 30, 2019 is as follows:

<b>District Covered</b>	<b>No. of Employees</b>
Ahmedabad, Gandhinagar	1
Anand, Kheda (Nadiad)	1
Aravalli, Mahisagar	1
Bharuch, Narmada (Rajpipla)	1
Vadodara, ChhotaUdepur	1
Dahod, Panchmahal (Godhra)	1
Mehsana & Patan	1
Navsari, Valsad, Dangs (Ahwa)	1
Sabarkantha (Himmatnagar)	1
Surat	1
Tapi (Vyara)	1

#### **Competition**

Our major competitors in the group lending segment include Cholamandalam Investment & Finance Company Limited, Electronica Finance Limited, Bajaj Finserve Limited, Edelweiss Financial Services Limited; and in the individual lending segment include Equitas Finance Limited etc. Additionally, in the housing finance segment, we face competition from specialized housing finance companies such as Home First Finance Limited, Shubham Housing Development Finance Company Limited, and Muthoot Homefin (India) Limited.


In addition to other microfinance companies, NBFCs and banks, we face significant competition from the unorganized and under-regulated market participants who are prevalent in the semi-urban and rural landscapes that are our key areas of focus, and whose target customer segment is the same as ours, being the unbanked and under banked section of the population based at Surat.

#### **Sales and Marketing Strategy**

Our marketing activities include internal communications, product promotion, organisational branding and increasing our footprint on the social media platforms. We utilize internal communications to ensure that all employees are aligned with our growth objectives and aware of internal developments. Our product promotion activities include providing our customers with informative brochures and inviting them to our office to speak

about their experiences and the way we have helped them grow over the years. We believe that this is a highly effective customer engagement tool, and that our customers are the most effective brand ambassadors in the community. We also actively showcase our customers' stories and accounts on online social media platforms, and regularly update our posts to keep our existing and prospective customers informed.

### Intellectual Property

Our Company's logo and trademark i.e.  has been applied under Class 36 of the Trade Mark Act, 1999 which is applied in the name of the promoter Mr. Tushar Rohit Bhai Pandya. The TM application vide application no. 4240584 was made on July 19, 2019 for registration of this logo and trademarks. For further details, please refer to the Section title "Government and Other Approvals" on page no. 149 of this Prospectus.

### Insurance

We have obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, group personal accident insurance, and standard fire and special perils in respect of our premises. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits, losses due to terrorism, etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed.

S. No.	Name of the Company	Type of Policy	Validity Period	Description of cover under the policy	Policy No.	Sum Assured Amount (Rs. in Lakhs)	Premium Paid Amount (in Rs.)
1	ICICI Lombard General Insurance Company Limited	Burglary Insurance Policy	Until July 03, 2020	Electronic and Electronic Equipment, Furniture Fixture & Fittings	4002/174717626/00/000	52	4388.24
2	ICICI Lombard General Insurance Company LTD	Standard Fire and Special Peril Insurance	Until July 03, 2020	Electronic and Electronic Equipment, Furniture Fixture & Fittings	1001/174717610/00/000	52	4908.80

### Immovable Property

The company do not own any immovable property.

S. No.	Address of Property	Licensor / Lessor / Vendor	Usage of Property	Consideration Rent paid (In Rs.)	Type of Agreement	Agreement Date / lease period
<u>1.</u>	336, Four Point Complex, VIP Road, Vesu, Surat, Gujarat - 395007	Tushar Rohitbhai Pandya	Official Purpose	90,288/- per month	Rent Agreement	11 months upto 16.08.2020
<u>2.</u>	330-334, Four Point Complex, VIP Road, Vesu, Surat, Gujarat - 395007	Rupal Tushar Pandya	Official Purpose	97,680 /- per month	Rent Agreement	11 months upto 16.08.2020

## **KEY REGULATIONS AND POLICIES**

*Except as otherwise specified in this Prospectus, the Companies Act, 1956 / the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of finance, investment and trading, hire purchase, leasing and to finance lease operations of all kinds of plant and machinery and equipment etc. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for professional legal advice.*

### **APPROVALS**

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 149 of this Prospectus.

### **APPLICABLE LAWS AND REGULATIONS**

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

##### **Reserve Bank of India Act, 1934 (RBI) (NBFC Regulation)**

The RBI Act defines an NBFC as: (a) a financial institution which is a company; (b) a non-banking institution which is a company and which is in the principal business of receiving deposits, under any scheme or arrangement or in any other manner, or lending in any manner; or (c) such other non-banking institution or class of such institutions as the RBI may, with the previous approval of the central government, and by notification in the official gazette, specify. In order to commence or carry out the business of a non-banking financial institution, an NBFC has to mandatorily obtain a certificate of registration issued by the RBI and it should have minimum net owned fund of ₹2.5 million or such other amount, not exceeding ₹20 million, as the RBI may, by notification in the Official Gazette, specify. Subsequently, through a notification dated April 21, 1999, the RBI has increased such minimum net owned fund threshold to ₹20 million. Every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. Further, no appropriation can be made from such fund by the NBFC except for the purposes specified by the RBI from time to time and every such appropriation is required to be reported to the RB within 21 days from the date of such withdrawal.

In addition, non-systemically important NBFCs-NDs are also governed by various directions, circulars and guidelines as issued by the RBI from time to time.

##### **Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (“Master Directions, 2016”)]**

The Master Directions, 2016 apply to, among certain other entities, to every NBFC not accepting / holding public deposits which is not systemically important, that is having a total asset size of below ₹ 5,000 million.

The Master Directions, 2016 consolidate the various other regulations and notifications as issued by Department of Non-Banking Regulation, RBI from time to time. NBFCs are required to separately disclose in their balance sheets the provisions made as per Master Directions, 2016, without netting them from the income or against the value of assets. Such provisions are required to be distinctly indicated under separate heads of account as: (i) provisions for bad and doubtful debts; and (ii) and provisions for depreciation in investments. The board of directors of NBFCs shall also lay down the appropriate grievance redressal mechanism within the organization.

## **Prudential Regulations**

As per the prudential regulations under the Master Directions, 2016, the leverage ratio of applicable NBFCs, as prescribed, is required to not be more than seven at any point of time, with effect from March 31, 2015. Every applicable NBFC which grants or intends to grant demand or call loans, is required to frame a policy and implement the same, which shall inter alia contain details of cut-off date for repayment and/ or review, rate of interest to be charged. It further provides that an applicable NBFC with an asset size of ₹1,000 million or above, is required to maintain an LTV ratio of 50% for loans granted against collateral of shares and shall report information in relation to the shares pledged in their favor to the stock-exchange quarterly.

## **Fair Practices Code:**

The Master Directions, 2016 also prescribe for a fair practices code to be adopted by certain types of NBFCs, as prescribed. As per these directions, applicable NBFCs are mandated to adopt guidelines wherein all communications to the borrower is required to be in the vernacular language or a language as understood by the borrower. Additionally, the loan application forms shall include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower. NBFCs should also give notice to the borrower in the vernacular language or a language as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. NBFCs shall also ensure that changes in interest rates and charges are effected only prospectively.

In case of receipt of request from the borrower for transfer of borrowal account, the consent or otherwise i.e., objection of the NBFC, if any, is required to be conveyed within 21 days from the date of receipt of request. Such transfer is required to be as per transparent contractual terms in consonance with law. In the matter of recovery of loans, an NBFC is required not to resort to undue harassment methods which include persistently bothering the borrowers at odd hours, using muscle power for recovery of loans etc. The prescribed NBFCs are also required to ensure that the staff is adequately trained to deal with the customers in an appropriate manner. A fair practices code, preferably in the vernacular language, based on the guidelines outlined in the Master Directions, 2016 is required to be put in place with approval of the companies' board, by all such prescribed NBFCs, which also have a customer interface.

## **Governance**

As per the Master Directions, 2016, any takeover/acquisition of control of the NBFCs covered under the Master Directions, 2016, which may or may not result in change of management, or any change in the shareholding of the applicable NBFCs, including progressive increases over time, which would result in acquisition/transfer of shareholding of 26% or more of the paid up equity capital of the concerned NBFC, requires a prior approval of the RBI. This governance norm is subject to the exception of change in shareholding due to court approved buyback of shares or reduction in capital.

## **Asset Liability Management (“ALM”) Systems**

NBFCs are exposed to several major risks in the course of their business - credit risk, interest rate risk, equity and commodity price risk, liquidity risk and operational risk. In order to introduce effective risk management systems which address the issues such as interest rate and liquidity risks, the Master Directions, 2016 mandates that the non-systemically important NBFCs-ND have an ALM system in place. NBFCs meeting the criteria of asset base of ₹ 1,000 million or more (whether accepting /holding public deposits or not) or holding public deposits of ₹ 200 million or more (irrespective of their asset size) as per their last audited balance sheet are required to put in place an ALM system.

## **Miscellaneous**

In addition to other provisions, this section of the Master Directions, 2016 lays down the level of net non-performing assets to be maintained by the non-systemically important NBFCs-ND and mandates conformity with the KYC norms for such NBFCs having customer interface. While granting finance for housing projects and development projects, the NBFCs covered under the Master Directions, 2016 are also required to stipulate that the borrowing builder or developer disclose in its pamphlets /brochures / advertisements, information regarding mortgage of property and should not release the funds till the stipulation is met. The NBFCs, as



prescribed, are required to become members of all Credit Information Companies and submit data, including historical data, to such companies.

#### **Master Direction - Know Your Customer Directions, 2016 (“KYC Directions”)**

As per the KYC Directions, all NBFCs, unless specified otherwise, are required to follow certain customer identification procedures while undertaking a transaction either by establishing an account based relationship or otherwise and monitor their transactions.

In terms of the KYC Directions, the applicable NBFCs are required to formulate a KYC policy which is duly approved by the board of directors of such entity or a duly constituted committee thereof. The KYC policy formulated is required to include four key elements, which are the customer acceptance policy, risk management, customer identification procedures and monitoring of transactions. The NBFCs are required to *inter alia* ensure that they specify who constitutes ‘senior management’ for the purpose of KYC compliance, specifying allocation of responsibility for effective implementation of policies and procedures, independent evaluation of the compliance functions of the entity’s policies and procedures, including legal and regulatory requirements. Further, pursuant to the provisions of Prevention of Money-Laundering Act, 2002, and the KYC Directions, all NBFCs to whom the KYC Directions apply have to appoint a ‘Designated Director’ who shall be responsible for ensuring overall compliance as required under the aforementioned laws, and a ‘Principal Officer’, who shall be responsible for furnishing/reporting all transactions and sharing of information as required under the law to the Foreign Intelligence Unit -India and other enforcement agencies.

#### **Information Technology Framework for the NBFC Sector Directions (the “IT Framework Directions”)**

The IT Framework Directions have been notified with the view of benchmarking the information technology/information security framework, business continuity planning, disaster recovery management, information technology (“IT”) audit and other processes of NBFCs to best practices for the NBFC sector. The focus of the IT Framework Directions is on IT governance, IT policy to be formulated by the NBFC, information & cyber Security, IT operations, information system audit, business continuity planning and IT services outsourcing. The IT Framework Directions require all non-systemically important NBFCs to develop basic IT systems mainly for maintaining the database and have a board approved IT policy/information system policy in place.

#### **Master Direction-Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016. (“Returns Direction”)**

As per the KYC Directions, all NBFCs, unless specified otherwise, are required to follow certain customer identification procedures while undertaking a transaction either by establishing an account based relationship or otherwise and monitor their transactions. In terms of the KYC Directions, the applicable NBFCs are required to formulate a KYC policy which is duly approved by the board of directors of such entity or a duly constituted committee thereof. The KYC policy formulated is required to include four key elements, which are the customer acceptance policy, risk management, customer identification procedures and monitoring of transactions. The NBFCs are required to *inter alia* ensure that they specify who constitutes ‘senior management’ for the purpose of KYC compliance, specifying allocation of responsibility for effective implementation of policies and procedures, independent evaluation of the compliance functions of the entity’s policies and procedures, including legal and regulatory requirements. Further, pursuant to the provisions of Prevention of Money-Laundering Act, 2002, and the KYC Directions, all NBFCs to whom the KYC Directions apply have to appoint a ‘Designated Director’ who shall be responsible for ensuring overall compliance as required under the aforementioned laws, and a ‘Principal Officer’, who shall be responsible for furnishing/reporting all transactions and sharing of information as required under the law to the Foreign Intelligence Unit -India and other enforcement agencies.

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basic IT systems mainly for maintaining the database and have a board approved IT policy/information system policy in place.

### **Master Direction-Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016. (“Returns Direction”)**

NBFCs are required to put in place a reporting system for filing various returns within the timeframe prescribed in the Returns Direction. NBFCs are required to submit various returns to the Bank with respect to their deposit acceptance, prudential norms compliance, ALM etc. The lists of returns to be submitted by the NBFCs-ND, includes an annual submission of the return on financial indicators and statutory auditor certificate to the effect that it is engaged in the business of non-banking financial institution, requiring it to hold a certificate of registration granted under Section 45-IA of the RBI Act. Other returns may also be required to be submitted, depending on the asset size of the concerned NBFC.

### **Ombudsman Scheme for Non-Banking Financial Companies, 2018 (“Ombudsman Scheme”)**

The Ombudsman Scheme applies to NBFCs that: (a) are authorized to accept deposits; or (b) have customer interface, with an asset size of ₹ 1,000 million as on the date of the audited balance sheet of the previous financial year, or of any such asset size as the RBI may prescribe, excluding NBFC-infrastructure finance companies, core investment companies, NBFCs-infrastructure debt fund and NBFCs under liquidation. RBI has brought into operation the Ombudsman Scheme to ensure that a suitable mechanism exists for receiving and addressing complaints from their customers with specific emphasis on resolving such complaints expeditiously and in a fair manner. This scheme provides for an alternate dispute resolution mechanism, where the customer is at liberty to approach any other court/forum/authority for the redressal at any stage.

## **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED**

### **Gujarat Shops and Establishment Act, 1948 (the “Act”)**

The provisions of the Act, as applicable, regulate the conditions of work and employment in shops and commercial establishments registered under the Act and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

### **Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

### **Gujarat Stamp Act, 1958 (the “Stamp Act”)**

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

## **GENERAL CORPORATE COMPLIANCE**

### **The Companies Act, 1956 and the Companies Act, 2013**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act, 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act.

Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a company. The provisions relating to remuneration of the directors payable by the company is under Part II of the said schedule.

### **Indian Contract Act, 1872 ("Contract Act")**

The Contract Act codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### **Transfer of Property Act, 1882 ("TP Act")**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the TP Act. The TP Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

### **The Registration Act, 1908 ("Registration Act")**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

## **EMPLOYMENT AND LABOUR LAWS**

### **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952**

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

### **Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of

damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### **The Employees' Pension Scheme, 1995**

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

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

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### **Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

### **Payment of Gratuity Act, 1972 (the "Act")**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

### **Maternity Benefit Act, 1961 (the "Act")**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

### **Equal Remuneration Act, 1979**

The Equal Remuneration Act, 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment

and for matters connected therewith. The Act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

### **Child Labour Prohibition and Regulation Act, 1986 (the “Child Labour Act”)**

The Child Labour Act prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

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

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

### **Industrial Disputes Act, 1947 (the “ID Act”) and Industrial Dispute (Central) Rules, 1957**

The ID Act provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

## **INTELLECTUAL PROPERTY LEGISLATIONS**

### **Trade-Marks Act, 1999 (“TM Act”)**

The Trade-Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

## **ANTI-TRUST LAWS**

### **Competition Act, 2002**

An Act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

## **OTHER LAWS**

### **Foreign Exchange Management Act, 1999 (“FEMA”)**

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations promulgated there under FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to

such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

## **THE FOREIGN DIRECT INVESTMENT**

### **Consolidated FDI Policy of 2017 (“FDI Policy”)**

The FDI Policy is issued by the Department of Industrial Policy and Promotion, Government of India. Pursuant to the FDI Policy, foreign investment in an Indian company engaged in ‘other financial services activities’ regulated by financial sector regulators which amongst others includes RBI, SEBI, NHB, IRDA, PFRDA or any other financial sector regulator is permitted under automatic route up to 100% of equity share capital of the concerned entity. Foreign investment in companies engaged in financial services activities and downstream investment by any of these entities, will be subject to the conditions specified in paragraph 5.2.26.2 of the FDI Policy.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

### **History and Background**

Our Company was incorporated on December 16, 1986, as "*Ascom Leasing & Investments Limited*" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh bearing Registration Number 085128. Our company received the certificate of Commencement of Business on January 07, 1987. Subsequently, our Company has shifted the Registered office from Hyderabad to Surat, vide certificate issued by the Registrar of Companies, Ahmedabad on November 23, 2015. Our Company holds the certificate of registration dated December 17, 2015 bearing registration number B-01.00559 issued by the RBI, Ahmedabad Regional Office to carry on the activities of a non-deposit taking NBFC with the RBI under section 45 IA of the RBI Act, 1934. The Corporate Identification Number of our Company is U65993GJ1986PLC085128

### **Corporate profile of our Company**

Details regarding the description of our activities, services, products, market, the growth of our Company and managerial competence, the standing of our Company with reference to the prominent competitors with reference to its products, management and competition, please refer to the chapter titled "Our Business" "Industry Overview" and "Our Management" on pages 82, 76 and 98 respectively of this Prospectus.

### **Change in the name of Company since incorporation**

Our Company has not changed its name.

### **Changes in the Registered Office of the Company since incorporation**

Currently, the Registered Office our Company is situated at 331, 3<sup>rd</sup> Floor, Four Point Complex, Vesu, Besides Maniba Park, Surat, Gujarat- 395007.

Following changes has been made in our registered office since incorporation till date of this Prospectus:

<b>From</b>	<b>To</b>	<b>With effect from</b>	<b>Reason for change</b>
7-2-562, Boorguchetty Bazar, R. P. Road, Secunderabad, Telangana, India- 500003	D1, 1 <sup>st</sup> Floor, Nil Gagan Apartment, Near Dhiraj Sons, Athwagate, Surat-Gujarat- 395001	October 19, 2015	Greater Operational Efficiency
D 1, 1 <sup>st</sup> Floor, Nil Gagan Apartment, Near Dhiraj Sons, Athwagate, Surat- Gujarat- 395001	331, 3 <sup>rd</sup> floor, Four Point complex, Vesu, besides Maniba Park, Surat, Gujarat India 395007	June 10, 2017	Greater Operational Efficiency

### **Major events in the History of our Company**

<b>Year</b>	<b>Key Events/Milestone</b>
1986	Incorporation of our Company
2001	Certificate of registration obtained from RBI to carry on the activities of a non-deposit taking NBFC- Hyderabad Regional Office
2015	Revised Certificate of registration obtained from RBI to carry on the activities of a non-deposit taking NBFC- Ahmedabad Regional Office

*# Our promoter & its relatives had acquired the equity shares of the company by virtue of the MOU executed on July 28, 2012 with the then existing equity shareholders of the company. Based on the MOU, the equity shares were acquired in tranches by the promoter, Mr. Tushar Rohitbhai Pandya and others namely, Rupalben Tushar Pandya, Suvidya Rohitkumar Pandya, Digitech Infotech Private Limited, Sweta Shah, Tusharbhai Pandya HUF as per the agreed terms defined particularly in the said MOU. 6,00,000 equity shares were acquired @ Rs. 12.75/- per equity shares by the afore said persons in the manner and due compliance of the provision of the Companies Act, 2013 and RBI rules and regulations (including the modification or amendment thereto)*

**Awards and accreditations received by our Company:-**

Our Company has not received any award in the past.

**Acquisition of Businesses / Undertakings**

Our Company has not made any material acquisitions or divestments of businesses / undertakings in the last 10 (ten) years.

**Details of Merger/Amalgamation**

There has been no merger/amalgamation pertaining to our Company.

**Revaluation of assets**

Our Company has not re-valued its assets in the last 10 (ten) years.

**Main Objects of our Company**

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

- 1. To carry on and undertake the business of finance, investments and trading, hire purchase, leasing and to finance lease operations of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may think fit and to assist in financing of all and every kind and description of hire purchase or deferred or similar transactions and to subsidise, finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all forms of immovable and movable property including lands and buildings, plant and machinery, equipments, ships, aircraft, automobiles, computers and all consumer, commercial and industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof, regardless of whether the property purchased and leased be new and / or used.*
- 2. To advance, deposit or lend money, securities and properties to or with any Company, body corporate, firm, person or association with or without securities and on such terms as may be determined from time to time. However, the Company shall not carry on the business of Banking as defined under the Banking Regulation Act, 1949.*
- 3. To finance whether by way of making loan or advance or subscribing to the capital of any private industrial enterprise including those falling under the same management in India within the meaning of Section 186 of the Companies Act, 2013.*

**Amendments to our Memorandum of Association in last ten (10) years**

The following changes have been made to the Memorandum of Association in last ten (10) years:



Sr. No.	Particulars	Date of Meeting	Type of Meeting
1	Increase in authorized capital from ₹10.00 Lakhs to ₹30.00 Lakhs comprising of 3,00,000 Equity shares of ₹10.00 each.	<i>Form not available*</i>	EGM
2	Increase in authorized capital from ₹30.00 Lakhs to ₹60.00 Lakhs comprising of 6,00,000 Equity shares of ₹10.00 each.	March 25, 2011	EGM
3	Increase in authorized capital from ₹60.00 Lakhs to ₹200.00 Lakhs comprising of 20,00,000 Equity shares of ₹10.00 each.	April 01, 2015	EGM
4	Increase in authorized capital from ₹200.00 Lakhs to ₹500.00 Lakhs comprising of 50,00,000 Equity shares of ₹ 10.00 each.	May 05, 2015	EGM
5	Shifting of Registered Office of the Company from Andhra Pradesh to Gujarat	May 25, 2015	EGM
6	Increase in authorized capital from ₹500.00 Lakhs to ₹1500.00 Lakhs comprising of 1,50,00,000 Equity shares of ₹10.00 each.	July 29, 2015	EGM

*\*We have placed reliance on the entries mentioned in the Records provided by the Company and records found on MCA site, as certified by M/s. Jinendra Jain & Associates, Company Secretaries, under their search report dated June 14, 2019. For further information, please refer to chapter titled "Risk Factors" beginning on page 26 of the Prospectus.*

#### **Details of Holding Company**

As on the date of this Prospectus, our Company has no holding company.

#### **Details of Subsidiary Company**

As on date of this Prospectus, Our Company has no subsidiary.

#### **Lock-out or strikes**

There have been no lock-outs or strikes in our Company since inception.

#### **Agreements with key managerial personnel or a Director or Promoter or any other employee of the Company**

There are no agreements entered into by key managerial personnel or a Director or Promoter or any other employee of the 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 the Company.

#### **Agreements with strategic partners, joint venture partners and/or financial partners and other agreements**

Except disclose under this section, as on the date of filing this Prospectus, there are no existing material agreements with strategic partners, joint venture and/or financial partners or other material agreements entered into by our Company which are not in its ordinary course of business.

## **OUR MANAGEMENT**

### **Board of Directors**

As per the provisions of the Companies Act, 2013 and under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors. We currently have 6 directors on our Board out of which 3 are Non-Executive Independent Directors. We confirm that the composition of our Board of Directors is in line with the regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our Board also has one (1) women Director.

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

Sr. No.	Name, Age, Date of Birth, Designation, Father's Name, Occupation, Term, Nationality and DIN No.	Date of Appointment as Director	Other Directorships
1	<p><b>Name</b> – Mr. Tushar Rohitbhai Pandya  <b>Father's Name</b> – Mr. Rohitkumar Balvantrai Pandya  <b>Age</b> – 42 years  <b>Date of Birth</b> – May 15, 1977  <b>Designation</b> – Managing Director  <b>Address</b> – 8, Shree Darshan Society Near Jamna Nagar Bus Stop, Ghod Dod Road, Sunavali Surat 395001  <b>Occupation</b> – Business  <b>Qualification</b> – Chartered Engineer (A) from institute of Mechanical Engineers.  <b>Term</b> – Hold office for a period of 5 Years w.e.f. July 012019, appointment liable to retire by rotation  <b>DIN</b> – 03264783  <b>Nationality</b> – Indian</p>	<p>Appointed as Director on March 16, 2015 and subsequently appointed as Managing Director vide EGM dated July 27, 2019.</p>	<ul style="list-style-type: none"> <li>Ashta Vinayak Share Trading LLP</li> </ul>
2	<p><b>Name</b> – Mr. Rohitkumar Balvantrai Pandya  <b>Father's Name</b> – Mr. Balvantrai Manishanker Pandya  <b>Age</b> – 70 years  <b>Date of Birth</b> – April 28, 1949  <b>Designation</b> – Whole Time Director  <b>Address</b> – 8, Shree Darshan Society Near Jamna Nagar Bus Stop, Ghod Dod Road, Sunavali Surat 395001  <b>Occupation</b> – Business  <b>Qualification</b> – Graduate (B.Com.)  <b>Term</b> – Hold office for a period of 5 Years w.e.f. July 01, 2019, appointment liable to retire by rotation  <b>DIN</b> – 06400619  <b>Nationality</b> – Indian</p>	<p>Appointed as Director on March 02, 2015 and subsequently appointed as Whole Time Director vide EGM dated July 27, 2019.</p>	<p>Nil</p>
3	<p><b>Name</b> – Mrs. Rupalben Tushar Pandya  <b>Father's Name</b> – Mr. Devendra Naik  <b>Age</b> – 41 years  <b>Date of Birth</b> – May 08, 1978  <b>Designation</b> – Whole Time Director  <b>Address</b> – 8, Shree Darshan Society Near Jamna Nagar Bus Stop, Ghod Dod Road, Sunavali Surat 395001  <b>Occupation</b> – Business  <b>Qualification</b> – Pursuing Diploma in Mechanical Engineering  <b>Term</b> – Hold office for a period of 5 Years w.e.f. July 01, 2019, appointment liable to retire by rotation  <b>DIN</b> – 06396751  <b>Nationality</b> – Indian</p>	<p>Appointed as Director on March 03, 2015 and subsequently appointed as Whole Time Director vide EGM dated July 27, 2019</p>	<ul style="list-style-type: none"> <li>Ashta Vinayak Share Trading LLP</li> </ul>

4	<b>Name</b> – Mr. Ketanbhai Dhanjibhai Lakhani <b>Father’s Name</b> – Mr. Dhanjibhai Lakhani <b>Age</b> – 43years <b>Date of Birth</b> –March 09, 1976 <b>Designation</b> – Independent Director <b>Address</b> – 2, Bajrang Nagar, Nana Varachha, Surat - 395006 <b>Occupation</b> – Business <b>Qualification</b> – Sr. Secondary <b>Term</b> – Hold office for a period of 5 Years w.e.f. July 27, 2019. <b>DIN</b> – 07098256 <b>Nationality</b> – Indian	Appointed as Independent Director on June 24, 2019 and subsequently regularize as Independent Director vide EGM dated July 27, 2019	<ul style="list-style-type: none"> <li>• Saffron Hitech Equipment Private Limited</li> </ul>
5	<b>Name</b> – Mrs. Jayshriben Rajendra Pathak <b>Father’s Name</b> – Mr. Champak Lal Sompura <b>Age</b> – 71 years <b>Date of Birth</b> – April 15, 1948 <b>Designation</b> – Independent Director <b>Address</b> – A-136, Vijaydeep Society, Opp. Utran Railway Station, Amroli, Chorasi Surat, Gujarat – 394107 <b>Occupation</b> – Business <b>Qualification</b> – Senior Secondary <b>Term</b> – Hold office for a period of 5 Years w.e.f. July 27, 2019. <b>DIN</b> – 08490562 <b>Nationality</b> – Indian	Appointed as Independent Director on June 24, 2019 and subsequently regularize as Independent Director vide EGM dated July 27, 2019	<ul style="list-style-type: none"> <li>• Prathmeshwara Associates LLP</li> </ul>
6	<b>Name</b> – Mr. Pradeep Champaklal Wadiwalal <b>Father’s Name</b> – Mr. CB Wadiwala <b>Age</b> – 40 years <b>Date of Birth</b> – October 20,1979 <b>Designation</b> – Independent Director <b>Address</b> – 50, Pratishtha Awas Society, St. Xaviers School, Ghod Dod Road, Sunwali, Nanpura, Surat, Gujarat - 395001 <b>Occupation</b> – Business <b>Qualification</b> – Higher Secondary <b>Term</b> – Hold office for a period of 5 Years w.e.f. July 27, 2019. <b>DIN</b> – 08490596 <b>Nationality</b> – Indian	Appointed as Independent Director on June 24, 2019 and subsequently regularize as Independent Director vide EGM dated July 27, 2019	<ul style="list-style-type: none"> <li>• Prathmeshwara Associates LLP</li> </ul>

### **Brief Biographies of our Directors**

#### **Mr. Tushar Rohitkumar Pandya, age 42 years**

Mr. Tushar Rohit Kumar Pandya, aged 42 years, residing at 8, Shree Darshan Society, Near Jamna Nagar Bus Stop, GhodDod Road, Sunavali Surat 395001. He is the Promoter and Managing Director of our Company having more than 15 years of experience in the finance industry. He has completed his Charter Engineer (A) from Institute of Mechanical Engineer in the year 1999. He is responsible for the development and implementation of Company’s growth strategy and expansion in India. His leadership abilities have been instrumental in growth and development of our Company. He is the guiding force behind all the corporate decision and is responsible for the entire business operation of the Company.

#### **Mr. RohitKumarBalvantRai Pandya, age 70 years**

Mr. RohitKumar Balvantrai Pandya, aged 70 years, residing at 8, Shree Darshan Society, Near Jamna Nagar Bus Stop, Ghod Dod Road, Sunavali Surat 395001. He is the whole time Director of the company and holds rich experience of the finance industry. He is a retired Sr. manager working with Bank of Baroda an possess the require skills and management to operate the Non-Banking Financial Institution.

**Mrs. Rupalben Tushar Pandya, aged 41 years**

Mrs. Rupalben Tushar Pandya, aged 41 years, residing at 8, Shree Darshan Society, Near Jamna Nagar Bus Stop, Ghod Dod Road, Sunavali Surat 395001. She is the whole-time director of the company and holds a varied experience of more than 12 years in the Industry. She is responsible for the development and implementation of Company's growth strategy and expansion, her analytical knowledge and experience support as a effective functioning of our company.

**Mr. Ketanbhai Dhanjibhai Lakhani, aged 43 years**

Mr. Ketan bhai Dhanjibhai Lakhani, aged 43 years, residing at 2, Bajrang Nagar, Nana Varachha, Surat - 395006. He is appointed as the Independent Director on Board of the company. He has completed his Sr. Secondary from Experimental School, Parle Point Surat. He is engaged into the trading Milk & Gold jewellery products. He is responsible for the development and implementation of Company's growth strategy and expansion, her analytical knowledge and experience support as a effective functioning of our company.

**Mrs. Jayshriben Rajendra Pathak, age 71 years**

Mrs. Jayshiben Rajendra Pathak, aged 71 years, residing at A-136, Vijaydeep SOC, Opp.Utran Railway Station, Amroli, Chorasi Surat, Gujarat – 394107. She is appointed as Independent Director on Board to have the effective supervision on the affairs of the company. She has completed her Sr. Secondary from Gujarat Secondary Board.

**Mr. Pradeep ChampaklalWadiwalal, Age 40 years**

Mr. Pradeep Champaklal Wadiwalal, aged 40 years, residing at 50, Pratihtha Awas Society, St. Xaviers School, Ghoddod Road, Sunwali, Nanpura, Surat, Gujarat – 395001. He has completed his Higher Secondary from Gujarat Secondary Board and has been appointed as Independent Director on Board since 2019.

**Note:**

- Apart from relations as mentioned below, no other directors are termed as relatives within the meaning of section 2 (77) of the Companies Act, 2013; none of our directors of our Company are related to each other.

<b>Promoter/ Director</b>	<b>Mr. Tushar Rohitbhai Pandya</b>
Mrs. Rupalben Tushar Pandya	Spouse
Mr. RohitkumarBalvantrai Pandya	Father

- All of our directors are Indian nationals.
- None of our Directors are fugitive economic offender or are on the RBI List of willful defaulters as on the date of this Prospectus.
- Further none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies. None of our Promoter, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by the SEBI.
- There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Directors were selected as director or member of senior management.
- None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed.

Although their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company. Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

## Details of Borrowing Powers of Our Board of Directors

Pursuant to a special resolution passed at an Extra- Ordinary General Meeting of our Company held on July 27, 2019, pursuant to provisions of Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, the Board of Directors of the Company be and is hereby authorized to borrow monies from time to time in excess of aggregate of paid up capital and free reserves (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹250.00 Crores (₹Two Hundred and Fifty Crores)

## Compensation to Managing Director and Whole-time Directors

The compensation payable to our Managing Director and Whole-time 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 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

### The Company is paying following compensation to the Managing Director and Whole Time Director:

**Mr. Tushar Rohitbhai Pandya, Managing Director:** Pursuant to the Resolution passed by the Board of Directors in their meeting held on July 04, 2019 and by the shareholders passed at an EGM of our Company held on July 27, 2019, Mr. Tushar Rohitbhai Pandya is appointed as Managing Director for a period of 5 years at below remuneration:

Salary including Perquisites	Upto Rs. 8,30,000/- per month
Amount of compensation paid during the F.Y. 2018-19 (P.A.)	Rs. 24,00,000

**Mr. Rohitkumar Balvantrai Pandya, Whole time Director:** He was originally appointed as the director of our Company on March 02, 2015. Pursuant to the Resolution passed by the Board of Directors in their meeting held on July 04, 2019 and by the shareholders passed at an EGM of our Company held on July 27, 2019, Mr. Rohitkumar Balvantrai Pandya is appointed as Wholetime Director for a period of 5 years at below remuneration:

Salary including Perquisites	Upto Rs. 7,15,000/- per month
Amount of compensation paid during the F.Y. 2018-19 (P.A.)	NIL

**Mrs. Rupalben Tushar Pandya, Whole time Director:** She was originally appointed as the director of our Company on March 03, 2015. Pursuant to the Resolution passed by the Board of Directors in their meeting held on July 04, 2019 and by the shareholders passed at an EGM of our Company held on July 27, 2019, Mrs. Rupalben Tushar Pandya is appointed as Wholetime Director for a period of 5 years at below remuneration:

Salary including Perquisites	Rs. 7,08,000/- per month
Amount of compensation paid during the F.Y. 2018-19 (P.A.)	Rs. 24,00,000

## Remuneration Paid to Directors by our Subsidiary or Associate Companies.

Our Company has neither Associate Company or subsidiary company.

## Payment or benefit to Non-Executive Directors of our Company

Apart from the remuneration of our executive directors as stipulated under the heading "Compensation to Managing Director and Whole Time Director" above, our non-executive directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act, 2013 and the rules made there under and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid

commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

Our Company has not paid any sittings fees to Independent Directors for the financial year ended 2019-20.

Except as stated in this Prospectus, no amount or benefit has been paid by our Company within the two preceding years or is intended to be paid or given by our Company to any of our Company's officers including our directors and key management personnel.

Further, except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our directors and our key management personnel, are entitled to any other benefits upon termination of employment.

Except as disclosed above, our Company does not have any bonus or profit-sharing plan for its directors.

There is no contingent or deferred compensation payable to our managing director or executive director.

### **Shareholding of our directors in the Company**

Our Articles of Association do not require our Directors to hold any qualification shares. The details of the shareholding of our Directors as on the date of this Prospectus are as follows:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>No. of Equity Shares</b>	<b>Percentage of Pre-Issue Capital (%)</b>	<b>Percentage of Post-Issue Capital (%)</b>
1	Tushar Rohitkumar Pandya	38,68,853	67.86	49.54
2	RohitbhaiBalvantrai Pandya	60,000	1.05	0.77
3	Rupalben Tushar Pandya	11,39,090	19.98	14.59

### **Interest of Directors**

#### ***❖Interest in the promotion of the Company***

Our Directors may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, please refer the section titled "Our Promoter and Promoter Group", "Information with respect to Group Companies" and related party transactions as restated as appearing in ANNEXURE 28 under the Section titled "Financial Statements" beginning on page no. 111, 152 and 116 of this Prospectus.

#### ***❖Interest in the property (including land also) acquired or proposed to be acquired by the Company within three (3) years of the date of the filing of this Prospectus***

Our Directors have no interest in any property acquired by our Company three years prior to the date of this Prospectus or proposed to be acquired by us as on the date of filing of this Prospectus. Our Company has not entered into any contracts or arrangements during the preceding the three years in which the Directors are interested directly or indirectly or no payments have been made to them in respect of these contracts or arrangements. For details of Properties, please refer to the section Property in the Chapter "Our Business" on page 82 of this Prospectus.

### **Interest to the extent of loan provided to the Company**

Except as stated in related party transactions as restated as appearing in Annexure 28 under the Section titled "Financial Statements" beginning on page no. 116 of this Prospectus, none of our directors have provided any loan to the Company.

### **Other Interest**

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of

expenses payable to them under our Articles. The executive directors will be interested to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to their relatives or the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoter, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

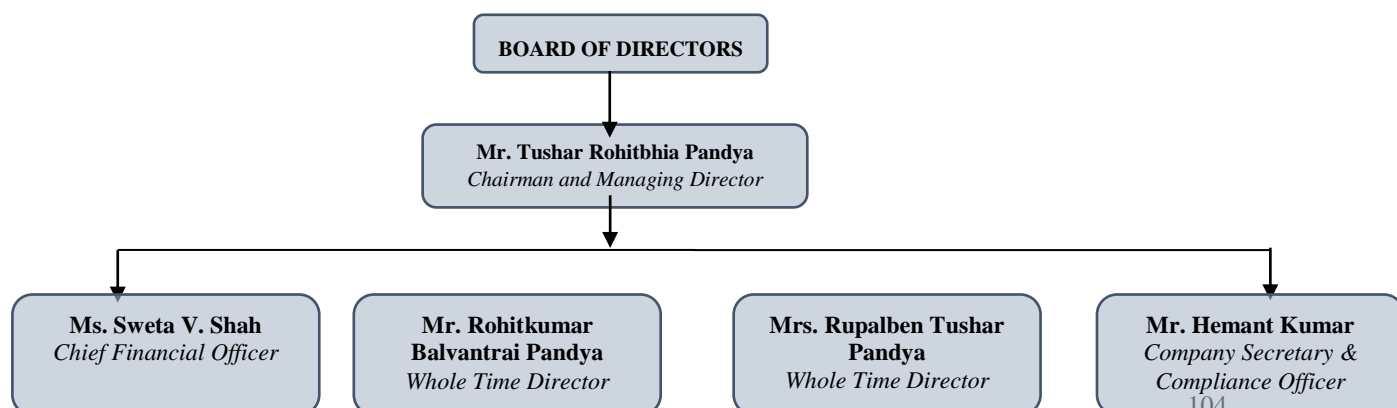
Except as stated under the paragraph titled related party transactions as restated as appearing in ANNEXURE 28 under the Section titled “Financial Statements” beginning on page no. 116 of this Prospectus, and to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business. Further, please refer to the paragraph titled “Full Particulars of the nature and extent of the Interest, if any, of our Promoter” and “Common Pursuits” under Section titled “Our Promoter and Promoter Group” and “Information with respect to Group Companies” on page 111 and 152 of this Prospectus.

### **Changes in Our Board of Directors during the last three years**

Except as disclosed below, there is no change in last three years in our board of directors.

<b>Name of Director</b>	<b>Date of Event</b>	<b>Nature of Event</b>	<b>Reason</b>
Mr. KetanbhaiDhanjibhai Lakhani	July 27, 2019	Regularisation	Designated as Independent Director via shareholder approval passed in EGM convened on July 27, 2019
Mrs. Jayshriben Rajendra Pathak	July 27, 2019	Regularisation	Designated as Independent Director via shareholder approval passed in EGM convened on July 27, 2019
Mr. Pradeep ChampaklalWadiwalal	July 27, 2019	Regularisation	Designated as Independent Director via shareholder approval passed in EGM convened on July 27, 2019
Mr. KetanbhaiDhanjibhai Lakhani	June 24, 2019	Appointment	Designated as Additional Independent Director
Mrs. Jayshriben Rajendra Pathak	June 24, 2019	Appointment	Designated as Additional Independent Director
Mr. Pradeep ChampaklalWadiwalal	June 24, 2019	Appointment	Designated as Additional Independent Director
Mrs. Rupalben Tushar Pandya	July 27, 2019	Change in Designation	Designated as Whole Time Director
Mr. Rohitkumar Balvantrai Pandya	July 27, 2019	Change in Designation	Designated as Whole Time Director
Mrs. Suvidya Rohitkumar Pandya	September 07, 2018	Resignation	Resigned as Director

### **ORGANISATION STRUCTURE**





## Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange. Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective Independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law. The Board functions either as a full board or through the various committees constituted to oversee specific operational areas. As on the date of this Prospectus, there are Six (6) Directors on our Board out of which three directors are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the Equity Listing Agreements and the Companies Act, 2013 to the extent applicable.

**The followings committees have been formed in compliance with the corporate governance norms:**

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

### 1. Audit Committee

To comply with the provisions of Companies Act, 2013 and the related rules, Audit Committee was constituted by our directors at their board meeting held on June 24, 2019. The Audit Committee shall meet at least four times a year with maximum interval of 120 (one hundred and twenty) days between two of its meetings. The scope and functions of the Audit Committee are in accordance with section 177 of the Companies Act, 2013. The Audit Committee consists of:

Name of Director	Status in Committee	Nature of Directorship
Mr. Pradeep Champaklal Wadiwalal	Chairman	Independent Director
Mr. Ketanbhai Dhanjibhai Lakhani	Member	Independent Director
Ms. Jayshriben Rajendra Pathak	Member	Independent Director
Mr. Rohitkumar Balvantraai Pandya	Member	Whole Time Director

The Company Secretary of our Company shall act as a secretary to the Audit Committee.

An independent director shall always be the Chairman of the Audit Committee. The Chairman of the Audit Committee shall attend the annual general meeting of our Company to furnish clarifications to the shareholders in any matter relating to accounts. The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The terms of reference of Audit Committee complies with requirements of section 177 of The Companies Act, 2013. The scope and function of the Audit Committee and its terms of reference shall include the following:

- B. 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.
- C. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than 120 (one hundred and twenty) days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. Meeting of the Audit Committee shall be called by at least seven days' notice in advance.

**D. Role and Powers:** The Role of Audit Committee together with its powers shall be as under:

1. Oversight of the Issuer'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 Company;
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, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the audit report;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Issue 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 Company 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. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

**The Audit Committee shall mandatorily review the following information:**

- a. Management discussion and analysis of financial condition and results of operations;

- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- f. Statement of deviations:
  - ❖ half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange in terms of Regulation 32(1) of SEBI Listing Regulations, 2015.
  - ❖ annual statement of funds utilized for purposes other than those stated in the Issue document/prospectus/notice in terms of SEBI Listing Regulations, 2015.

## **2. Stakeholders Relationship Committee:**

The Stakeholders' Relationship Committee was constituted by our Board of Directors at their meeting held on June 24, 2019. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013. The terms of reference of the Stakeholders' Relationship Committee include the following:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Pradeep Champaklal Wadiwalal	Chairman	Independent Director
Mr. Tushar Rohitbhai Pandya	Member	Managing Director
Mr. Rohitkumar Balvantrai Pandya	Member	Whole Time Director

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. Quorum and Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. Terms of Reference:** Redressal of stakeholders' and investors' complaints, including and in respect of:
  1. Allotment and listing of our shares in future;
  2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
  3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
  4. Reference to statutory and regulatory authorities regarding investor grievances;
  5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
  6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

## **3. Nomination and Remuneration Committee:-**

To comply with the provisions of Section 178 of the Companies Act, 2013 and the related rules, the Nomination and Remuneration/Compensation Committee was constituted by our Board of Directors by a resolution passed at the Board meeting on June 24, 2019.

Name of Director	Status in Committee	Nature of Directorship
Mr. Pradeep Champaklal Wadiwalal	Chairman	Independent Director
Mr. Ketanbhai Dhanjibhai Lakhani	Member	Independent Director
Ms. Jayshriben Rajendra Pathak	Member	Independent Director

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 for review of managerial remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Remuneration Committee shall be called by at least seven days' notice in advance.
- C. Terms of Reference:**
1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
  2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
  3. Devising a policy on diversity of board of directors;
  4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
  5. 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.
  6. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
  7. 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.
  8. Decide the amount of Commission payable to the Whole time Directors.
  9. 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.
  10. To formulate and administer the Employee Stock Option Scheme.
  11. To retain, motivate and promote talent and to ensure the long term sustainability of talented managerial personnel.
  12. To develop a succession plan for the Board and to regularly view the plan.
  13. To implement and monitor policies and processes regarding principles of corporate governance.
  14. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

Mr. Hemant Kumar, Company Secretary and Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

#### **Policy on disclosure and internal procedure for prevention of Insider Trading**

The provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the NSE Emerge Platform of NSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on Stock Exchange.

#### **Our Key Managerial Personnel**

Our Company is supported by a professionals 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:

Name, Designation and Educational Qualification	Age (Years)	Date of Joining	Compensation paid for the F.Y. ended 2019 (Rs. In Lakhs)	Overall Experience (In years)	Previous Employment
<b>Name:</b> Tushar Rohitbhai Pandya <b>Designation:</b> Managing Director <b>Educational Qualification:</b> Charter Engineer (A) in Mechanical Engineering	42	March 16, 2015	24	15+	N.A.
<b>Name:</b> Sweta V. Shah <b>Designation:</b> Chief Financial Officer <b>Educational Qualification:</b> M.Com	38	June 24, 2019	5.09	15+	N.A
<b>Name:</b> Hemant Kumar <b>Designation:</b> Company Secretary & Compliance Officer <b>Educational Qualification:</b> Company Secretary	33	June 24, 2019	NA	NA	N.A.

#### Brief Profile of Key Managerial Personnel

**Mr. Tushar Rohit Kumar Pandya**, aged 42 years, residing at 8, Shree Darshan Soc. Near Jamna Nagar Bus Stop, GhodDod Road, Sunavali Surat 395001. He is the Promoter and Managing Director of our Company having more than 15 years of experience in the finance industry. He has completed his Charter Engineer (A) in Mechanical Engineering in the year 1999. He is responsible for the development and implementation of Company's growth strategy and expansion in India. His leadership abilities have been instrumental in growth and development of our Company. He is the guiding force behind all the corporate decision and is responsible for the entire business operation of the Company.

**Ms. Sweta V. Shah**, aged 38 years, residing at A-1004, Regent Residency, Pal, Surat – 395009 is appointed as Chief Financial Officer vide Board resolution dated June 24, 2019 of our Company. She has working with us since 5 years. Ms. Sweta V. Shah has completed her M.Com in the year 2000. She has vast Experience in the field of Accounting and Finance. She is responsible for looking after accounting, finance and taxation of our Company. She was paid a gross remuneration of ₹ 5.09 Lakhs (Including bonus) in previous F.Y.

**Mr. Hemant Kumar**, aged 33 years, residing at 3349, Ranjeet Nagar, Near Pusa Gate, New Delhi – 110008, is appointed as Company Secretary vide Board Resolution dated June 24, 2019 of our Company. He is a Company Secretary from Institute of Company Secretaries of India and has overall experience of 3 years in his functional area. He is responsible for day to day operation and look after the overall secretarial work and corporate compliances of our Company. He was not paid any amount in FY 2019-20.

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 abovementioned Key Managerial Personnel have been recruited.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March 2019.
- Except as stated in section titled "Our Management" and "Our Business" on page no. 98 and 82 respectively of this Prospectus 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 Prospectus except as follows

Sr. No.	Name of Key Managerial Person	Number of Shares
1	Mr. Tushar Rohitbhai Pandya	38,68,853
2	Ms. Sweta V. Shah	10
3	Mr. Hemant Kumar	Nil

- Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the Industry to which we belong.
- None of our Directors and our key managerial personnel is related to our promoter and directors except as stated in section titled “Our Management” on page no. 98 of this Prospectus.

#### **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	Reasons
1	Mr. Tushar Rohitbhai Pandya	Managing Director	Appointment- July 01, 2019	Designated as Managing Director
2	Ms. Sweta V. Shah	Chief Financial Officer	Appointment- June 24, 2019	Designated as Chief Financial Officer
3	Mr. Hemant Kumar	Company Secretary & Compliance Officer	Appointment- June 24, 2019	Designated as Company Secretary & Compliance Officer

#### **Bonus or profit-sharing plan of the Key Managerial Personnel**

There is no bonus or profit-sharing plan for our Key Managerial Personnel.

#### **Interest of Key Managerial Personnel**

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in the Company, if any. Save and except as stated in the section "Interest of Directors" above, none of our Key Managerial Personnel has been paid any consideration of any nature from the Company, other than their remuneration.

#### **Payment of Benefit to Officers of the Company**

Save and except for the payment of salaries, yearly bonus and accommodation arrangements we do not provide any other benefits to our employees.


**Employees:** The total numbers of permanent employees as on June 30, 2019 is 30.

## OUR PROMOTER AND PROMOTER GROUP

### **Our Promoter**

Our Promoter is Mr. Tushar Rohitbhai Pandya. As on the date of this Prospectus, the Promoter hold 38,68,853 Equity Shares which in aggregate, constitutes 67.86% of the pre-issued and paid-up Equity Share capital of our Company.

### **Details of Individual Promoter of our Company**

	<p>Mr. Tushar Rohitbhai Pandya born on May 15, 1977 aged 42 years is the Promoter and Managing Director of our Company. He has more than 15 years of experience in the Financial Services industry. He has completed his Mechanical Engineering (A) from Institution of Mechanical Engineers (India) in the year 1999. He is responsible for the development and implementation of Company's growth strategy and expansion in other parts of the state. With his vast experience in the financial sector, he has been the driving force behind the success of our Company and has contributed immensely towards the overall growth of our Company.</p> <p>Passport No.: P8698855 PAN: AFFPP0030B Aadhar No.: 3381 1878 6217 Driving License No. GJ05/0006532/2018</p> <p>Address: 8, Shree Darshan Soc. Near Jamna Nagar Bus Stop, GhodDod Road, Sunavali, Surat, Gujarat- 395001</p> <p><b>Other Ventures:</b></p> <ul style="list-style-type: none"><li>• Ashta Vinayak Share Trading LLP</li><li>• Aditya Finance Corporation (HUF)</li><li>• Marine tech (Partner)</li><li>• Aditya Financial Corporaton (Partner)</li><li>• Saffron Hi Tech Eqp. Pvt Ltd</li><li>• Aditya Finance (Proprietor)</li><li>• 129 Infra (Partner)</li></ul> <p>For further details in relation to other directorship of Mr. Tushar Rohitbhai Pandya, please refer to section titled "Our Management" and "Information with respect to Group Companies" beginning on page 98 and 152 of this Prospectus.</p>
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Our Company confirms that it has submitted the details of the PAN, Bank Account Number and Passport Numbers of our Promoter to the Stock Exchange at the time of filing the Prospectus.

### **Change in the control or management of the Issuer in last five years**

Our promoter & its relatives had acquired the equity shares of the company by virtue of the MOU executed on July 28, 2012 with the then existing equity shareholders of the company. Based on the MOU, the equity shares were acquired in tranches by the promoter, Mr. Tushar Rohitbhai Pandya and others namely, Rupalben Tushar Pandya, Suvidya Rohitkumar Pandya, Digitech Infotech Private Limited, Sweta Shah, Tusharbhai Pandya HUF as per the agreed terms defined particularly in the said MOU. 6,00,000 equity shares were acquired @ Rs. 12.75/- per equity shares by the afore said persons in the manner and due compliance of the provision of the Companies Act, 2013 and RBI rules and regulations (including the modification or amendment thereto)

### **Interest of Promoter in promotion of our Company**

Our Promoter are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company and our Subsidiary and the dividends payable, if any, and any other distributions in respect of such shareholding.

For details regarding the shareholding of our Promoter in our Company and our Subsidiary, please refer the section titled "Capital Structure", "History and Certain Corporate Matters" and "Our Management", beginning on pages 53, 95, and 98, respectively. For details on the Group Companies and the nature and extent of interest of our Promoter in the Group Companies, please refer the section titled "Information with respect to Group Companies ", beginning on page 152 of this Prospectus.

Our Promoter is the Managing Director of the 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 agreements entered into with our Company, if any and AoA of the Company. For details please refer to the chapter titled "Our Management", "Financial Statement" and "Capital Structure" beginning on page 98, 116 and 53 respectively of this Prospectus.

### **Interests of Promoter in property of our Company**

Our Promoter is not interested in the properties acquired or proposed to be acquired by our Company in the three years (3) preceding the date of this Prospectus, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery except the property leased to the Company as per the rental agreement.

### **Business Interests**

Except as stated in related party transactions as restated as appearing in ANNEXURE 28 in the chapter titled "Financial Statements" and "Our Management" beginning on pages 116 and 98, respectively of this Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years (2) from the date of this Prospectus or proposes to enter into any such contract in which our Promoter are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Our Promoter do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Our Promoter is not related to any sundry debtors of our Company.

Except as disclosed in this Prospectus, our Promoter is not interested as a member of a firm or company, and no sum have been paid or agreed to be paid to our Promoter 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.

### **Common Pursuits**

Our Promoter is not involved with any ventures which are in the same line of activity or business as that of our Company.

### **Guarantees**

our Promoter have not given any guarantee to a third party as of the date of this Prospectus.

### **Confirmations**

- Our Promoter and members of our Promoter Group have not been declared nor identified as wilful defaulters in terms of the SEBI Regulations.
- Further, there are no violations of securities laws committed by our Promoter and members of our Promoter Group in the past and no proceedings for violation of securities laws are pending against them.



- Our Promoter and members of our Promoter group, have not been 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.
- Our Promoter and members of our Promoter Group are not and have never been promoter, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our Promoter is not interested in any entity which holds any intellectual property rights that are used by our Company.
- Our Promoter have not taken any unsecured loans which may be recalled by the lenders at any time.

#### **Payment or benefits to the Promoter and Promoter Group in the last two years**

The related party transactions entered into during the last two (2) Financial Years as per Accounting Standard 18 and in "Interest of Promoter" under chapter titled "Our Promoter and Promoter group" beginning on page 113 of this Prospectus, there has been no payment or benefit to our Promoter or Promoter Group during the two (2) years prior to the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Prospectus.

#### **Disassociation by the Promoter from entities in last three (3) years**

Except as disclosed below, our Promoter have not disassociated from any of the companies or firms in the last three (3) years:

<b>Name of Promoter</b>	<b>Name of Company</b>	<b>Reason for Disassociation</b>
Mr. Tushar Rohit bhai Pandya	Saffron Hitech Equipment Private Limited	Resignation from Directorship on December 05, 2018

#### **Relationship of Promoter with our Directors**

Except as disclosed in chapter title "Our Management" beginning on page 98 of this Prospectus, none of director is related to our promoter.

#### **Promoter Group of our Company**

##### **(a) Individual Promoter Group of our Promoter**

<b>Name of our Promoter</b>	<b>Name of Relative</b>	<b>Relationship with the Relative</b>
Mr. Tushar Rohitbhai Pandya	Mr. Rohitbhai Balvantrai Pandya	Father
	Mrs. Suvidyaben Rohitbhai Pandya	Mother
	Mrs. Rupal Tushar Pandya	Spouse
	Mrs. Neha Amibabu Pandya	Sister
	Mr. Aditya Tushar Pandya	Son
	Mr. Aryan Tushar Pandya	Son
	Mr. Devendrabhai Somabhai Naik	Father in law
	Mrs. Rekhaben Devendrabhai Naik	Mother in law
	Mrs. Sonal Bhavin Makadia	Spouse's Sister
	Mrs. Bijal Dharmesh Desai	Spouse's Sister

##### **(b) Entities forming a part of Promoter Group**

The companies and entities that form part of our Promoter Group are as follows:

- ❖ Ashta Vinayak Share Trading LLP
- ❖ Aditya Finance Corporation (HUF)
- ❖ Marine Tech (Partnership Firm)
- ❖ Aditya Financial Corporation (Partnership)
- ❖ Saffron Hitech Equipment Private Limited
- ❖ Aditya Finance (Proprietorship)
- ❖ Aditya Finrich Prop: Rupal Tushar Pandya

❖ Aditya Finserve Prop: Rohit Pandya (HUF)

Our Company has mailed/ issued letters dated June 11, 2019 to the relatives of our individual promoter, relatives of **Mr. Tushar Rohitbhai Pandya** i.e. Mrs. Neha Amibabu Pandya, Mr. Devendrabhai Somabhai Naik, Mrs. Rekhaben Devendrabhai Naik, Mrs. Sonal Bhavin Makadia and Mrs. Bijal Dharmesh Desai asking for details of entity(ies) in which they severally or jointly may have an interest along with the personal documents for identification of promoter group.

However, we have not received full information from these relatives. Therefore, the disclosure made in this Prospectus is limited to the extent of information that has been made available by our Promoter in relation to promoter group.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 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 paid any dividend for the last three years. 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 there cord date, will not be entitled to the dividend declared by Our Company.

## SECTION IX: FINANCIAL STATEMENTS

### FINANCIAL STATEMENTS AS RE-STATED

#### Independent Auditor's Report on Restated Financial Statements of ASCOM LEASING & INVESTMENTS LIMITED

**Auditor's Report on the Restated Statement of Assets and Liabilities as at June 30, 2019, March 31, 2019, 2018, 2017 and 2016, Profit and Loss and Cash Flow for the period ended on June 30, 2019 and year ended on March 31, 2019, 2018, 2017 and 2016 of Ascom Leasing & Investments Limited (Collectively, the "Restated Summary Statement")**

To

#### **The Board of Directors**

#### **Ascom Leasing & Investments Limited**

331, 3<sup>rd</sup> Floor, Four Point Complex,

Besides Maniba Park, Vesu,

Surat – 395 007

Gujarat – India.

Dear Sir,

1. We have examined the attached Restated Summary Statement along with significant accounting policies and related notes of **Ascom Leasing & Investments Limited**, (hereinafter referred to as "the Company") as at and for the period ended on June 30, 2019 and year ended on March 31, 2019, 2018, 2017 and 2016 annexed to this report and prepared by the management of the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) on Emerge Platform of NSE Limited.
2. These Restated summary statements have been prepared in accordance with the requirements of:
  - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI**")
3. We have examined such Restated financial statements taking into consideration:
  - (i) The terms of reference to our engagement letter with the Company requesting us to carry out the assignment, in connection with the Prospectus/ Prospectus / Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on Emerge Platform of NSE Limited ("**IPO**" or "**SME IPO**"); and
  - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").

4. The restated financial statements of the Company have been extracted by the management from the audited financial statements of the Company for the period ended on June 30, 2019 and year ended on March 31, 2019, 2018, 2017 and 2016. We did not audit the financial statements of the company for year ended on March 31, 2018, 2017 and 2016 and the same has been carried out by H.I. Jhaveri & Co. for the year ended on March 31, 2018 and 2017 whereas by N.C. Rupawala & Co. for the year ended on March 31, 2016. The financials of the company have been furnished to us by the management and on which we have relied, and our opinion, in so far as it relates the amount included in the financial statement of the company, is solely based on the financial submitted by management. The Restated financial statements of the Company have been extracted by the management from the audited financial statements of the Company for the period ended on June 30, 2019 and year ended on March 31, 2019, 2018, 2017 and 2016.
5. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The “**Restated statement of assets and liabilities**” of the Company as at June 30, 2019, March 31, 2019, 2018, 2017 and 2016 by us, as set out in **Annexure 1** to this report read with significant accounting policies and Notes to Restated Financial Statement in **Annexure 4** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the Restated summary statements to this report.
  - (ii) The “**Restated statement of profit and loss**” of the Company for the period ended on June 30, 2019 and year ended on, March 31, 2019, 2018, 2017 and 2016 examined by us, as set out in **Annexure 2** to this report read with significant accounting policies and Notes to Restated financial statement in **Annexure 4** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the Restated summary statements to this report.
  - (iii) The “**Restated statement of cash flow**” of the Company for the period ended on June 30, 2019 and year ended on March 31, 2019, 2018, 2017 and 2016 examined by us, as set out in **Annexure 3** to this report read with significant accounting policies and Notes to Restated Financial Statement in **Annexure 4** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to Restated summary statements to this report.
6. Based on our examination, we are of the opinion that the Restated financial statements have been prepared:
  - a) Using consistent accounting policies for all the reporting periods.
  - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate.
  - c) There are no extra-ordinary items other than those appearing in financials that need to be disclosed separately in the accounts and requiring adjustments.
  - d) There are no audit qualifications in the audit reports issued by the statutory auditor for the year ended March 31, 2019, 2018, 2017 and 2016 which would require adjustments in this Restated financial statement of the Company.
  - e) There are no revaluation reserves, which need to be disclosed separately.
  - f) The Company has not paid any dividend on its equity shares.
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period ended on June 30, 2019 and year ended on March 31, 2019, 2018, 2017 and 2016 proposed to be included in the Prospectus (“**Issue Document**”).

**Annexure to Restated financial statements of the Company: -**

1. Summary statement of assets and liabilities, as Restated as appearing in **Annexure- 1**;
2. Summary statement of profit and loss, as Restated as appearing in **Annexure -2**;

3. Summary statement of cash flow as Restated as appearing in **Annexure -3**;
4. Significant accounting policies and Notes on summery statement as Restated as appearing in **Annexure -4**;
5. Details of reconciliation of Restated profit to profit as per Audited Financial Statements as appearing in **Annexure -5** to this report;
6. Details of changes in equity as Restated as appearing in **Annexure -6** to this report;
7. Details of reserves and surplus as Restated as appearing in **Annexure -7** to this report;
8. Details of long-term borrowings as Restated as appearing in **Annexure -8** to this report;
9. Details of deferred tax asset/liability as Restated as per **Annexure -9** to this report;
10. Details of Short Term Borrowing as Restated as appearing in **Annexure -10** to this report;
11. Details of Trade Payable and Other Current Liabilities as Restated as appearing in **Annexure -11** to this report;
12. Details of Short-term provision as Restated as appearing in **Annexure -12** to this report;
13. Details of Fixed Assets as Restated as appearing in **Annexure -13** to this report;
14. Details of Non – Current Investments as Restated as appearing in **Annexure -14** to this report;
15. Details of Other Non - Current Assets as Restated as appearing in **Annexure -15** to this report;
16. Details of Trade Receivables as Restated appearing in **Annexure -16** to this report;
17. Details of Cash & Cash Equivalents as Restated appearing in **Annexure -17** to this report;
18. Details of Short-Term Loans and Advances as Restated as appearing in **Annexure -18** to this report;
19. Details of Revenue from Operations as Restated as appearing in **Annexure -19** to this report;
20. Details of Other Income as Restated as appearing in **Annexure -20** to this report;
21. Details of Employee Benefit Expenses as Restated appearing in **Annexure -21** to this report;
22. Details of Operating & Other Expenses as Restated appearing in **Annexure -22** to this report;
23. Details of Depreciation and Amortisation Expenses as Restated appearing in **Annexure -23** to this report;
24. Details of Financial Cost as Restated appearing in **Annexure -24** to this report;
25. Details of Extra Ordinary items as Restated appearing in **Annexure -25** to this report;
26. Summary of Capitalization Statement as at March 31, 2019 as Restated as appearing in **Annexure -26** to this report,
27. Summary of Accounting Ratios as Restated as appearing in **Annexure -27** to this report,
28. Summary of Related Party Transaction as Restated as appearing in **Annexure -28** to this report,

According to the information and explanations given to us, and as per the reliance placed on the reports submitted by the predecessor auditors M/s. H.I. Jhaveri & Co., Chartered Accountants and N.C. Rupawala & Co., Chartered Accountants, in our opinion, the Restated financial information and the above Restated financial information contained in Annexure-4 accompanying the Restated financial information, read with Restated Statement Of Significant Accounting Policies and Notes to Restated financial statement disclosed in Annexure-4, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, ICDR Regulations and the Guidance Note.

8. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. In our opinion, the above financial information contained in **Annexure 1 to 28** of this report read with the respective significant accounting policies and notes to Restated summary statements as set out in Annexure-4 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
11. Our report is intended solely for use of the management and for inclusion in the Issue Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For Dilip Paresh & Co LLP**  
**Chartered Accountants**  
**Firm Registration No.: 127544W/W100376**

**Sd/-**  
**Dilip P. Thesiya**  
**Partner**  
**Membership No.: 118059**  
**UDIN : 19118059AAAABB4351**  
**Surat, July 29, 2019**

Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)

Restated Statement of Assets And Liabilities

Annexure - I

	Particulars	Note No.	As at				
			30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>I</b>	<b>EQUITY AND LIABILITIES</b>						
<b>1</b>	<b>Shareholders' Funds</b>						
	(a) Share Capital	1	5,70,14,530	5,70,14,530	5,70,14,530	5,55,60,000	5,55,60,000
	(b) Reserve & Surplus	2	10,52,66,633	8,55,81,352	5,05,36,089	55,98,280	5,69,039
	(c) Money Received against Share Warrants		-	-	-	-	-
	<b>Sub-Total - Shareholders' Funds</b>		<b>16,22,81,163</b>	<b>14,25,95,882</b>	<b>10,75,50,619</b>	<b>6,11,58,280</b>	<b>5,61,29,039</b>
(2)	<b>Share Application Money Pending Allotment</b>	3	-	-	-	63,62,000	63,62,000
(3)	<b>Non-Current Liabilities</b>						
	(a) Long-Term Borrowings	4	7,01,37,307	6,80,46,233	4,97,28,203	96,71,380	20,75,411
	(b) Deferred Tax Liabilities (Net)	5	-	-	3,321	3,321	3,321
	(c) Other Long-Term Liabilities		-	-	-	-	-
	(d) Long-term Provision		-	-	-	-	-
	<b>Sub-Total - Non-Current Liabilities</b>		<b>7,01,37,307</b>	<b>6,80,46,233</b>	<b>4,97,31,524</b>	<b>96,74,701</b>	<b>20,78,732</b>
(4)	<b>Current Liabilities</b>						
	(a) Short Term Borrowings	6	2,65,71,131	3,53,15,469	-	17,92,339	17,60,441
	(b) Trade Payables		-	-	-	-	-
	(c) Other Current Liabilities	7	1,01,02,688	76,86,597	1,76,460	7,678	-
	(d) Short-term provisions	8	-	1,68,12,508	45,54,842	23,32,847	2,06,895
	<b>Sub-Total - Current Liabilities</b>		<b>3,66,73,818</b>	<b>5,98,14,574</b>	<b>47,31,302</b>	<b>41,32,864</b>	<b>19,67,336</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>26,90,92,288</b>	<b>27,04,56,689</b>	<b>16,20,13,445</b>	<b>8,13,27,845</b>	<b>6,65,37,107</b>
<b>II</b>	<b>ASSETS</b>						
(1)	<b>Non-current assets</b>						
	(a) Fixed assets						
	(i) Tangible assets	9	34,59,677	26,90,515	25,95,604	28,14,465	34,779
	(ii) Intangible assets		-	-	-	-	-
	(iii) Capital Work in Progress		-	-	-	-	-
	(iv) Intangible assets under development		-	-	-	-	-
	(b) Deferred Tax Assets (net)		-	-	-	-	-
	(c) Non Current Investments	10	-	-	-	-	10,000
	(d) Long-term loans and advances		-	-	-	-	-
	(e) Other non-current assets	11	12,54,505	5,48,720	8,77,952	10,97,440	13,71,800
	<b>Sub-Total - Non-Current Assets</b>		<b>47,14,182</b>	<b>32,39,235</b>	<b>34,73,556</b>	<b>39,11,905</b>	<b>14,16,579</b>
(2)	<b>Current assets</b>						
	(a) Current investments		-	-	-	-	-
	(b) Inventories		-	-	-	-	-
	(c) Trade receivables	12	21,34,92,097	20,34,60,390	15,04,18,961	7,08,39,218	5,90,85,880
	(d) Cash and Cash Equivalents	13	5,05,42,231	4,96,84,543	35,66,085	58,77,230	52,29,203
	(e) Short-term loans and advances	14	3,43,777	1,40,72,520	45,54,842	6,99,493	8,05,445
	(f) Other current assets		-	-	-	-	-
	<b>Sub-Total - Current Assets</b>		<b>26,43,78,106</b>	<b>26,72,17,453</b>	<b>15,85,39,889</b>	<b>7,74,15,941</b>	<b>6,51,20,528</b>
	<b>TOTAL - ASSETS</b>		<b>26,90,92,288</b>	<b>27,04,56,689</b>	<b>16,20,13,445</b>	<b>8,13,27,845</b>	<b>6,65,37,107</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.



	Particulars	Note No.	For Qtr. Ended		For the Year Ended						
			30th June, 2019	%	31st March, 2019	%	31st March, 2018	%	31st March, 2017	%	31st March, 2016
<b>I</b>	<b>Revenue From Operations</b>										
	Revenue from Operations	15	2,54,57,454	97	8,97,52,801	98	6,20,96,839	99	3,62,45,589	99	94,57,297
<b>II</b>	Other income	16	7,20,531	3	16,76,320	2	3,31,383	1	3,86,011	1	2,58,581
<b>III</b>	<b>Total Revenue (I) + (II)</b>		<b>2,61,77,985</b>		<b>9,14,29,120</b>		<b>6,24,28,222</b>		<b>3,66,31,600</b>		<b>97,15,878</b>
<b>IV</b>	<b>Expenses:</b>										
	Cost of Raw Materials Consumed		-		-		-		-		-
	(Increase)/ Decrease in Inventory		-		-		-		-		-
	Employee Benefit Expenses	17	31,35,253	12	1,66,61,296	18	51,74,345	8	1,02,93,551	28	57,91,275
	Operating and Other Expenses	18	13,00,418	5	72,97,153	8	59,37,111	10	1,78,35,781	49	28,70,718
	<b>Total Expenses</b>		<b>44,35,672</b>	<b>17</b>	<b>2,39,58,449</b>		<b>1,11,11,456</b>		<b>2,81,29,332</b>		<b>86,61,993</b>
<b>V</b>	<b>Profit Before Interest, Tax, Depreciation and Amortisation, as Restated</b>		2,17,42,313	83	6,74,70,672	74	5,13,16,766	82	85,02,268	23	10,53,885
	Depreciation and Amortization Expense	19	3,81,529	1	18,83,331	2	5,36,897	1	4,57,123	1	4,181
	Financial Costs	20	16,75,504	6	53,27,711	6	18,08,719	3	8,69,335	2	4,17,937
<b>VI</b>	<b>Profit before Exceptional and Extraordinary Items and Tax</b>		<b>1,96,85,281</b>	<b>75</b>	<b>6,02,59,630</b>	<b>66</b>	<b>4,89,71,150</b>	<b>78</b>	<b>71,75,810</b>	<b>20</b>	<b>6,31,767</b>
<b>VI I</b>	Exceptional Items		-		-		-		-		-
<b>VI II</b>	Extraordinary Items	21	-		89,13,830	10	-		-		-
<b>IX</b>	<b>Profit Before Tax, as Restated Tax Expense:</b>		<b>1,96,85,281</b>	<b>75</b>	<b>5,13,45,800</b>	<b>56</b>	<b>4,89,71,150</b>	<b>78</b>	<b>71,75,810</b>	<b>20</b>	<b>6,31,767</b>
<b>X</b>	<b>Tax Expense:</b>										
	Current Tax		-		1,68,12,508	18	45,54,842	7	23,17,847	6	1,91,895
	Deferred Tax Expense		-		(3,321)	(0)	-		-		3,321
	Total Tax Expenses :		-		<b>1,68,09,187</b>		<b>45,54,842</b>		<b>23,17,847</b>		<b>1,95,216</b>
<b>XI</b>	<b>Net Profit, as Restated</b>		<b>1,96,85,281</b>		<b>3,45,36,613</b>	<b>38</b>	<b>4,44,16,308</b>	<b>71</b>	<b>48,57,963</b>	<b>13</b>	<b>4,36,551</b>
	Total No. of Shares		57,01,453		57,01,453		57,01,453		55,56,000		55,56,000
<b>XI I</b>	<b>Earning Per Share</b>		<b>3.45</b>		<b>6.06</b>		<b>7.79</b>		<b>0.87</b>		<b>0.08</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

Particulars	For Qtr. Ended 30th June, 2019	For the Year Ended			
		31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>A. Cash Flow From Operating Activities</b>					
<b>Net Profit Before Tax and Extraordinary Items</b>	1,96,85,281	6,02,59,630	4,89,71,150	71,75,810	6,31,767
<b>Adjustments for:</b>					
Depreciation and Amortisation Expense	3,81,529	18,83,331	5,36,897	4,57,123	4,181
Interest Expense	16,63,770	52,74,457	17,63,703	8,36,847	3,88,330
Trade Receivable Written Off	-	-	16,85,167	-	-
Transfer to Reserve	-	5,08,651	3,76,047	1,77,098	-
<b>Operating Profit Before Working Capital Changes</b>	<b>2,17,30,579</b>	<b>6,79,26,069</b>	<b>5,33,32,965</b>	<b>86,46,878</b>	<b>10,24,278</b>
<b>Movement in Working Capital</b>					
Decrease/(Increase) in trade receivables	(1,00,31,707)	(5,30,41,429)	(8,12,64,910)	(1,17,53,338)	(5,92,35,880)
Decrease/(Increase) in loans and advances	1,37,28,743	(95,17,678)	(38,55,349)	1,05,952	44,86,455
Increase/(Decrease) in Current Liabilities	24,16,091	75,10,137	1,68,782	7,678	-
Increase/(Decrease) in Short term provisions	(1,68,12,508)	1,22,57,666	22,21,995	21,25,952	1,78,265
Increase/(Decrease) in Short term borrowings	(87,44,339)	3,53,15,469	(17,92,339)	31,898	(5,00,000)
Decrease/(Increase) in Non Current Investments	-	-	-	-	(10,000)
Decrease/(Increase) in Non Current Investments	(7,74,375)	-	-	-	-
<b>Cash Generated From Operating Activities</b>	<b>15,12,484</b>	<b>6,04,50,234</b>	<b>(3,11,88,856)</b>	<b>(8,34,980)</b>	<b>(5,40,56,882)</b>
Earlier year tax paid on assessment	-	-	-	(5,819)	-
Direct taxes paid (net)	-	(1,68,12,508)	(45,54,842)	(23,17,847)	(1,91,895)
Prior Period Expense	-	(89,13,830)	-	-	-
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>15,12,484</b>	<b>3,47,23,896</b>	<b>(3,57,43,698)</b>	<b>(31,58,646)</b>	<b>(5,42,48,777)</b>
<b>B. Cash Flow From Investing Activities</b>					
Purchase of fixed assets, including CWIP and capital advances	(10,82,100)	(16,49,012)	(98,549)	(29,62,449)	(38,960)
Proceeds from sale of Investments	-	-	-	10,000	-
<b>Net Cash Used in Investing Activities (B)</b>	<b>(10,82,100)</b>	<b>(16,49,012)</b>	<b>(98,549)</b>	<b>(29,52,449)</b>	<b>(38,960)</b>
<b>C. Cash Flow From Financing Activities</b>					
Proceeds from issue of Shares	-	-	-	-	4,95,60,000
Change in Long Term Liabilities	20,91,075	1,83,18,030	4,00,56,823	75,95,969	34,35,851
Application Money Pending for Allotment	-	-	(47,62,017)	-	63,62,000
Interest Expense	(16,63,770)	(52,74,457)	(17,63,703)	(8,36,847)	(3,88,330)
<b>Net Cash Flow From/(Used in) Financing Activities (C)</b>	<b>4,27,305</b>	<b>1,30,43,573</b>	<b>3,35,31,103</b>	<b>67,59,122</b>	<b>5,89,69,521</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>8,57,688</b>	<b>4,61,18,457</b>	<b>(23,11,145)</b>	<b>6,48,028</b>	<b>46,81,785</b>
<b>Opening Cash and Cash Equivalents</b>	<b>4,96,84,543</b>	<b>35,66,085</b>	<b>58,77,230</b>	<b>52,29,203</b>	<b>5,47,418</b>
<b>Closing Cash and Cash Equivalents</b>	<b>5,05,42,231</b>	<b>4,96,84,543</b>	<b>35,66,085</b>	<b>58,77,230</b>	<b>52,29,203</b>

## Statement showing Cash and Cash Equivalent

Particulars	For the Year Ended				
		31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Cash in hand	1,02,986	65,140	20,214	4,65,340	29,608
Bank balances	5,04,39,245	4,96,19,403	35,45,872	54,11,890	51,99,595
<b>Total</b>	<b>5,05,42,231</b>	<b>4,96,84,543</b>	<b>35,66,085</b>	<b>58,77,230</b>	<b>52,29,203</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON RESTATED SUMMARY STATEMENTS****SIGNIFICANT ACCOUNTING POLICIES****A) Basis of Accounting**

The Restated Financial Statements of the company have been prepared in accordance with generally accepted accounting principles in India. The company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 2013. The financial statements have been prepared on accrual basis and under the historical cost convention method. The accounting policies adopted in the preparation of financial statements are consistently followed by the company.

**B) Use of Estimates**

The preparation of the financial statement in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustments to the carrying amounts of assets or liabilities in future period.

**C) Fixed Assets**

Fixed Assets are stated at cost of acquisition less depreciation. Depreciation on fixed assets is calculated on Written Down Value Method. Upto March 31, 2016, depreciation has been provided under Written Down Value method at the rates prescribed under Schedule XIV of the Companies Act, 1956, whereas, depreciation has been provided under the Written Down Value Method at the rates prescribed under the Income Tax Act for the year ended on March 31, 2017 and 2018. From April 1, 2018, the depreciation for the respective assets has been computed on the basis of their useful life as specified in Schedule II to the Companies Act, 2013, in accordance with the information and explanations as provided to us by the management of the company. The carrying amounts of the company's assets are reviewed at each balance sheet date. If any indication of impairment exists, an impairment loss is recognized to the extent of the excess of the carrying amount over the estimated recoverable amount.

**D) Inventories**

The company does not have any Inventories.

**E) Prior period Items**

Previous years adjustments (if any) are on account of payment of taxes, duties, interest etc., of earlier years due to short / excess provision thereof etc. which has been shown under the head 'Exceptional Items/ Extraordinary Items.'

**F) Recognition of Income and Expenditure**

All incomes and expenditures are accounted on accrual basis as per the guidelines as stated in AS-9 (Revenue Recognition) i.e. once it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

**G) Borrowing Cost**

The total borrowing cost on the acquisition of fixed assets if pertaining to the period up to the date on which the said fixed assets have been put-to-use, has been capitalized in the respective fixed assets and the cost for the period after the said fixed assets have been put-to-use has been debited to the Profit and Loss Account.

**H) Segment Reporting**

The company has only one business segment and geographical segment. Therefore there is no separate reportable segment.

**I) Related Party Disclosure**

As per Accounting Standard 18, the disclosures of transactions with the related parties are enclosed herewith in Annexure-28.

**J) Calculation of Earning per Share**

Basic earning per share is computed by dividing the net profit for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

**K) Taxation**

Tax comprises of Current tax and Deferred tax. Current tax in the books is recognized as per the provisions of Income Tax Act, 1961. Deferred Tax Liability / Asset is recognized as per AS-22 (Accounting for Taxes on Income) arising out of temporary timing differences. As per AS-22 "Accounting for Taxes and Income" issued by ICAI, company has created the deferred tax liability on account of timing difference attributable to the claim of depreciation which has been adjusted against the deferred tax liability of the earlier years.

**L) Impairment of Assets**

The carrying amounts of the company's assets are reviewed at each balance sheet date. If any indication of impairment exists, an impairment loss is recognized to the extent of the excess of the carrying amount over the estimated recoverable amount.

**M) Foreign Exchange Transactions**

Transactions in foreign currency, if any, are recorded at the rate of exchange prevailing on the date of respective transactions. However, as at yearend the outstanding balances of foreign currency assets and liabilities are translated at the yearend rates. Exchange differences arising on such exercise are charged to profit & loss account.

**N) Provisions, Contingent Liabilities and Contingent Assets**

The Company claims to have no Contingent liability and hence, it is not provided for in the books of accounts.

**O) Employee Benefits Expenses**

Contribution to employee's benefit funds remitted to statutory authority is charged to revenue. No Provision has been made for accruing liability for gratuity to employees since the same were not due.

**P) Previous Year's Figures**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

**CHANGES IN ACCOUNTING POLICIES IN THE YEARS / PERIODS COVERED IN THE RESTATED FINANCIALS**

There is no change in significant accounting policies during the reporting period except, as and when Accounting Standards issued by the Institute of Chartered Accountants of India/ Companies (Accounting Standard) Rules, 2006 were made applicable on the relevant dates

**NOTES ON RESTATED SUMMARY STATEMENTS**

**(a) General**

The company was incorporated during the year 1986 and restated financial statements have been prepared for the period ended on June 30, 2019 and fiscal year ended March 31, 2019, 2018, 2017 and 2016.

**(b) Earnings Per Share**

The detail of Earnings per Share as per AS-20 is provided in Annexure-27.

- (c) There is no Provision made for the Income Tax liability in respect of the financial results reported for the period ended on June 30, 2019.
- (d) The company has not given any guarantee to bank or corporate and the company is not having any contingent liability.
- (e) The figures in the Restated Financial Statements and Other Financial Information rounded off to the nearest rupees and minor rounding off difference is ignored.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128) Restated Profit To Profit As Per Audited Financial Statements**

**Annexure - 5**

**Restated Statement Of Reconciliation Of Restated Profit To Profit As Per Audited Financial Statements**

Particulars	For Qtr. Ended	For the Year Ended			
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>Profit After Tax (as per audited financial statements)</b>	1,96,85,281	3,45,36,613	4,44,16,308	48,57,963	4,36,551
<b>Restatement adjustments:</b>					
Earlier Period Tax adjustment	-	-	-	-	-
<b>Profit After Tax, as restated</b>	<b>1,96,85,281</b>	<b>3,45,36,613</b>	<b>4,44,16,308</b>	<b>48,57,963</b>	<b>4,36,551</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)  
Notes to Restated Financial Statement**

**Annexure - 6**

**1. Restated Statement of changes in Equity**

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>Authorised Share</b>					
<i>Equity Shares of Rs. 10/- each</i>	15,00,00,000	15,00,00,000	15,00,00,000	15,00,00,000	15,00,00,000
	<b>15,00,00,000</b>	<b>15,00,00,000</b>	<b>15,00,00,000</b>	<b>15,00,00,000</b>	<b>15,00,00,000</b>
<b>Issued Share</b>					
<i>Equity Shares of Rs. 10/- each</i>	5,70,14,530	5,70,14,530	5,70,14,530	5,55,60,000	5,55,60,000
	<b>5,70,14,530</b>	<b>5,70,14,530</b>	<b>5,70,14,530</b>	<b>5,55,60,000</b>	<b>5,55,60,000</b>
<b>Subscribed and Fully Paid-up Share</b>					
<i>Equity Shares of Rs. 10/- each</i>	5,70,14,530	5,70,14,530	5,70,14,530	5,55,60,000	5,55,60,000
	<b>5,70,14,530</b>	<b>5,70,14,530</b>	<b>5,70,14,530</b>	<b>5,55,60,000</b>	<b>5,55,60,000</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

Particulars	For Qtr. Ended	For the Year Ended			
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>Equity shares</b>					
At the beginning of the Period	57,01,453	57,01,453	55,56,000	55,56,000	6,00,000
Issued during the period	-	-	1,45,453	-	49,56,000
Bought back during the period	-	-	-	-	-
Outstanding at the end of the period	<b>57,01,453</b>	<b>57,01,453</b>	<b>57,01,453</b>	<b>55,56,000</b>	<b>55,56,000</b>

**b. Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**c. Details of shareholders holding more than 5% shares in the Company**

Particulars	30th June,2019		31st March,2019		31st March,2018		31st March,2017		31st March,2016	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Tushar Rohitkumar Pandya	38,68,853	67.86%	38,68,853	67.86%	38,68,853	67.86%	37,32,490	67.18%	37,32,490	67.18%
Rupalben Tushar Pandya	11,39,090	19.98%	11,39,090	19.98%	11,39,090	19.98%	11,30,000	20.34%	11,30,000	20.34%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**2. Restated Statement of Reserves and Surplus**

*Annexure - 7*

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>RESERVES AND SURPLUS:</b>					
Statutory Reserve	1,78,51,895	1,09,44,573	11,50,343	1,78,750	91,440
Add : Amount Transferred from P & L A/c	-	69,07,322	97,94,230	9,71,593	87,310
<b>Total Statutory Reserve</b>	<b>1,78,51,895</b>	<b>1,78,51,895</b>	<b>1,09,44,573</b>	<b>11,50,343</b>	<b>1,78,750</b>
Contingent Reserve for Standard Assets	10,78,080	5,69,429	1,93,382	16,284	16,284
Add : Amount Transferred	-	5,08,651	3,76,047	1,77,098	-
<b>Total Contingent Reserve for Standard Assets</b>	<b>10,78,080</b>	<b>10,78,080</b>	<b>5,69,429</b>	<b>1,93,382</b>	<b>16,284</b>
Share Premium Account	1,45,453	1,45,453	1,45,453	-	-
<b>Total Share Premium Account</b>	<b>1,45,453</b>	<b>1,45,453</b>	<b>1,45,453</b>	<b>-</b>	<b>-</b>
<b>Profit &amp; Loss Account:</b>					
Profit & Loss Account B/F	6,65,05,924	3,88,76,634	42,54,555	3,74,005	24,764
Less : Earlier year tax paid on assessment	-	-	-	5,820	-
Add : Profit for the Year	1,96,85,281	3,45,36,613	4,44,16,308	48,57,963	4,36,551
<b>Less : Transferred to Statutory Reserve</b>	<b>-</b>	<b>69,07,322</b>	<b>97,94,230</b>	<b>9,71,593</b>	<b>87,310</b>
<b>Total Profit &amp; Loss Account</b>	<b>8,61,91,205</b>	<b>6,65,05,924</b>	<b>3,88,76,634</b>	<b>42,54,555</b>	<b>3,74,005</b>
<b>TOTAL RESERVES AND SURPLUS</b>	<b>10,52,66,633</b>	<b>8,55,81,352</b>	<b>5,05,36,089</b>	<b>55,98,280</b>	<b>5,69,039</b>

**3. Restated Statement of Share Application Money Pending Allotment**

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>Share Application Money Pending Allotment</b>					
Share Application Money Pending Allotment	-	-	-	63,62,000	63,62,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63,62,000</b>	<b>63,62,000</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**4. Restated Statement of Long term borrowings**

*Annexure - 8*

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>I Secured Loans</b>					
From Banks	15,98,920	37,70,297	-	-	16,75,411
From others	-	-	-	-	-
<b>II Unsecured Loans</b>					
From Directors, Shareholders and Relatives	6,85,38,387	6,42,75,936	4,97,28,203	96,71,380	4,00,000
<b>Total</b>	<b>7,01,37,307</b>	<b>6,80,46,233</b>	<b>4,97,28,203</b>	<b>96,71,380</b>	<b>20,75,411</b>
<b>II Other loans</b>					
Other loans	-	-	-	-	-
<b>Total Other Loans</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Long Term Borrowing</b>	<b>7,01,37,307</b>	<b>6,80,46,233</b>	<b>4,97,28,203</b>	<b>96,71,380</b>	<b>20,75,411</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**5. Restated Statement of Deferred tax (assets)/liabilities (Net)**

*Annexure - 9*

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
WDV As per Companies Act	34,59,678	26,90,517	25,95,605	28,14,464	34,779
WDV As per IT Act	40,35,710	36,38,794	25,95,605	28,14,464	24,032
<b>Deffered Tax Liabilites/ (Asset)</b>	<b>(5,76,031)</b>	<b>(9,48,277)</b>	-	-	<b>10,747</b>
Total Deferred Tax Liabilities/ (Asset)	(1,77,994)	(3,321)	3,321	3,321	3,321
<b>Deffered Tax Liabilites/ (Asset) to be Created</b>	<b>(1,77,994)</b>	<b>(3,321)</b>	<b>3,321</b>	<b>3,321</b>	<b>3,321</b>
Less: Already Credit	-	3,321	-	-	-
<b>Deffered Tax LIABILITY/(ASSET)</b>	<b>(1,77,994)</b>	-	<b>3,321</b>	<b>3,321</b>	<b>3,321</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**6. Restated Statement of Short-term borrowings**

*Annexure - 10*

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Over Draft Account	2,65,71,131	3,53,15,469	-	17,92,339	17,60,441
<b>Total Short Term Borrowing</b>	<b>2,65,71,131</b>	<b>3,53,15,469</b>	-	<b>17,92,339</b>	<b>17,60,441</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**7. Restated Statement of Trade Payable and Other Current Liabilities**

*Annexure - 11*

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Trade payables		-	-	-	-
<b>Total Trade Payables</b>	-	-	-	-	-
Other Current Liabilities	1,01,02,688	76,86,597	1,76,460	7,678	-
<b>Total Other Current Liabilities</b>	<b>1,01,02,688</b>	<b>76,86,597</b>	<b>1,76,460</b>	<b>7,678</b>	-

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**8. Restated Statement of Short Term Provisions**

*Annexure - 12*

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Provision for Tax	-	1,68,12,508	45,54,842	16,68,354	1,91,895
Add: Adj. on account of restatement	-	-	-	6,49,493	-
Audit Fees payable	-	1,68,12,508	45,54,842	23,17,847	1,91,895
	-	-	-	15,000	15,000
<b>Total Short Term Provisions</b>	-	<b>1,68,12,508</b>	<b>45,54,842</b>	<b>23,32,847</b>	<b>2,06,895</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

9. Restated Statement of Tangible Assets

Annexure - 13

Gross block	Furniture and fixture	Computer	Office Equipment	CCTV Camera	Software	Motor Car	Total
Balance as at 1 April 2015	-	-	-	-	-	-	-
Additions	-	38,960	-	-	-	-	38,960
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2016	-	38,960	-	-	-	-	38,960
Additions	28,56,599	49,450	56,400	-	-	-	29,62,449
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2017	28,56,599	88,410	56,400	-	-	-	30,01,409
Additions	-	64,050	34,500	-	-	-	98,549
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2018	28,56,599	1,52,460	90,900	-	-	-	30,99,958
Additions	-	-	70,147	85,000	2,95,000	11,98,865	16,49,012
Disposals	-	-	-	-	-	-	-
Balance as at 31st March 2019	28,56,599	1,52,460	1,61,047	85,000	2,95,000	11,98,865	47,48,970
Additions	-	15,000	-	-	1,08,100	9,59,000	10,82,100
Disposals	-	-	-	-	-	-	-
Balance as at 30th June 2019	28,56,599	1,67,460	1,61,047	85,000	4,03,100	21,57,865	58,31,070

Accumulated depreciation	Furniture and fixture	Computer	Office Equipment	CCTV Camera	Software	Motor Car	Total
Balance as at 1 April 2015	-	-	-	-	-	-	-
Depreciation charge	-	4,181	-	-	-	-	4,181
Balance as at 31 March 2016	-	4,181	-	-	-	-	4,181
Depreciation charge	1,42,831	35,702	4,230	-	-	-	1,82,763
Balance as at 31 March 2017	1,42,831	39,883	4,230	-	-	-	1,86,944
Depreciation charge	2,71,377	33,031	13,002	-	-	-	3,17,410
Balance as at 31 March 2018	4,14,208	72,914	17,232	-	-	-	5,04,354
Depreciation charge	6,03,671	43,144	59,445	31,804	1,85,811	6,30,225	15,54,101
Balance as at 31 March 2019	10,17,879	1,16,058	76,677	31,804	1,85,811	6,30,225	20,58,455
Depreciation charge	1,13,305	6,610	11,788	6,991	31,985	1,42,260	3,12,938
Balance as at 30 June 2019	11,31,184	1,22,668	88,465	38,795	2,17,796	7,72,486	23,71,393

Net block	Furniture and fixture	Computer	Office Equipment	CCTV Camera	Software	Motor Car	Total
Balance as at 31 March 2016	-	34,779	-	-	-	-	34,779
Balance as at 31 March 2017	27,13,768	48,527	52,170	-	-	-	28,14,465
Balance as at 31 March 2018	24,42,391	79,546	73,668	-	-	-	25,95,604
Balance as at 31 March 2019	18,38,720	36,401	84,370	53,196	1,09,189	5,68,640	26,90,515
Balance as at 30 June 2019	17,25,414	44,792	72,582	46,205	1,85,305	13,85,379	34,59,677

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)

10. Restated Statement of Non Current Investments

Annexure - 14

Particulars	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Office Rent Deposit	-	-	-	-	10,000
<b>Total Non Current Investments</b>	-	-	-	-	<b>10,000</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.



**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**11. Restated Statement of Other Non Current Assets**

*Annexure - 15*

Particulars	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Deferred Revenue Expenditure	12,54,505	5,48,720	8,77,952	10,97,440	13,71,800
<b>Total Other Non Current Assets</b>	<b>12,54,505</b>	<b>5,48,720</b>	<b>8,77,952</b>	<b>10,97,440</b>	<b>13,71,800</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**12. Restated Statement of Trade Receivables**

*Annexure - 16*

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		-	-	-	-
Others	21,34,92,097	20,34,60,390	15,04,18,961	7,08,39,218	5,90,85,880
<b>Total Trade Receivables</b>	<b>21,34,92,097</b>	<b>20,34,60,390</b>	<b>15,04,18,961</b>	<b>7,08,39,218</b>	<b>5,90,85,880</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**13. Restated Statement of Cash and Cash Equivalents**

*Annexure - 17*

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>CASH &amp; CASH EQUIVALENTS</b>					
<b>(a) Cash on hand</b>	1,02,986	65,140	20,214	4,65,340	29,608
<b>(b) Balance with Banks</b>					
In Current Accounts	7,68,366	5,97,002	5,23,297	15,56,046	9,66,873
<b>Total Balance with Banks</b>	<b>7,68,366</b>	<b>5,97,002</b>	<b>5,23,297</b>	<b>15,56,046</b>	<b>9,66,873</b>
<b>(c) Other Bank Balance</b>					
Fixed Deposit	4,96,70,879	4,90,22,401	30,22,575	38,55,844	42,32,722
<b>Total Other Bank Balance</b>	<b>4,96,70,879</b>	<b>4,90,22,401</b>	<b>30,22,575</b>	<b>38,55,844</b>	<b>42,32,722</b>
<b>TOTAL CASH &amp; CASH EQUIVALENTS</b>	<b>5,05,42,231</b>	<b>4,96,84,543</b>	<b>35,66,085</b>	<b>58,77,230</b>	<b>52,29,203</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**14. Restated Statement of Short Term Loans & Advances**

*Annexure - 18*

Particulars	As at				
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Advance Income Tax & TDS	1,17,053	1,40,37,649	45,54,842	-	1,13,645
Add: Adj. on account of restatement	-	-	-	6,49,493	-
	1,17,053	1,40,37,649	45,54,842	6,49,493	1,13,645
Deposits	90,000	-	-	-	-
Prepaid Expenses	1,36,724	29,871	-	-	-
Other Advances	-	5,000	-	50,000	6,91,800
<b>Total Short Term Loans &amp; Advances</b>	<b>3,43,777</b>	<b>1,40,72,520</b>	<b>45,54,842</b>	<b>6,99,493</b>	<b>8,05,445</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**15. Restated Statement of Revenue from Operations**

*Annexure - 19*

Particulars	For Qtr. Ended	For the Year Ended			
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Interest Income	2,54,57,454	8,97,52,801	6,20,96,839	3,62,45,589	94,57,297
<b>Total Revenue from Operations</b>	<b>2,54,57,454</b>	<b>8,97,52,801</b>	<b>6,20,96,839</b>	<b>3,62,45,589</b>	<b>94,57,297</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**16. Restated Statement of Other Income**

*Annexure - 20*

Particulars	For Qtr. Ended	For the Year Ended			
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>Interest Income on:</b>					
Bank Fixed Deposit	7,20,531	16,76,320	3,31,383	3,86,011	2,58,581
<b>Total Other Income</b>	<b>7,20,531</b>	<b>16,76,320</b>	<b>3,31,383</b>	<b>3,86,011</b>	<b>2,58,581</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**17. Restated Statement of Employee Benefit Expenses**

*Annexure - 21*

Particulars	For Qtr. Ended	For the Year Ended			
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Salaries to Staff	18,92,773	1,15,01,698	43,58,345	94,77,551	57,91,275
Director's Remuneration	12,00,000	48,00,000	8,16,000	8,16,000	-
Staff Welfare Expenses	42,480	3,59,598	-	-	-
<b>Total Employee Benefit Expenses</b>	<b>31,35,253</b>	<b>1,66,61,296</b>	<b>51,74,345</b>	<b>1,02,93,551</b>	<b>57,91,275</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**18. Restated Statement of Operating and Other Expenses**

*Annexure - 22*

Particulars	For Qtr. Ended	For the Year Ended			
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Auditor's Remuneration	-	35,000	30,000	-	15,000
Advertisement & Business Prom. Expenses	23,919	1,16,554	3,78,976	7,01,621	1,20,202
Agreement Stamping Charges	65,000	1,50,000	2,50,000	2,40,000	1,78,000
Communication Expenses	21,158	93,829	1,14,875	1,71,302	35,825
Commission Expenses	2,28,800	19,80,800	-	-	-
CIBIL Expenses	-	27,030	49,725	-	17,100
NACH/CMS Setup Charges	6,823	22,528	12,300	-	-
Computer Expense	50,500	1,22,450	8,220	22,975	5,000
Donation	-	10,00,000	-	-	-
Electricity Expense	33,306	96,768	1,06,676	-	-
Insurance Expense	9,309	7,468	-	-	-
Legal & Professional Charges	38,200	1,91,200	1,66,702	45,400	59,810
Office Expenses	99,873	1,90,482	6,20,368	1,93,097	-
Printing & Stationery Expenses	19,200	50,400	1,52,425	1,61,827	72,677
Provision against Standard Assets	-	5,08,651	3,76,047	1,77,098	-
Trade Receivable written off (Prudential Micro)	-	-	16,85,167	-	-
Rates & Taxes	9,221	38,804	56,152	-	-
Rent Expenses	5,63,904	22,55,616	18,79,680	18,89,680	4,000
Conveyance & Travelling Expenses	60,057	1,49,857	7,511	9,39,000	-
Discount etc.	-	5,997	14,031	18,826	845
Vehicle Expenses	71,149	2,53,719	28,256	8,06,590	-
Membership Fees	-	-	-	93,741	-
Rates & Taxes, Excluding Taxes on Income	-	-	-	19,020	-
Recovery Agency Expenses	-	-	-	1,23,55,604	23,62,259
<b>Total Operating and Other Expenses</b>	<b>13,00,418</b>	<b>72,97,153</b>	<b>59,37,111</b>	<b>1,78,35,781</b>	<b>28,70,718</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**19. Restated Statement of Depreciation and Amortization Expenses**

*Annexure - 23*

Particulars	For Qtr. Ended	For the Year Ended			
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Depreciation on Tangible assets	3,12,939	15,54,099	3,17,409	1,82,763	4,181
Amortisation of Deferred Revenue Expenses	68,590	3,29,232	2,19,488	2,74,360	-
<b>Total Depreciation and Amortization Expenses</b>	<b>3,81,529</b>	<b>18,83,331</b>	<b>5,36,897</b>	<b>4,57,123</b>	<b>4,181</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**20. Restated Statement of Financial Costs**

*Annexure - 24*

Particulars	For Qtr. Ended	For the Year Ended			
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
Interest Expenses	16,63,770	52,74,457	17,63,703	8,36,847	3,88,330
Bank Charges	11,734	53,254	45,015	32,488	29,607
<b>Total Finance Cost</b>	<b>16,75,504</b>	<b>53,27,711</b>	<b>18,08,719</b>	<b>8,69,335</b>	<b>4,17,937</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**21. Restated Statement of Extraordinary Items**

*Annexure - 25*

Particulars	For Qtr. Ended	For the Year Ended			
	30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
<b>Prior Period's Adjustment:</b>					
Income Tax Expense	-	89,13,830	-	-	-
<b>Total Extraordinary Items</b>	<b>-</b>	<b>89,13,830</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

**Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)**

**22. Restated Statement of Capitalization**

*Annexure - 26*

Particulars	Amount
<b>Borrowings:</b>	
<b>Short-term borrowings</b>	3,53,15,469
Current maturities of long-term borrowings	-
<b>Long-term borrowings (A)</b>	6,80,46,233
<b>Total borrowing (B)</b>	<b>10,33,61,702</b>
<b>Shareholders' fund (Net worth)</b>	
Share capital	5,70,14,530
Reserves and surplus	8,55,81,352
<b>Total shareholders' fund (Net worth) (C)</b>	<b>14,25,95,882</b>
<b>Long-term borrowings/shareholders' fund (Net worth) ratio (A/C)</b>	<b>0.48</b>
<b>Total borrowings/shareholders' fund (Net worth) ratio (B/C)</b>	<b>0.72</b>

Notes:

- 1.) Short-term borrowings and current maturities of long term borrowings are debts which are due for repayment within 12 months from 31 March, 2019
- 2.) Long-term borrowings are considered as borrowings other than short-term borrowings and current maturities of long term borrowings.
- 3.) The amounts disclosed above are based on the Restated Financial Information of the Company.
- 4.) The above Statement should be read with the Restated of Significant Accounting Policies and Notes to Restated Statement of the Company in Annexure 4 and the Restated Statement of Reconciliation of Restated Profit to Profit as per Audited Financial Statements in Annexure-5.

**Other Financial Information**  
**STATEMENT OF MANDATORY ACCOUNTING RATIOS**

Ascom Leasing & Investments Limited (CIN: U65993GJ1986PLC085128)

**23. Restated Statement of Accounting Ratios**

*Annexure - 27*

	Particulars	For Qtr. Ended	For the Year Ended			
		30th June, 2019	31st March, 2019	31st March, 2018	31st March, 2017	31st March, 2016
A	<b>Net worth</b>	<b>16,22,81,163</b>	<b>14,25,95,882</b>	<b>10,75,50,619</b>	<b>6,11,58,280</b>	<b>5,61,29,039</b>
B	Net profit/(loss) after tax, as restated	1,96,85,281	3,45,36,613	4,44,16,308	48,57,963	4,36,551
C	Number of equity shares outstanding during the year	57,01,453	57,01,453	57,01,453	55,56,000	55,56,000
D	<b>Earning Per Share (B/C)</b>	<b>3.45</b>	<b>6.06</b>	<b>7.79</b>	<b>0.87</b>	<b>0.08</b>
E	Return on net worth (%) (B/A)	12.13%	24.22%	41.30%	7.94%	0.78%
F	Net assets value per share of Rs 10 each (A/C)	28.46	25.01	18.86	11.01	10.10
G	<b>Face value (₹)</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>

**Notes:**

- 1 The ratio has been computed as below:

Basic earnings per share (Rs) = Net profit attributable to equity shareholders / Weighted average number of equity shares outstanding during period.

Return on net worth (%) = Net Profit After Tax / Net worth

Net asset value per share (Rs) = Net Profit After Tax / Number of shares outstanding at the end of the year

- 2 Earning per shares (EPS) calculation is in accordance with the notified Accounting Standard 20 'Earnings per share' specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- 3 The amounts disclosed above are based on the Restated Financial Information of the Company.

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

## 24. Restated Statement of Related Party Transactions

Annexure - 28

	Particulars	For Qtr. Ended	For the Year Ended
		30th June, 2019	31st March, 2019
(a)	<u>Key Management Personnel</u> - Tushar Rohitbhai Pandya - Rupalben Tusharbhai Pandya - Rohitkumar Balvantraai Pandya		
(b)	Transactions with the key management personnel		
(i)	<u>Unsecured Loans</u> Tushar Rohitbhai Pandya - Loan received during the year	72,90,000	64,50,000
	- Loan repaid during the year	81,71,498	60,50,000
	Rupalben Tushar Pandya - Loan received during the year	4,16,078	29,00,000
	- Loan repaid during the year	20,000	-
(ii)	<u>Director's Remuneration</u> - Tushar Rohitbhai Pandya	6,00,000	24,00,000
	- Rupalben Tusharbhai Pandya	6,00,000	24,00,000
(iii)	<u>Interest on Unsecured Loans</u> - Tushar Rohitbhai Pandya	4,21,914	17,28,680
	- Rupalben Tusharbhai Pandya	2,79,512	8,64,177
(iv)	<u>Payment of Rent</u> - Tushar Rohitbhai Pandya	2,70,864	10,83,456
	- Rupalben Tusharbhai Pandya	2,93,040	11,72,160

**Notes:**

Note: The accompanying Restated statement of Significant Accounting Policies and Notes to Restated Financial Statements in Annexure 4 are an integral part of this statement.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which have been included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements for the period ended June 30, 2019 and years ended March 31, 2019, 2018, 2017 and 2016 including the related notes and reports, included in this Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 24 and 19 respectively, and elsewhere in this Prospectus.*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

### **Business Overview:**

Our Company was incorporated in the year 1986, we started our business as NBFC in 2001 with the mission of providing services to economically active poor who are not adequately served by the financial institutions. Our company is engaged in the business of finance, trading, hire purchase, leasing and lending terms loans, mortgage financing. Our customers include first-time buyers of vehicles, self-employed and professional or non-professional individuals, small and medium entrepreneurs and customers with informal income and limited banking and credit history. As of June 30, 2019, we have around 2000 plus active customers.

We offer a diverse range of loan products to cater to the specific requirements of our customers. Our products can be classified under two broad categories, namely, mortgage loans and individual loans. Depending upon the end use, these products can be further sub-divided into education, home improvement, home purchase, vehicle purchase etc.

We have adopted a decentralized management structure for our operations, comprising presence in more than 22 districts across Gujarat. Our management hierarchy consist of leadership personnel who is responsible for taking on ground operational decisions. They possess significant experience in banking and financial services industry, which helps the company to understand the ground reality and local diversity of a particular region, enabling quick decision making.

### **Significant developments subsequent to the last Audited Period**

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e. June 30, 2019 as disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on July 04, 2019 proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on July 27, 2019 authorized the Issue.
3. Appointment of company Secretary in the company w.e.f. June 24, 2019.

4. Mr. Tushar Rohitkumar Pandya is appointed as Managing Director and Ms. Rupalben Tushar Pandya as Whole time Director of the company vide Board Meeting dated July 04, 2019 and approved by the Shareholders in the general meeting held on July 27, 2019.

#### Key factors affecting our results of Operation

- Changes in Indian economic or financial conditions
- Client Relationships / Fluctuations in customer base
- Growth in overall volumes due to favourable capital market conditions
- Interest Rates and Inflation
- Increasing competition in this industry
- Change in Laws and Regulations governing NBFC Industry
- Operating Expenses
- Recruitment and Retention of employees

#### Significant Accounting Policies:

Our significant accounting policies are described in the section entitled “Restated Financial Information” on page no. 116 of the Prospectus.

Particulars	For the Three Months Period ended June 30, 2019	% of Total Income	F.Y. ended March 31, 2019	% of Total Income	F.Y. ended March 31, 2018	% of Total Income	F.Y. ended March 31, 2017	% of Total Income	F.Y. ended March 31, 2016	% of Total Income
<b>INCOMES:</b>										
Revenue From Operations	254.57	97	897.52	98	620.97	99	362.45	99	94.57	97.33
Other Income	7.21	3	16.76	2	3.31	1	3.86	1	2.58	2.67
<b>Total Income</b>	<b>261.77</b>	<b>100</b>	<b>914.29</b>	<b>100</b>	<b>624.28</b>	<b>100</b>	<b>366.31</b>	<b>100</b>	<b>97.15</b>	<b>100</b>
<b>EXPENDITURES:</b>										
Employee Benefit Expenses	31.35	12	166.61	18	51.74	8	102.93	28	57.91	59.60
Operating & Other Expenses	13.00	5	72.97	8	59.37	10	178.35	49	28.70	29.55
<b>Total Expenses</b>	<b>44.36</b>	<b>17</b>	<b>239.58</b>	<b>26</b>	<b>111.11</b>	<b>18</b>	<b>281.29</b>	<b>77</b>	<b>86.61</b>	<b>89.15</b>
<b>Profit before Interest, Tax, Depreciation &amp; Amortization</b>	<b>217.41</b>	<b>83</b>	<b>513.16</b>	<b>74</b>	<b>674.70</b>	<b>82</b>	<b>85.02</b>	<b>23</b>	<b>10.53</b>	<b>10.84</b>
Depreciation & Amortization Expense	3.81	1	18.83	2	5.36	1	4.57	1	0.04	0.04
Financial Cost	16.75	6	53.27	6	18.08	3	8.69	2	4.17	4.29
<b>Profit before tax, exceptional &amp; extraordinary items</b>	<b>196.85</b>	<b>75</b>	<b>602.59</b>	<b>66</b>	<b>489.71</b>	<b>78</b>	<b>71.75</b>	<b>20</b>	<b>6.31</b>	<b>6.50</b>
Less: Exceptional Items	-	-	-	-	-	-	-			
<b>Profit before</b>	<b>196.85</b>	<b>75</b>	<b>602.59</b>	<b>66</b>	<b>489.71</b>	<b>78</b>	<b>71.75</b>	<b>20</b>	<b>6.31</b>	<b>6.50</b>



<b>extraordinary items and tax</b>			9		1					
Prior Period Items	-	-	-	-	-	-	-			
Extraordinary items	-	-	89.14	10	-	-	-			
<b>Profit before tax</b>	<b>196.85</b>	<b>75</b>	<b>513.45</b>	<b>56</b>	<b>489.71</b>	<b>78</b>	<b>71.75</b>	<b>20</b>	<b>6.31</b>	<b>6.50</b>
<b>Tax Expenses</b>										
- Current Tax	-		168.12	18	45.54	7	23.17	6	1.91	1.97
-Deferred tax Expense	-		.0033	0	-	-	-	-	0.03	0.03
<b>Profit/ (Loss) for the period After Tax-PAT</b>	<b>196.85</b>	<b>75</b>	<b>345.36</b>	<b>38</b>	<b>444.16</b>	<b>71</b>	<b>48.58</b>	<b>14</b>	<b>4.36</b>	<b>4.52</b>

### Key Components of Our Profit and Loss Statement

**Revenue from operations:** Revenue from operations mainly consists of interest income on investments, Interest income on lending & financing facilities extended by the company.

**Expenses:** Our expenses majorly consist of cost of administrative expenses, employee benefits expense, Director remuneration, finance costs, depreciation and other expenses.

Depreciation includes depreciation on our fixed deposits such as computer & vehicles.

**Employee benefits expense:** Employee benefit expense includes salaries and wages, staff welfare expenses, bonus, director's remuneration and contribution to provident fund and gratuity.

**Finance Costs:** Finance cost comprises interest on indebtedness, bank and other finance charges.

**Depreciation and amortization expense:** We recognize depreciation and amortization expense on a Written down value method as per the provisions set forth in the Companies Act 2013.

**Other expenses:** Other expenses consist power and electricity, repairs and maintenance, lease expenses, sales promotion expense, advertisement expenses, office expenses, legal and professional fees, conveyance and travelling, insurance, security and housekeeping charges, water charges, communication expenses, printing and stationery, etc.

### Financial Performance for the three months period ended June 30, 2019:

#### *Revenue from Operations*

Revenue from operations for the period ended June 30, 2019 amounted to ₹ 261.77 Lakhs which was primarily on account of interest on investments and interest of lending or financing made by the company.

#### *Other income*

Our other income was ₹7.21 lakhs for the period ended June 30, 2019 comprising interest income on fixed deposit.

#### *Total Expenses*

Our total expenses, excluding tax amounted to ₹ 44.36 lakhs for the period ended June 30, 2019 which were 17% of our total revenue.

#### *Employee Benefit Expenses*

Our employee benefit expenses for the period ended June 30, was ₹ 31.35 lakhs which primarily comprised salaries and wages, director's remuneration.

#### *Finance Costs*

Our finance costs for the period ended June 30, 2019 was ₹ 16.75 lakhs primarily consisting of interest on indebtedness, bank and other finance charges.

#### *Depreciation and Amortization Expenses*

Our Depreciation and amortization expenses for the period ended June 30, 2019 was ₹ 3.81 Lakhs on account of depreciation on tangible fixed assets.

#### *Other expenses*

Our other expenses for the period ended June 30, 2019 was ₹ 13.00 lakhs primarily consist power and electricity, repairs and maintenance, lease expenses, sales promotion expense, advertisement expenses, office expenses, legal and professional fees, conveyance and travelling, insurance, security and housekeeping charges, water charges, communication expenses, printing and stationery, etc.

#### *Profit before Tax*

Our Profit before tax for the period June 30, 2019 was ₹ 196.85 lakhs which was 75% of our total revenue.

#### *Tax Expenses*

Our tax expenses for the period ended June 30, 2019 was ₹ Nil lakhs.

#### *Profit after Tax*

Our profit after tax for the period June 30, 2019 was ₹ 196.85 lakhs forming 75 % of our total revenue.

Since, the results are for Three Months, Comparison with previous fiscal would not reflect actual performance of the Company, Comparison has not been provided.

### **Comparison of the Financial Performance of Fiscal 2019 with Fiscal 2018**

**Revenue from Operations:** During the F.Y. 2019 the revenue from operation of the Company increased to ₹ 914.29 lakhs as against previous financial year ₹ 624.28 lakhs an increase of 45%. This increase was mainly due to increase in revenue from interest amount on fixed deposit and increase in borrowings.

**Total Revenue:** Total Revenue for the F.Y. 2019 stood at ₹ 914.29 lakhs where as in F.Y. 2018 the same was ₹ 624.28 lakhs i.e. increases of 45%.

**Total Expenses:** Total expenditure for the F.Y. 2019 increased to ₹ 239.58 lakhs from ₹111.11 lakhs compared to the previous financial year, increasing by 115.62 %. This was mainly due to increase in employee benefit expenses.

**Employee benefits expense:** Employee benefits expense increased to ₹ 166.61 lakhs from ₹51.74 lakhs in the year F.Y.2019 from its previous year, i.e. an increase of 222 %. This was also due to increase in business activities of the Company.

**Finance costs:** Finance costs increased to ₹ 53.27 lakhs in F.Y 2019 as compared to F.Y 2018 in which it was ₹ 18.08 lakhs i.e. a decrease of 195%.

**Depreciation and amortization expense:** Depreciation and amortization expense increased from ₹18.83 lakhs in F.Y.2019 to ₹ 5.83 lakhs in F.Y. 2018. i.e. a decrease of 251%.

**Other Expenses:** Other expenses for the F.Y 2019 stood at ₹ 72.97 lakhs; whereas it was ₹ 59.37 lakhs in previous financial year i.e. as increase of 22.90 %. This was mainly due to Increase in commission expenses.

**Net Profit/Loss before tax:** Net Profit before tax for the F.Y 2019 was ₹ 513.45 lakhs and in F.Y. 2018 the profit before tax was ₹489.71 lakhs. The increase in profit before tax was 4.84 % due to increase in sales volumes thereby absorbing our fixed cost.

**Restated profit after tax:** The Restated profit after tax for the F.Y 2019 was ₹345.36 lakhs and in F.Y. 2018 the loss was ₹444.16 lakhs representing decrease of 22 % due to increase in operational expenses.

#### **Comparison of the Financial Performance of Fiscal 2018 with Fiscal 2017**

**Revenue from Operations:** During the F.Y. 2018 the revenue from operation of the Company increased to ₹ 620.96 lakhs as against previous financial year ₹ 362.45 lakhs an increase of 71%. This increase was mainly due to increase in revenue from increase in demand of loans & credit facilities.

**Total Revenue:** Total Revenue for the F.Y. 2018 stood at ₹ 620.28 lakhs where as in F.Y. 2017 the same was ₹ 366.31 lakhs i.e. increases of 69.33%.

**Total Expenses:** Total expenditure for the F.Y. 2018 decreased to ₹ 111.11 lakhs from ₹ 281.29 lakhs compared to the previous financial year, decreased by 4.78%. This was mainly due to decrease in operating expense and employee benefits.

**Employee benefits expense:** Employee benefits expense decreased to ₹ 51.74 lakhs from ₹102.93 lakhs in the year F.Y.2018 from its previous year, i.e. an increase of 50 %. This was also due to decrease in staff salary & expenses.

**Finance costs:** Finance costs increased to ₹ 18.08 lakhs in F.Y 2018 as compared to F.Y 2017 in which it was ₹ 8.69 lakhs i.e. a increase of 108.05%.

**Depreciation and amortization expense:** Depreciation and amortization expense increased from ₹5.36 lakhs in F.Y. 2018 to ₹ 4.57 lakhs in F.Y. 2017. i.e. a increase of 17%

**Other Expenses:** Other expenses for the F.Y 2018 stood at ₹ 59.37 lakhs; whereas it was ₹ 178.35 lakhs in previous financial year i.e. as decrease of 67%. This was mainly due to decrease in administrative expenses.

**Net Profit before tax:** Net loss before tax for the F.Y 2018 was ₹489.71 lakhs and in F.Y. 2017 the profit before tax was ₹71.75 lakhs due to increase in operational revenue.

**Restated profit after tax:** The Restated loss after tax for the F.Y 2018 was ₹ 444.16 lakhs and in F.Y. 2017 the loss was ₹48.57 lakhs due to increase in operational revenue.

#### **Comparison of the Financial Performance of Fiscal 2017 with Fiscal 2016**

**Revenue from Operations:** During the F.Y. 2017 the revenue from operation of the Company increased to ₹ ₹ 362.45 lakhs as against previous financial year 94.57 lakhs an increase of 283%. This increase was mainly due to increase in revenue from increase in demand of loans & credit facilities.

**Total Revenue:** Total Revenue for the F.Y. 2017 stood at ₹ 366.31 lakhs where as in F.Y. 2016 the same was ₹ 97.15 lakhs i.e. increases of 277.06%.

**Total Expenses:** Total expenditure for the F.Y. 2017 decreased to ₹ 281.29 lakhs from ₹86.61 lakhs compared to the previous financial year, increased by 224.78%. This was mainly due to increase in operating expense and employee benefits.

**Employee benefits expense:** Employee benefits expense decreased to ₹ 102.93 lakhs from ₹57.91 lakhs in the year F.Y.2016 from its previous year, i.e. an increase of 77 %. This was also due to decrease in staff salary & expenses.

**Finance costs:** Finance costs increased to ₹ 8.69 lakhs in F.Y 2017 as compared to F.Y 2016 in which it was ₹ 4.17 lakhs i.e. a increase of 108.39 %.

**Depreciation and amortization expense:** Depreciation and amortization expense increased from ₹5.36 lakhs in F.Y. 2017 to ₹ 4.57 lakhs in F.Y. 2016. i.e. an increase of 17%

**Other Expenses:** Other expenses for the F.Y 2017 stood at ₹ 59.37 lakhs; whereas it was ₹ 178.35 lakhs in previous financial year i.e. as decrease of 67%. This was mainly due to decrease in administrative expenses.

**Net Profit before tax:** Net loss before tax for the F.Y 2017 was ₹489.71 lakhs and in F.Y. 2016 the profit before tax was ₹71.75 lakhs due to increase in operational revenue.

**Restated profit after tax:** The Restated loss after tax for the F.Y 2017 was ₹ 444.16 lakhs and in F.Y. 2016 the loss was ₹48.57 lakhs due to increase in operational revenue.

**Information required as per Item (2)(C)(1)(11) of Part A of Schedule VI to the SEBI ICDR Regulations, 2018:**

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

***Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

***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.

***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 no. 24 of this 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.

***Future changes in relationship between costs and revenues***

Our Company's future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by our competitors.

***Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices***

Changes in revenue in the last three financial years are as explained in the part "Comparison of the financial performance of Fiscal 2019 with Fiscal 2018 and Comparison of the financial performance of Fiscal 2018 with Fiscal 2017" above.

***Total turnover of each major industry segment in which the issuer company operated***

The company is into business of lending & financing. For further details, please refer the chapter titled "Our Business" beginning on page no. 82 of this Prospectus. Relevant Industry data, as available, has been included in the chapter titled "Industry Overview" beginning on page no. 76 of this Prospectus.

***Status of any publicly announced new products or business segment***

Our Company has not announced any new product and segment.

***Seasonality of business***

Currently our Company's business is not seasonal in nature.

***Any significant dependence on a single or few customers***

Except as disclosed elsewhere in this prospectus, our business is not dependent on a single or few customers.

***Competitive conditions***

Competitive conditions are as described under the Chapters “Industry Overview” and “Our Business” beginning on pages no.76 and 82 respectively of the Prospectus.

***Details of material developments after the date of last balance sheet i.e. June 30, 2019***

There are no circumstances which have arisen since the date of last financial statement until the date of filing this 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.

## CAPITALISATION STATEMENT

Capitalisation Statement as at June 30, 2019

Particulars	Amount (₹ In Lakhs)	
	Pre-Issue	Post- Issue
<b>Borrowings</b>		
Short term Debt (A)	265.71	265.71
Long term Debt (B)	701.37	701.37
<b>Total Debts (C)</b>	<b>967.08</b>	<b>967.08</b>
<b>Shareholders Funds</b>		
Equity Share Capital	570.14	780.95
Reserve & Surplus	1052.67	1474.27
<b>Total Equity</b>	<b>1622.81</b>	<b>2255.22</b>
<b>Total Capitalization</b>	2589.89	3222.30
<b>Long term Debt/Equity ratio</b>	0.43	0.31
<b>Total Debt/Equity Ratio</b>	0.60	0.43

## STATEMENT OF FINANCIAL INDEBTEDNESS

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the mentioned Companies, Ascom Leasing & Investments Limited (and further explanations and information provided by the management of these Companies, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related data as at June 30, 2019 are mentioned below;

### A. Secured Borrowings

Nature of Facility	Overdraft facility	Overdraft Facility	Overdraft Facility
<b>Bank</b>	Bank of Baroda	State Bank of India	HDFC Bank*
<b>Purpose</b>	Overdraft facility	Overdraft facility	Overdraft Facility
<b>Sanctioned Amount</b>	85 lakhs	2.48 Cr.	75 Lakh
<b>Rate of Interest</b>	7.80% per annum	9% per annum & 7.8% per annum	8.5% per annum
<b>Repayment</b>	On Demand	On Demand	On Demand
<b>Primary Security</b>	Pledge of fixed deposit FDR Rs. 1 crore	Pledge of Fixed Deposit receipt of Rs. 2.4 Cr	-
<b>Outstanding as on June 30, 2019</b>	Rs. 80 Lakh	Rs. 203.10 Lakh	Nil

*\*HDFC Bank Limit has been repaid in full in July, 2019.*

Restrictive Covenants/ Terms and Condition as per sanction letter

1. The company shall not divert working capital funds for payment of installments under term loans, meeting cost of acquisition of additional fixed assets etc.
2. The borrower shall not transfer / invest funds of the company in whatsoever manner without obtaining prior consent of the bank
3. The Company shall obtain NOC from the bank for availing of credit facilities from other Banks/FI's, further expansion of business, taking up new business activity or setting up/ investing in a subsidiary whether in same business line or unrelated business
4. During the currency of banks credit facilities, the company will not, without Banks prior permission in writing;
  - Effect changes in company capital structure
  - Formulate any scheme of amalgamation / reconstitution
  - Enter into the borrowing arrangement either secured or unsecured with any other bank, financial institution, company, firms and persons.
  - Undertake guarantee obligation on behalf of company, firms and persons
  - Create any further charge, lien or encumbrance over the assets and properties of the company, which are to be charged to our bank, in favour of any other bank, financial institution, company, firms and persons
  - Sell, assign and mortgage or otherwise dispose off any of the fixed assets charged to the bank

**B. Unsecured Borrowing**

Set forth below is the brief summary of our company's unsecured borrowings as at June 30, 2019:

<b>(Amt. in Lakhs)</b>			
<b>Sr. No.</b>	<b>Nature of Borrowings</b>	<b>Amount</b>	<b>Outstanding as on June 30, 2019</b>
1.	Loans from Related parties		
	Rupalben Tushar Pandya	203.27	
	Tushar Rohitkumar Pandya	129.20	
	Rohit Pandya HUF	220.21	
	Tushar Pandya HUF	132.71	
	<b>Total</b>		<b>685.39</b>



**SECTION X: LEGAL AND OTHER INFORMATION**  
**OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except, as stated in this section and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Entities or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Entities.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last three years against our Company and Subsidiaries including fines imposed or compounding of offences done in those three years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on July 4, 2019, determined that outstanding dues to creditors in excess of 5% of Company's consolidated trades payables as per last audited financial statements shall be considered as material dues ("Material Dues").

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Entities, would be considered 'material' for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds 5% of consolidated profit after tax of the Company, as per the last audited financial statements as determined by our Board, in its meeting held on July 4, 2019.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Entities which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered 'material' only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to the contrary, the information provided is as of the date of this Prospectus.

**CONTINGENT LIABILITIES OF OUR COMPANY**

Nil

**LITIGATIONS INVOLVING OUR COMPANY**

**LITIGATIONS AGAINST OUR COMPANY**

<b>Criminal Litigations</b>	<b>Civil Proceedings</b>	<b>Taxation Matters</b>
Nil	Nil	Nil

**Direct Tax**

**A. Direct tax**

As per website of Income Tax the following e-proceedings are stated to be Open and only Assessment year is reflecting, however the amount has not been mentioned and cannot be crystallised.

The following matters are still pending before Authority:

Sr No	Assessment Year	Section Code of IT Act	Status
1.	2017-18	143(3)	Open

**Proceedings/actions taken against Our Company for economic offences/securities laws/ or any other law**

Nil

**Disciplinary Actions taken by SEBI or stock exchanges against Our Company in last three financial years**

Nil

**Defaults including non-payment or statutory dues to banks or financial institutions**

Nil

**Details of material frauds against the Company in last three years and action taken by the Companies**

Nil

**LITIGATIONS FILED BY OUR COMPANY**

Criminal Litigations	Civil Proceedings	Taxation Matters
Nil	Nil	Nil

**LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY**

**LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY**

Criminal Litigations	Civil Proceedings	Taxation Matters
Nil	Nil	Nil

**Past Penalties imposed on our Directors**

Nil

**Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law**

Nil

**Directors on list of willful defaulters of RBI**

Nil

**Proceedings initiated against our Directors for Fugitive Economic Offence under Fugitive Economic Offender Act, 2018**

Nil

**LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY**

Criminal Litigations	Civil Proceedings	Taxation Matters
Nil	Nil	Nil

**LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY**

**LITIGATIONS AGAINST OUR PROMOTER/S**

Criminal Litigations	Civil Proceedings	Taxation Matters
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Nil	Nil	Nil
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**Past Penalties imposed on our Promoters**

Nil

**Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last three years**

Nil

**Penalties in Last three Years**

Nil

**Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in the past**

Nil

**Adverse finding against Promoter for violation of Securities laws or any other laws**

Nil

**Proceedings initiated against our Promoters for Fugitive Economic Offence under Fugitive Economic Offender Act, 2018**

Nil

**LITIGATIONS FILED BY OUR PROMOTER/S**

<b>Criminal Litigations</b>	<b>Civil Proceedings</b>	<b>Taxation Matters</b>
Nil	Nil	Nil

**MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter — “*Management Discussion and Analysis of Financial Condition and Result of Operation*” on page 135 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OUTSTANDING DUES TO MICRO, SMALL & MEDIUM ENTERPRISES OR ANY OTHER CREDITORS**

In accordance with our Company’s materiality policy dated July 4, 2019, our Company has no material creditors.

Below are the details of the Creditors where outstanding amounts as on September 30, 2019:

<b>S. No.</b>	<b>Particular</b>	<b>Balance as on 30.09.2019 (amount in Rs.)</b>
1.	Total Outstanding dues to Micro, Small & Medium Enterprises	Nil
2.	Total Outstanding dues to creditors other than Micro, Small & Medium Enterprises	Nil

S. No.	Particular	Balance as on 30.09.2019 (amount in Rs.)
Total		Nil

For complete details about the outstanding dues to the creditors of our Company, please see website of our Company website [www.ascomfinance.com](http://www.ascomfinance.com).

## GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “Key Industry Regulations and Policies” on page 87 of this Prospectus.

The Company has its business located at:

- **Registered Office:** 331, 3rd floor, Four Point complex, Vesu, besides Maniba Park, Surat, Gujarat -395007
- **Additional Place of Business:** None

Our Company duly hold the RBI licenses for the proposed activities as contained in the chapter titled ‘Objects of the Issue’ beginning on page no. 68 of this Prospectus to the extent that such licenses/approvals may be required for the same.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### I. APPROVALS FOR THE ISSUE

#### **Corporate Approvals**

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. Our Board of Directors have pursuant to a resolution passed at its meeting held on July 04, 2019 authorized the Issue, subject to the 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.
- b. The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of shareholders held on July 27, 2019.

#### **In- principle approval from the Stock Exchange**

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated October 22, 2019 bearing reference no. NSE/LIST/665.

#### **Agreements with NSDL and CDSL**

1. The Company has entered into an agreement dated May 29, 2019 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated June 11, 2019 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE08KD01015

## **II. APPROVALS OBTAINED BY OUR COMPANY**

S. No.	NATURE OF LICENSE/APPROVAL	REGISTRATION/ LICENSE NO.	ISSUING AUTHORITY	DATE OF GRANTING LICENSE/APPROVAL	VALIDITY
<b>INCORPORATION AND RELATED APPROVALS</b>					
1.	Registration of company in the name of "Ascom Leasing & Investments Limited" under Companies Act, 1956	085128	Registrar of Companies, Andhra Pradesh	December 16, 1986	One Time registration
2.	Fresh Certificate of Incorporation of company in the name of "Ascom Leasing & Investments Limited" under Companies Act, 2013 pursuant to change in RoC from Andhra Pradesh to Gujarat	U65993GJ1986PLC 085128	Registrar of Companies, Gujarat	November 23, 2015	One Time registration
3.	Registration of NBFC-Company in the name of "Ascom Leasing & Investments Limited" under Reserve Bank of India Act, 1934	B.01.00559	General Manager, Department of Non-Banking Supervision Ahmedabad Regional Office, Reserve bank of India	December 17, 2015	One Time registration
<b>TAX RELATED APPROVALS</b>					
4.	Permanent Account Number ("PAN")	AACCA0515B	Chief Commissioner of Income-tax, Andhra Pradesh	December 16, 1986	One Time registration
5.	Tax Deduction Account Number ("TAN")	HYDA00464C	Income Tax Department	NA	One Time registration
6.	Professional Tax Enrolment Certificate (PTEC) under the Gujarat State Tax on Profession, Trades, Callings and Employment Act, 1982	PEC03SW28034	Professional Tax Assessment Authority	NA	One Time Registration
<b>BUSINESS RELATED APPROVALS</b>					
7.	Registration Certificate of Establishment under The Bombay Shops and Establishment Act, 1948	SWZ/C/VESU/61505	Surat Municipal Corporation	April 24, 2017	December 31, 2020

**IV. APPROVALS OBTAINED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS:**

S. No.	Trademark/Tradeword	Logo	Registration/ Application No.	Class	Registration/ Application Date	Status/ Validity
1.	Trademark		4240584	36	July 19, 2019	Objected*

*\*pending for examination report.*

**V. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY IS:**

S. No.	Domain Name and ID	Registrar IANA ID	Creation Date	Registration Expiry Date
1.	Domain Name: www.ascomfinance.com Domain ID: 2359845366_DOMAIN_COM-VRSN	1495	February 11, 2019	February 11, 2020

**VI. PENDING APPROVALS:**

NIL

**VII. MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY**

Our Company is yet to apply for the registration under Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employee State Insurance Act, 1948.

## **SECTION XI: INFORMATION WITH RESPECT TO GROUP COMPANIES**

The definition of "group companies", pursuant to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, shall include such companies (other than promoter and subsidiary/subsidiaries) with which there were 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. Pursuant to a resolution dated June 24, 2019 our Board vide a policy of materiality has resolved that there is no group company of our Company.



## **SECTION XII: OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Issue has been proposed and authorized by the Board of Directors vide a resolution passed at its meeting held on July 04, 2019 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on July 27, 2019.

### **PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

We confirm that our Company, Directors, Promoter, Promoter Group, person in control of our Company are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Prospectus.

We confirm that our Company, Promoter and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

Neither our Promoter, nor any of our Directors or persons in control of our Company is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Prospectus.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

None of our Directors are associated with the securities market in any manner, including securities market related business.

Further, none of our Promoter or Directors has been declared as fugitive economic offender under Fugitive Economic Offenders Act, 2018.

### **PROHIBITION BY RBI**

Neither our Company nor any of our Promoter or Directors has been declared as wilful defaulter(s) by the RBI or any other governmental authority.

### **ELIGIBILITY FOR THIS ISSUE**

Our Company is eligible for the issue in accordance with regulation 229(1) and other provisions of chapter IX of the SEBI (ICDR) Regulations, 2018 as the post Issue face value capital is less than ₹10 Crores. Our Company also complies with the eligibility conditions laid by the NSE Emerge Platform of NSE Limited for listing of our Equity Shares.

### **We confirm that:**

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the total Issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page no. 45 of this Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the market making arrangement see chapter titled "General Information" beginning on page no. 44 of this Prospectus.

4. The Post-Issue paid up capital of the Company shall not be more than ₹25 Crores. It shall be ₹7,80,94,530.
5. The Company has positive cash accruals (Earnings before depreciation and tax) from operations for at least 2 (two) financial years preceding the date of filing of this Prospectus.
6. The Company has a track record of three years as on date of filing of this Prospectus.
7. The Net worth of the Company is positive as per the latest audited financial statements.
8. The Net worth and Cash accruals (Earnings before depreciation and tax) from operation of the Company as per the Restated Financial statements for the period ended on June 30, 2019 and financial year ended March 31, 2019, 2018, 2017 and 2016 is as set forth below:

**(Amount Rs. In Lakhs)**

Particulars	For the period ended on June 30, 2019	For Financial Year ended			
		March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Net Worth	1622.81	1425.95	1075.50	611.58	561.29
Cash Accruals	217.42	674.70	513.16	85.02	10.53

*\*"Net Worth" has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any.*

*\*\*"Cash accruals" has been defined as the Earnings before depreciation and tax from operations*

9. The track record of the Company as per the Restated financial statements for the period ended on June 30, 2019 and financial year ended March 31, 2019, 2018, 2017 and 2016 is as set forth below:

**(Amount Rs. In Lakhs)**

Particulars	For the period ended on June 30, 2019	For Financial Year ended			
		March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Profit/ (Loss)	196.85	345.36	444.16	48.57	4.36

10. The Company shall mandatorily facilitate trading in demat securities and already entered into an agreement with both the depositories.
11. The Company has not been referred to Board for Industrial and Financial Reconstruction.
12. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
14. There has been no change in the promoter of the Company in the one year preceding the date of filing application to NSE for listing on Emerge Platform of NSE.
15. The Company has a website: [www.ascomfinance.com](http://www.ascomfinance.com).

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 and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

## DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE PROSPECTUS 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 THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE LEAD MANAGER FAST TRACK FINSEC PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, HAS FURNISHED TO SEBI IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE 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, Ahmedabad, in terms of Section 26 and 32 of the Companies Act, 2013.

## DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in the Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.ftfinsec.com](http://www.ftfinsec.com) would be doing so at his or her own risk.

## PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

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 benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in benchmark]- 180th calendar days from listing
1.	Kranti Industries Limited	8.5803	37.00	February 28, 2019	35.25	-1.35% [8.38%]	0.37 [10.13%]	-58.65 [4.94 %]
2.	Goblin India	15.20	52	October15,	55	145.67% [4.62%]	N.A.	N.A.

	Limited			2019				
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Source: Price Information [www.bseindia.com](http://www.bseindia.com), Issue Information from respective Prospectus.

**Note:**

- (1) The BSE Sensex is considered as the Benchmark Index.
- (2) Prices on BSE are considered for all of the above calculation.
- (3) In case the 30th/90th/180<sup>th</sup> day is a holiday, closing price on BSE of the previous trading day has been considered.
- (4) In case 30th/90th/180<sup>th</sup> days, scrips are not traded then closing price on BSE of the previous trading day has been considered.
- (5) N.A. – Period not completed.

**SUMMARY STATEMENT OF DISCLOSURE:**

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount- 30th calendar days from listing			No. of IPOs trading at Premium- 30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at Premium- 180th 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 %
2018-19	1	8.5803	-	-	1	-	-	-	-	-	1	-	-	-
2019-20	1 <sup>(1)</sup>	15.2048	-	-	-	1	-	-	-	-	-	-	-	-

(1) The scrip of Goblin India Limited was listed on October 15, 2019. Further, the scrip of Goblin India Limited has not completed its 90th day from the date of Listing.

**TRACK RECORD OF PAST ISSUES HANDLED BY LEAD MANAGER**

For details regarding track record of Lead Manager 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 Lead Manager at: [www.ftfinsec.com](http://www.ftfinsec.com).

**DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under 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 Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹2,500 Lakhs, pension funds with minimum corpus of ₹2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this 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 the jurisdiction of appropriate court(s) in Surat, Gujarat 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, except that the Prospectus has been filed with NSE Limited for its observations and NSE Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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, legislations and Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF National Stock Exchange of India Limited**

National Stock Exchange of India Limited (“NSE”) has given vide its letter dated October 22, 2019 permission to this Company to use its name in this Issue document as one of the stock exchanges on which this company’s securities are proposed to be listed on the NSE Emerge Platform of NSE. NSE has scrutinized this Issue document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Limited does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this Issue document; or
- ii. warrant that this Company’s securities will be listed or will continue to be listed on NSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company; and

it should not for any reason be deemed or construed that this Issue document has been cleared or approved by NSE.

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 NSE 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.

#### **LISTING**

Application will be made to the National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized. The National Stock Exchange of India Limited has given its in-principle approval for using its name in the Issue Document vide its letter no. NSE/LIST/665 dated October 22, 2019. If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the applicant in pursuance of the Prospectus.

If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge Platform of NSE Limited mentioned above are taken within six Working Days from the Issue Closing Date.

## **CONSENTS**

Consents in writing of: (a) the Directors, the Promoter, the Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company and (b) Lead Manager, Underwriter, Market Maker, Registrar to the Company, Registrar to the Issue, Public Issue Bank / Banker to the Issue/ Sponsor Bank, and Legal Advisor 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 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

## **EXPERT TO THE ISSUE**

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

- Report of the Auditor on Statement of Tax Benefits
- Report of the Auditor on Restated Financial Statements for the Period ended on June 30, 2019 and financial year ended March 31, 2019, 2018 and 2017 of our company.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES**

Except as stated in the chapter titled “Capital Structure” beginning on page 53 of this Prospectus, we have not made any previous rights and/or public issues during last 5 years, and are 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.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public Issue of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

## **CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES/ SUBSIDIARIES / ASSOCIATES**

Neither our Company nor any of our Group Companies/ Subsidiaries/ Associate Companies has undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Prospectus.

## **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY**

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. Further as on date of this Prospectus Our Company has no listed subsidiary and listed promoter company.

## **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.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process including UPI may be addressed to the SCSB, giving full details such as name, address of the applicants, number of Equity Shares applied for, amount paid on application, details of UPI IDs and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

Further, as on date of this Prospectus none of the Group Companies/ Subsidiary Company or associates of our Company are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies and group companies are not applicable.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicants shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee/ Investor Grievance Committee of the Board *vide* resolution passed at the Board Meeting held on June 24, 2019. For further details, please refer to the chapter titled “Our Management” beginning on page 98 of this Prospectus.

Our Company has appointed Mr. Hemant Kumar as Company Secretary and Compliance Officer and he may be contacted at the following address:

Mr. Hemant Kumar  
**Ascom Leasing & Investments Limited**  
331, 3rd floor, Four Point Complex,  
Vesu, besides Maniba Park,  
Surat, Gujarat 395007, India  
**Telephone:**9825140403  
**Email:**[adityagroup.in@gmail.com](mailto:adityagroup.in@gmail.com)

Investors can contact the Company Secretary and 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 or unblocking of funds, etc.

## **PURCHASE OF PROPERTY**

Except as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, Our Company has not purchased any property in which the Promoter and / or Directors have any direct or indirect interest in any payment made there under.

## **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## SECTION XIII: 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 this Prospectus, Prospectus, the 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 DIPP, 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 i.e. just writing their bank account numbers and authorizing the banks to make payment in case of allotment by signing the application forms. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, 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 authorised to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of Equity Shares has been proposed by a resolution of the Board of Directors of our Company at their meeting held on July 04, 2019 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on July 27, 2019 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being 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 "Description of Equity Shares and terms of the articles of association" beginning on page no. 198 of the Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act 1956 and Companies Act 2013, 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. For further details, please refer to section titled "Dividend Policy" beginning on page no. 115 of this Prospectus.

#### **Face Value and Issue Price**

The face value of the Equity Shares is Rs. 10 each are being offered in terms of this Prospectus at the price of ₹30 per Equity Share (including premium of ₹20 per share).



The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under section titled "Basis for Issue Price" beginning on page no. 71 of the 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**

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 Issue 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 "Description of Equity Shares and terms of the articles of association " beginning on page no. 198 of the 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 June 11, 2019 between NSDL, our Company and Registrar to the Company; and
- Tripartite Agreement dated May 29, 2019 between CDSL, our Company and Registrar to the Company.

The trading of the Equity Shares will happen in the minimum contract size of 4000 Equity Shares and the same may be modified by the NSE Emerge platform of National Stock Exchange Limited 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 4000 Equity Shares is subject to a minimum allotment of 4000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in the Issue shall be 50 shareholders. In case the minimum number of prospective allottees are 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 Surat, Gujarat.

**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 Issues 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.**

### **Withdrawal of the Issue**

Our Company and Selling Shareholder in consultation with the Lead Manager, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof. If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within two (2) 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 Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh 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 issued through the **Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.**

#### **Period of Operation of Subscription List of Public Issue**

<b>ISSUE OPENS ON</b>	Tuesday November 26, 2019
<b>ISSUE CLOSES ON</b>	Thursday, November 28, 2019

#### **Minimum Subscription and Underwriting**

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information” on page no. 44 of this Prospectus.

The issuer does not receive the minimum subscription of hundred per cent. of the Issue through Issue document on the date of closure of the Issue or devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Issue or withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the securities so offered under the Issue document, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent. per annum.

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, 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**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, our Company may migrate to the main board of NSE from the NSE Emerge Platform on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above Rs. 2500 Lakhs by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- If the Paid up Capital of the company is more than Rs. 1000 Lakhs but below Rs. 2500 Lakhs, Our Company may still apply formigration to the Main Board if our Company fulfils the eligibility criteria for listing laid down by the Main Board of NSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the NSE EMERGE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

#### **Market Making**

The shares offered through this Issue are proposed to be listed on the Emerge Platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the NSE for a minimum period of 3 (three) years from the date of listing on the Emerge Platform of NSE. 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 no. 44 of the Prospectus.

### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of 4000 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 Emerge Platform of NSE.

### **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**

As per section 29(1) of the Companies Act 2013 and SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange. Applicants will not have an option of Allotment of the equity shares in physical form. Allotees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.

### **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 Promoter minimum contribution in the Issue as detailed under section titled "Capital Structure" beginning on page no. 53 of the 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 "Description of Equity Shares and terms of the articles of association" beginning on page no. 198 of the 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 the 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 as amended from time to time, whereby, our post issue face value capital does not exceed ten crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the NSE Emerge Platform of NSE). 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 160 and 169 of this Prospectus.

### Following is the issue structure:

Initial Public Offer of 21,08,000 Equity Shares of face value of Rs. 10/- each (the 'Equity Shares') of Ascom Leasing & Investments Limited ("*Company*" or "*Offeror*") at an Issue Price of ₹30 per Equity Share for cash, aggregating to Rs. 632.40 Lakhs. The Public Issue will constitute 26.99 % of the post-Issue paid-up Equity Share Capital of Our Company. The issue comprises a reservation of 1,08,000 Equity Shares of Rs. 10 each aggregating to Rs. 32.40 lakhs for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars of the Issue	Market Maker Reservation Portion	Net Issue to Public*
<b>Number of Equity Shares</b>	1,08,000 Equity Shares	20,00,000 Equity Shares
<b>Percentage of the Issue Size available for allocation</b>	5.12% of the Issue Size	94.88 % of the Issue Size
<b>Basis of Allotment/Allocation, if respective category is oversubscribed</b>	Firm Allotment	Proportionate subject to minimum lot of 4000 Equity Shares and further allotment in multiples of 4000 Equity Shares each.  For further details please refer to the "Basis of Allotment" under Section " <i>Issue Procedure</i> " of this Prospectus on page no. 169
<b>Mode of Application</b>	Through ASBA Process only	<b><u>For Other than Retail Individual Investors:</u></b> All the applicants shall make the application (Online or Physical) through the ASBA Process only.  <b><u>For Retail Individuals Investors:</u></b> Through the ASBA Process or by using UPI ID for payment
<b>Mode of Allotment</b>	Compulsorily in dematerialized form	Compulsorily in dematerialized form
<b>Minimum Application Size</b>	4000 Equity Shares of Face Value Rs. 10.00	<b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of 4000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/-

		<b><u>For Retail Individuals Investors:</u></b> 4000 Equity Shares at Issue prices of ₹ 30/- each
<b>Maximum Application Size</b>	4000 Equity Shares of Face Value ₹ 10.00	<b><u>For Other than Retail Individual Investors:</u></b> For all other investors, 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  <b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiples of 4000 Equity Shares such that the application value does not exceed ₹ 2,00,000
<b>Trading Lot</b>	4000 Equity Shares	4000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations
<b>Terms of Payment</b>	The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the Issue  In case of UPI as an alternate mechanism, Application amount shall be blocked at the time of confirmation of mandate collection request by applicant	

*\*Since present issue is a fixed price issue, the allocation in the net Issue 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 (a) or (b) above may be allocated to the applicants in the other category.*

*Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage.*

*For further information on the Allocation of Net Issue to Public, please refer to chapter titled "The Issue" on page no. 41 of this Prospectus.*

#### **Issue Programme**

<b>ISSUE OPENING DATE</b>	Tuesday, November 26, 2019
<b>ISSUE CLOSING DATE</b>	Thursday, November 28, 2019

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing Date when applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Prospectus is IST. 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 offerings, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## ISSUE PROCEDURE

All Applicants should review the “General Information Document for Investing in Public 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 (“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 shall be made available on the websites of the Stock Exchanges, the Company and the Book Manager before opening of the Issue Period.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, there have been certain changes in the Issue procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an Issue to six working days. These changes are applicable for all Public Issue which open on or after January 1, 2016. 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.

### **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., Syndicate members, 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. The UPI Circular is available on the website of the LM.

**Retail Individual Investors should note that the Application using UPI Channel is optional and they can make Applications by submitting Application Forms, in physical form or in electronic mode, to the members of the Syndicate, the sub-Syndicate, SCSBs, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants pursuant to SEBI Circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 where the timeline for implementation of Phase II has been extended till March 31, 2020.**

**Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Prospectus.**

*This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.*

**Our Company and the Lead Manager are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.**

### **Fixed Price Issue Procedure**

The Issue is being made under Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Process.

Applicants are required to submit their Applications to the Application Collecting Intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

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 Manager and the NSE EMERGE Platform.

**Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form.**

**The Application Forms which do not have the details of the Applicants depository account including DP ID, PAN and Beneficiary Account Number/UPI ID shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is 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, as mandated by SEBI.**

## **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

### **Availability of Prospectus**

The Memorandum Form 2A containing the salient features of the together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection Centres of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE, i.e. [www.nseindia.com](http://www.nseindia.com).

### **Application Form**

Application Forms will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, the Application Forms will also be available for download from the website of the Company, of the Lead Manager of the issue or Stock Exchange i.e. NSE ([www.nseindia.com](http://www.nseindia.com)), at least one day prior to the Issue Opening Date. Same Application Form applies to all ASBA Applicants/ Retail Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Further, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated 10th November, 2015 all the Applicants has to compulsorily apply through the ASBA Mode only.

ASBA Applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form. Alternatively, the Retail Individual Applicants wishing to 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. For further details on the UPI Channel please refer SEBI circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

The prescribed colour of the Application Form for various investors applying in the Issue is as follows:

<b>Category</b>	<b>Colour</b>
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

*excluding electronic Application Form*

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of equity shares that the applicants wish to apply for. Application forms downloaded and printed from the websites of the stock exchanges shall bear a system generated unique application number.

The ASBA Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount that can be blocked by the SCSBs, as applicable at the time of submitting the Application Form.

### **SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS**

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- (i) an SCSB, with whom the bank account to be blocked, is maintained.
- (ii) a syndicate member (or sub-syndicate member),
- (iii) a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker"),
- (iv) a depository participant ('DP') (and whose name is mentioned on the website of the stock exchange as eligible for this activity),
- (v) a registrar to an issue and share transfer agent ('RTA') (and whose name is mentioned on the website of the stock exchange as eligible for this activity).

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<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 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.
<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 bid details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share bid 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 through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

Upon completion and submission of the Application Form to the Application Collecting Intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the, without prior or subsequent notice of such changes to the Applicants.

No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stockbroker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	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)

*Retails investors submitting application with any of the entities at (2) to (5) above (hereinafter referred as 'Intermediaries'), and intending to use UPI, shall also enter their UPI ID in the bid-cum-application form.*

*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.*

Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/ClientID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

#### **Who can apply?**

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- i. Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- ii. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- iii. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- iv. Mutual Funds registered with SEBI;
- v. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- vi. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- vii. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- viii. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- ix. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non Institutional applicant's category;

- x. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- xi. Foreign Venture Capital Investors registered with the SEBI;
- xii. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- xiii. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- xiv. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- xv. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- xvi. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- xvii. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- xviii. Insurance funds set up and managed by army, navy or air force of the Union of India;
- xix. Multilateral and bilateral development financial institution;
- xx. Eligible QFIs;
- xxi. Insurance funds set up and managed by army, navy or air force of the Union of India;
- xxii. Insurance funds set up and managed by the Department of Posts, India;
- xxiii. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- (a) As per Section 29 (1) of the Companies Act, 2013, all the shares shall be issued in dematerialized form in compliance with the provisions of the depositories act, 1996 and the regulations made there under, thus, the investors should note that Allotment of Equity Shares to all successful applicants will only be in the dematerialized form.
- (b) The Equity Shares, on Allotment, shall be traded on stock exchange in demat segment only.
- (c) A single application from any investor shall not exceed the investment limit/ minimum number of specified securities that can be held by him/ her/ it under the relevant regulations/ statutory guidelines and applicable laws.

## **Maximum and Minimum Application Size**

### **1. For Retail Individual Bidders**

The Application must be for a minimum of 4000 Equity Shares and in multiples of 4000 Equity Shares thereafter, so as to ensure that the Bid amount payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Bid, the Retail Individual Applicants have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

### **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 Bid Amount exceeds Rs. 2,00,000 and in multiples of 4000 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 cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid 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 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 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.**

### **Number of Applications per Bank Account**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

## **Participation by Associates /Affiliates of Lead Manager and the Syndicate Members**

The Lead Manager and Syndicate members, if any, 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 and Syndicate Members, if any 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 their 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. However, they may get the specified securities re-materialised subsequent to allotment.
- b. Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.
- c. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- d. 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.

### **Bids by HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder 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.

### **Bids by Indian Public including eligible NRIs applying on Non-Repatriation Basis**

Bid must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An Bidder in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

### **Bids by eligible NRI's**

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 Bidders bidding 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).

### **Bids by FPI's including FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an 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 a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

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 (Foreign Portfolio Investor) Regulations, 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 and subject to prior intimation to RBI. For arriving at the ceiling on holdings of FIIs, shares/ convertible debentures acquired both through primary as well as secondary market will 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 and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is offered overseas by an 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 offered only to persons who are regulated by an appropriate regulatory authority; and
- (ii) such offshore derivative instruments are offered after compliance with know your client norms.

An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non- Residents (blue in colour).

### **Bids 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 Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserve 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.

### **Bids 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 Issue. 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.

Our Company or Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

### **Bids by Limited Liability Partnerships**

In case of Bids 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 reserve 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 Systematically Important Non Banking Financial Companies**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

### **Bids by Insurance Companies**

In case of bids 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) Regulations, 2016 as amended are broadly set forth below:

- (a) equity shares of a company: the lower of 10% of the investee company's outstanding equity shares 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: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer, or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Bids 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 Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

### **Bids by SCSBs**

SCSBs participating in the Issue 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.

### **Bids under Power of Attorney**

In case of Bids 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 reserve 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 reserve 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 reserve 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 reserve 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 reserve 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.

### **Bids by Provident Funds/Pension Funds**

In case of Bids 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 reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

### **Applications by Systemically Important Non-Banking Financial Companies**

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI, b) certified copy of its latest audited financial statement and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor. Systemically Important Non-Banking Financial Companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

**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 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 Prospectus.**

### **Information for the Bidders:**

1. Our Company shall file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
2. Our Company shall, after registering the Prospectus with the RoC, make a Pre-Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre- Issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.
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 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.
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 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 Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by minimum three (3) 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 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.

#### **Instructions for Completing the Application Form**

The Bids should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms 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 websites of NSE i.e. [www.nseindia.com](http://www.nseindia.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 from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN Nos, 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 from 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.

### **Terms of payment**

The entire Issue price of Rs. 30 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 to unblock the excess amount paid on Application to the Applicants.

SCSBs 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.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar 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 Bidders.

### **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 Issue 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, the Syndicate Members, 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.	<b>Symbol</b>
2.	Intermediary Code
3.	Location Code
4.	Application Code
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 the 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, Selling Shareholder and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this 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 Offer Period, after which the Registrar to the Offer 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 1,08,000 Equity Shares shall be reserved for Market Maker and 10,00,000 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 i.e. 10,00,000 Equity shares will be available for allocation on proportionate basis to Non -Retail Applicants. In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from;
- 2) Any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange. In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- 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 and Underwriter have entered into an Underwriting Agreement dated November 16, 2019.
- 2) A copy of Prospectus has been filed with the RoC in terms of Section 32 of Companies Act, 2013.

## **Filing of Issue Document**

The Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Issue Document in terms of Regulation 246 of SEBI (ICDR) Regulations. However, pursuant to sub regulation (5) of Regulation 246, the copy of Prospectus has been furnished to the board in a soft copy. Pursuant to SEBI Circular Number 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 <https://siportal.sebi.gov.in>. A copy of the Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 has been delivered to the Registrar of Company, ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad- 380013.

## **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 Confirmation Note (“CAN”) and Allotment in the Issue**

- 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. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice (CAN) to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice (CAN) shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.
- 3) 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**

- a) On the Designated date, the SCSBs or Sponsor Bank 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 Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the 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 Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within four (4) Working Days of the Issue Closing Date.

The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within four (4) Working Days of the Issue Closing Date.

### **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.
- Ensure that the Applications are submitted at the Collection centres only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your Application is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the Applicant has a bank account or a UPI ID linked Bank Account, or to a Registered Broker at the Broker Centres or to RTAs or DPs at collection centres and not to our Company.
- 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 inked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), 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 inked 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;
- 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;
- All Investors submit their applications through the ASBA process only;
- Ensure that you have mentioned the correct ASBA 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 you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorisation 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 use third party bank account or third party UPI ID linked Bank Account for making the Application;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the 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 ₹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.

**Payment mechanism for Bidders**

Bidders must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. 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 Bidders 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 finalisation 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 (except Anchor 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.

## **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.

## **Other Instructions**

### **Joint Applications in case of Individuals**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### **Multiple Applications**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
2. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
3. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

### **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ. 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration ("GIR") number instead of the PAN, as the Application is liable to be rejected on this ground.

### **GROUNDS FOR TECHNICAL REJECTIONS**

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3,000;
- Category not ticked;
- Applications made using a third party bank account or using third party UPI ID linked bank account;
- Multiple Applications as defined in this Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Prospectus as per the instructions in the Prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Failure of Retail Individual Applicants to validate the request of blocking of Application amount sent by the Sponsor Bank;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 200000 received after 3.00 pm on the Issue Closing date unless the extended time is permitted by NSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.
- Details of ASBA Account not provided in the Application form
- From one ASBA Account, more than five applications are made by applicant.
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; and

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

**APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Completion of Formalities for Listing and Commencement of Trading**

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 (six) Working Days of the Issue Closing Date. The Registrar to the Issue may dispatch the Allotment Advice within 6 (six) Working Days of the Issue Closing Date.

#### **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 June 11, 2019 between NSDL, the Company and the Registrar to the Company; and
- b) Agreement dated May 29, 2019 between CDSL, the Company and the Registrar to the Company;

The Company's equity Shares bear an ISIN No. INE08KD01015.

#### **Communication**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants

Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;

<p>Mr. Hemant Kumar <b>Ascom Leasing &amp; Investments Limited</b> 331, 3rd floor, Four Point Complex, Vesu, besides Maniba Park, Surat, Gujarat- 395007 <b>Telephone:</b> +91-9825140403 <b>Email:</b><a href="mailto:adityagroup.in@gmail.com">adityagroup.in@gmail.com</a> <b>CIN:</b> U65993GJ1986PLC085128</p>	<p><b>Skyline Financial Services Limited</b> A/505, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Andheri (E), Mumbai- 400072 <b>Telephone:</b> +91 22-28511022/ 02249721245 <b>Email:</b><a href="mailto:mumbai@skylinerta.com">mumbai@skylinerta.com</a> <b>Investor grievance email:</b><a href="mailto:grievance@skylinerta.com">grievance@skylinerta.com</a> <b>Contact Person:</b> Mr. Subhash Dhingreja <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>SEBI Registration Number:</b> INR000003241 <b>CIN:</b> U74899DL1995PTC071324</p>
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### **Disposal of Application and Application Moneys**

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 NSE Emerge Platform of NSE 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.

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 six (6) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

### **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."*

### **Basis of Allotment**

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) 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).

- b) 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).
- c) For applications where the proportionate allotment works out to less than 4000 Equity Shares the allotment will be made as follows:
- d) Each successful applicant shall be allotted 4000 Equity Shares;
- e) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- f) If the proportionate allotment to an applicant works out to a number that is not a multiple of 4000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 4000 Equity Shares subject to a minimum allotment of 4000 Equity Shares.
- g) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 4000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the Issue specified under the Capital Structure mentioned in this Prospectus.
- h) Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 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 (a) or (b) above may be allocated to the applicants in the other category.*

*Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage.*

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE Emerge Platform of NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **Mode of Making Refund for ASBA Applicants**

In case of ASBA Application, the registrar of the Issue may instruct the controlling branch of the SCSB or in case of Bids by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

#### **Interest in Case of Delay in Allotment or Refund**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters



or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

### **Undertakings by Our Company**

Our Company undertakes as follows:

- 1) That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on stock exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 4) where refunds (if applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter contribution in full has already been brought in;
- 6) That 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 refunded on account of non-listing, under-subscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then 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;
- 9) If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

### **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 and 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 pursuant to Section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

- 4) 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.

## **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 Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2017 (“FDI Policy 2017”), which with effect from August 28, 2017, 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 Reserve Bank of India (“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 January 4, 2018 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.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our company is in the business of developing, manufacturing and marketing wellness products. These activities are listed in section 5.2.26 under the head “Other Financial Services” of the FDI Policy 2017 which allows 100% foreign direct investment through automatic route subject to the provisions of FDI Policy.

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 by the Company.

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. Such conditions include (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open Issue/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. 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 Issue, 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, FII, FPI, NRI, FVCI, LLPs, DRs and Investment Vehicles under Schedule 1, 2, 2A, 3, 6, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations. 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.

##### **i. Investment by FIIs under Portfolio Investment Scheme (PIS):**

With regards to purchase/sale of share/s convertible debentures by a registered FII under PIS the total holding by each FII/SEBI approved sub-account of FII shall not exceed 10 % of the total paid-up equity capital or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs/sub-accounts of FIIs put together shall not exceed 24 % of paid-up equity capital or paid-up value of each series of convertible debentures

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. For arriving at the ceiling on holdings of FIIs, shares/ convertible debentures acquired both through primary as well as secondary market will be included. However, the ceiling will not include investment made by FII through offshore Funds, Global Depository receipts and Euro-Convertible Bonds. With regard to convertible debentures, these investments permitted to be made shall not exceed 5 % of the total paid-up equity capital or 5% of the paid-up value of each series of convertible debentures issued by an Indian Company, and shall also not exceed the over-all ceiling limit of 24 % of paid-up equity capital or paid up value of each series of convertible debentures.

##### **ii. Investment by Registered Foreign Portfolio Investor (RFPI) under Foreign Portfolio Investment (FPI) Scheme**

With respect to purchase/sale of shares or convertible debentures or warrants, a RFPI registered in accordance with SEBI (FPI) Regulations, 2014 as amended in regular intervals may purchase shares or convertible debentures or warrants of an Indian company under FPI scheme. The total holding by each RFPI shall be below 10 % of the total paid-up equity capital or 10 % of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all RFPI put together shall not exceed 24 % of paid-up equity capital or paid up value of each series of convertible debentures. The said limit of 24 % will be called aggregate limit. However, the aggregate limit of 24 % may be increased up to the 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. For arriving at the ceiling on holdings of RFPI, shares or convertible debentures or warrants acquired both through primary as well as secondary market will be included. However, the ceiling will exclude investment made by RFPI through off-shore Funds, Global Depository Receipts and Euro-Convertible Bonds but include holding of RFPI and deemed RFPI in the investee company for computation of 24 % or enhanced limit.

##### **iii. Investment by NRI or OCI on repatriation and non-repatriation basis:**

With respect to purchase/sale of shares and/or convertible debentures by a NRI or OCI on a stock exchange in India on repatriation and/or non-repatriation basis under PIS is allowed subject to certain conditions under

Schedule 3 of the FEMA(Transfer or Issue of security by a person resident outside India) Regulations, 2000. Further, with regard to limits:

- the paid-up value of shares of an Indian company, purchased by each NRI both on repatriation and on non-repatriation basis, does not exceed 5 % of the paid-up value of shares issued by the company concerned;
- the paid-up value of each series of convertible debentures purchased by each NRI both on repatriation and non-repatriation basis does not exceed 5 % of the paid-up value of each series of convertible debentures issued by the company concerned;
- the aggregate paid-up value of shares of any company purchased by all NRIs does not exceed 10 % of the paid up capital of the company and in the case of purchase of convertible debentures;
- the aggregate paid-up value of each series of debentures purchased by all NRIs does not exceed 10 % of the paid-up value of each series of convertible debentures;

However, 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 concerned.

#### **iv. 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 and sale of shares and convertible debentures or warrants 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.**

**Further, no Issue to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.**

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 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.

## DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

The above information is given for the benefit of the Investors. Our Company, the LM is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Investors are advised to make their independent investigations and ensure that the number of Equity Shares Application do not exceed the applicable limits under laws or regulations.

Article No.	Description
<b><i>Share capital and variation of rights</i></b>	
1	<p>i. The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may from time to time be provided in the Memorandum of Association with the power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital whether original, increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.</p> <p>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 and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares.</p> <p style="padding-left: 40px;">Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p> <p>iii. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment in full or part for any property or assets of any kind whatsoever, sold or transferred, goods or machinery supplied or for any services rendered to the Company in conduct of its business and any shares which may be so allotted may be issued as fully paid up shares or partly fully paid up otherwise than for cash and if so issued, shall be deemed to be fully paid shares or partly paid shares, as the case may be.</p>
2	<p>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, —</p> <p style="padding-left: 40px;">a. one certificate for all his shares without payment of any charges; or</p> <p style="padding-left: 40px;">b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.</p> <p>ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>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.</p> <p>A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the shares to enable the depository to enter in its records the name of such person as the beneficial owner of that share.</p>
3	<p>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</p>

Article No.	Description
	<p>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.</p> <p>ii. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board:</p> <p>Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act,1956 or any other Act, or rules applicable thereof in this behalf.</p> <p>iii. The provisions of Articles (2) and (3) shall <i>mutatis mutandis</i> apply to debentures of the Company.</p>
4	<p>Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.</p>
5	<p>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.</p> <p>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.</p> <p>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.</p>
6	<p>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.</p> <p>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall <i>mutatis mutandis</i> 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.</p>
7	<p>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 <i>pari passu</i> therewith.</p>
8	<p>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.</p>
<b><i>Issue of Sweat Equity Shares</i></b>	
9	<p>Subject to provisions of Section 54 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Share on such terms and in such manner as the Board may determine, in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.</p>
10	<p>The Board of Directors, subject to the rules and regulations prescribed in this connection may offer, issue and allot shares in the Capital of the Company as shares under the employee's stock option scheme.</p>
11	<p>The Company shall have powers to issue any Debentures, Debentures-Stock or other securities at Par, Discount, Premium or otherwise and may be issued on condition that they shall be convertible into shares on any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting by a Special Resolution</p>

Article No.	Description
<b>Further Issue of Shares</b>	
12	<p>i. Where at any time, a Company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—</p> <ol style="list-style-type: none"> <li>a. to persons who, at the date of the offer, are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions as specified in the provisions of Section 62 of the Act;</li> <li>b. to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the relevant rules of Section 62; or</li> <li>c. to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</li> </ol> <p>ii. The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>iii. Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company:</p> <p>Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.</p>
<b>Lien</b>	
13	<p>i. The Company shall have a first and paramount lien—</p> <ol style="list-style-type: none"> <li>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</li> <li>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.</li> </ol> <p>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.</p>
14	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has lien:</p> <p>Provided that no sale shall be made-</p> <ol style="list-style-type: none"> <li>a. unless a sum in respect of which the lien exists is presently payable; or</li> <li>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.</li> </ol>
15	<ol style="list-style-type: none"> <li>i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof</li> <li>ii. The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the shares comprised in any such transfer.</li> <li>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.</li> </ol>
16	<ol style="list-style-type: none"> <li>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.</li> <li>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.</li> </ol>
17	<ol style="list-style-type: none"> <li>i. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a</li> </ol>



Article No.	Description
	<p>court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.</p> <p>ii. The provisions of these Articles relating to lien shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p>
<b>Calls on shares</b>	
18	<p>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.</p> <p>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.</p> <p>iii. A call may be revoked or postponed at the discretion of the Board.</p>
19	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
20	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
21	<p>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.</p> <p>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>
22	<p>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.</p> <p>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.</p>
23	<p>The Board—</p> <p>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</p> <p>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.</p>
24	<p>Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to the called, until such amount had been duly called-up:</p> <p>Provided however that any amount paid to the extent called-up, shall be entitled to proportionate dividend and voting right.</p>
25	The Board may at its discretion, extend the time fixed for the payment of any call-in respect of any one or more members as the Board may deem appropriate in any circumstances.
26	The provisions of these Articles relating to call on shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.
<b>Transfer of shares</b>	
27	<p>i. The instrument of transfer of share in the Company shall be executed by or on behalf of both the transferor and transferee in such form as prescribed under sub-section (1) of section 56 of the Companies Act, 2013 and the respective rules made thereunder.</p> <p>ii. The instrument of transfer of any share in the company shall be duly stamped and executed by or on behalf of both the transferor and transferee. The instrument of transfer duly stamped and executed by the transferor or the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of</p>

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	<p>transferor and his right to transfer the Shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.</p> <p>iii. 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.</p>
28.	<p>i. Subject to the right of appeal conferred by section 58 of the Companies Act, 2013 and the rules made thereunder and and Section 22A of the Securities Contracts (Regulation) Act, 1956 or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.</p> <p>Provided That the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.</p> <p>ii. Subject to the right of appeal conferred by section 58 of the Companies Act, 2013 and the rules made thereunder and Section 22A of the Securities Contracts (Regulation) Act, 1956 or any other law for the time being in force, the Board may refuse/decline to register—</p> <ol style="list-style-type: none"> <li>a. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</li> <li>b. any transfer of shares on which the Company has a lien.</li> </ol>
29.	<p>The Board may decline to recognise any instrument of transfer unless—</p> <ol style="list-style-type: none"> <li>(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</li> <li>(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</li> <li>(c) the instrument of transfer is in respect of only one class of shares.</li> </ol>
30.	<p>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:</p> <p>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.</p>
31.	<p>The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p>
<b>Register of Transfers</b>	
32.	<p>The Company shall keep a book to be called the 'Register of Transfers' and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.</p>
<b>Dematerialization of Securities</b>	
33.	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles: -</p> <ol style="list-style-type: none"> <li>(a) The Company shall be entitled to dematerialised its securities and to offer any securities proposed to be issued by it for subscription in a dematerialised form pursuant to the Depository Act, 1996, and on the same being done, the Company shall further be entitled to maintain a register of members/ debenture-holders/ other security-holders with the details of members/ debenture-holders/ other security-holders holding shares, debentures or other securities both in materialised and dematerialised form in any media as permitted by the Act.</li> <li>(b) Option for Investors: <ol style="list-style-type: none"> <li>(i) Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the</li> </ol> </li> </ol>

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	<p>manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.</p> <p>(ii) If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of the information, the Depository shall enter in its records the name of the allottees as the beneficial owner of the security.</p> <p>(c) Securities in Depository to be in fungible form: -</p> <p>(i) All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.</p> <p>(ii) Nothing contained in Section 88, 89, 112 and 186 of the Companies Act, 2013 and the rules made thereunder shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</p> <p>(d) Rights of Depositories and Beneficial Owners: -</p> <p>Notwithstanding anything to the contrary contained in the Act, a Depository shall be deemed to be the registered owner for the purpose of effecting the transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>(e) Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>(f) Every person holding Securities of the Company and whose name if entered as the beneficial owner in the records of the depository as the absolute owner of thereof. The beneficial owner of Securities shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his/her Securities which are held by a depository.</p> <p>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by any means of electronic modes.</p> <p>iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository. In the case of transfer of securities where the Company has not issued any certificates and where such securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Provided that in respect of the shares and securities held by the Depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act, 1996, shall apply so far as applicable.</p> <p>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.</p> <p>vi. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act, 1996.</p> <p>vii. The Company shall cause to be kept at its registered office or at such place as may be decided, the Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialized forms in any media as may be permitted by law including in any means of electronic modes.</p> <p>viii. The Register and Index of Beneficial Owners maintained by a depository under section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.</p>

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<b>Transmission of shares</b>	
34.	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
35.	<ul style="list-style-type: none"> <li>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— <ul style="list-style-type: none"> <li>a. to be registered himself as holder of the share; or</li> <li>b. to make such transfer of the share as the deceased or insolvent member could have made.</li> </ul> </li> <li>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.</li> </ul>
36	<ul style="list-style-type: none"> <li>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.</li> <li>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</li> <li>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.</li> </ul>
37	<p>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:</p> <p>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.</p>
38	No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.
39	The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.
<b>Forfeiture of shares</b>	
40.	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.
41	<p>The notice aforesaid shall—</p> <ul style="list-style-type: none"> <li>(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</li> <li>(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</li> </ul>
42	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.
43	<ul style="list-style-type: none"> <li>i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</li> </ul>

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	<ul style="list-style-type: none"> <li>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</li> </ul>
44	<ul style="list-style-type: none"> <li>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.</li> <li>ii. The liability of such person shall cease if and when the Company have received payment in full of all such monies in respect of the shares.</li> </ul>
45	<ul style="list-style-type: none"> <li>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;</li> <li>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;</li> <li>iii. The transferee shall thereupon be registered as the holder of the share; and</li> <li>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.</li> </ul>
46	<p>The provisions of these regulations as to forfeiture shall apply in the case of non-payment 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.</p>
<b><i>Alteration of capital</i></b>	
47.	<p>The Company may, from time to time, by an ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.</p>
48	<p>Subject to the provisions of section 61, the Company may, by ordinary resolution, —</p> <ul style="list-style-type: none"> <li>(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>(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;</li> <li>(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</li> <li>(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.</li> </ul>
49	<p>Where shares are converted into stock, -</p> <ul style="list-style-type: none"> <li>(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:</li> </ul> <p style="padding-left: 40px;">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.</p> <ul style="list-style-type: none"> <li>(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.</li> <li>(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.</li> </ul>
50	<p>The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law—</p>

Article No.	Description
	<ul style="list-style-type: none"> <li>(a) its share capital;</li> <li>(b) any capital redemption reserve account; or</li> <li>(c) any share premium account.</li> </ul>
<b>Capitalization of profits</b>	
51	<ul style="list-style-type: none"> <li>i. The Company in general meeting may, upon the recommendation of the Board, resolve— <ul style="list-style-type: none"> <li>(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</li> <li>(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.</li> </ul> </li> <li>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 — <ul style="list-style-type: none"> <li>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;</li> <li>(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;</li> <li>(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);</li> <li>(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;</li> <li>(E) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</li> </ul> </li> </ul>
52	<ul style="list-style-type: none"> <li>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall— <ul style="list-style-type: none"> <li>(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</li> <li>(b) generally do all acts and things required to give effect thereto.</li> </ul> </li> <li>ii. The Board shall have power— <ul style="list-style-type: none"> <li>(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</li> <li>(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;</li> <li>(c) Any agreement made under such authority shall be effective and binding on such members.</li> </ul> </li> </ul>
<b>Buy-back of shares</b>	
53.	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.
<b>General meetings</b>	
54	All general meetings other than annual general meeting shall be called extra-ordinary general

<b>Article No.</b>	<b>Description</b>
	meeting.
55	<p>A general meeting of a company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be prescribed under section 101 of the Companies Act, 2013 and the respective rules made thereunder.</p> <p>Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting</p>
56	<ol style="list-style-type: none"> <li>i. The Board may, whenever it thinks fit, call an extra-ordinary general meeting.</li> <li>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.</li> <li>iii. The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting, call an extraordinary general meeting of the company. The requisition made shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company. If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition. A meeting called and held by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.</li> </ol>
<b><i>Proceedings at general meetings</i></b>	
57	<ol style="list-style-type: none"> <li>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.</li> <li>ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.</li> </ol>
58	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
59	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.
60	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.
<b><i>Adjournment of meeting</i></b>	
61	<ol style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> </ol>
<b><i>Voting rights</i></b>	
62	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares—</p> <ol style="list-style-type: none"> <li>(a) on a show of hands, every member present in person shall have one vote; and</li> <li>(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.</li> </ol>
63	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

<b>Article No.</b>	<b>Description</b>
64	<ul style="list-style-type: none"> <li>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.</li> <li>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</li> </ul>
65	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.
66	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
67	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.
68	<ul style="list-style-type: none"> <li>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.</li> <li>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</li> </ul>
69	No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
70	In case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.
<b>Representation of Body Corporate</b>	
71	<ul style="list-style-type: none"> <li>i. Where a body corporate, whether a Company within the meaning of the Act or not, may:- <ul style="list-style-type: none"> <li>(a) if it is a member of a Company within the meaning of this Act, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company;</li> <li>(b) if it is a creditor, including a holder of debentures, of a Company within the meaning of this Act, by resolution of its directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.</li> </ul> </li> <li>ii. A person authorized by resolution under above Article, shall be entitled to exercise the same rights and powers, including the right to vote by proxy and by postal ballot, on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the Company.</li> </ul> <p>A copy of the resolution or decision, as the case may be, certified as true by a Director or officer of such body corporate or of the power of attorney attested by a notary public and lodged with the Company at its registered office or produced at a meeting shall be accepted as sufficient evidence of the validity of appointment.</p>
<b>Proxy</b>	
72	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
73	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
74	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:



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	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.
<b>Board of Directors</b>	
75	<p>i. Followings were the First Directors of the Company (at the time of Incorporation of the Company):</p> <ol style="list-style-type: none"> <li>1. Mr. Kanwal Gupta</li> <li>2. Mr. Pawan Gupta</li> <li>3. Mr. Raman Gupta</li> </ol> <p>ii. Unless and until otherwise determined by the Company in General Meeting, the number of Directors shall not be less than 3 (Three) and not be more than 15 (Fifteen).</p> <p>iii. The Board may appoint any individual as the Chairman as well as Managing Director of the Company.</p> <p>iv. The Board shall have the power to appoint/re-appoint from time to time any of its members as Chairman and Managing Director or Manager of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit. The appointment and terms and conditions, including remuneration of Managing Director or Manager or Whole-Time Director shall be in accordance with Sections 196 and 197 read with Schedule V of the Companies Act, 2013, and related rules made thereunder. The Managing Director or Manager or Whole-Time Director who are in whole-time employment in the Company shall be subject to supervision and control of the Board of Directors of the Company.</p>
76	The Company may agree with any financial institution or any authority or person or State Government that in consideration of any loan or financial assistance of any kind whatsoever, which may be rendered by it to the Company, it shall till such time as the loan or financial assistance is outstanding have power to nominate one or more Directors on the Board of the Company and from time to time remove and reappoint such Directors and to fill in any vacancy caused by the death or resignation of such Directors otherwise ceasing to hold office. Such nominee Directors shall not be required to hold any qualification shares nor shall they be liable to retire by rotation.
77	Subject to the provisions of the Act, the Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation, except for the Managing Director who shall not be liable to retire by rotation.
78	<p>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, except for Independent Directors, who shall be paid such sitting fees only, as decided by the Board of Directors, for each such meetings of the Board and /or committees thereof attended by them.</p> <p>ii. The Directors, including Alternate and Nominee Directors, if any, shall be entitled to sitting fees, for participating/attending Board Meeting or Meeting of Committee of Board of Directors, a sum not exceeding such sum as may be fixed by the Board of Directors, from time to time. However, the same shall not exceed the maximum sum as is permissible under the provisions of the Act or Guidelines issued by appropriate authority, from time to time.</p>
79	The Company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.
80	All cheques, promissory notes, drafts, <i>hundis</i> , 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.
81	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.
82	i. Subject to the provisions of section 149 and Section 161 of the Companies Act, 2013 and the respective rules made thereunder, 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

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	<p>directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.</p> <p>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.</p> <p>iii. The Board shall have the power, at any time, and from time to time, to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) from India. An alternate director appointed under this Article shall not hold office as such for a period longer than that permissible to the director in whose place he has been appointed and shall vacate office if and when the original director returns to the State in which the meetings of the Board are ordinarily held.</p> <p>iv. The Board shall appoint persons as directors being nominees of an institution in pursuance of an agreement with such institution in accordance with the provisions of sub-section (3) of Section 161 of the Act.</p> <p>v. The Board shall have the power at any time, and from time to time, to appoint any other person to be a Director to fill a casual vacancy provided that the total number of directors shall not at any time exceed the maximum as fixed hereinafter. Any person appointed to fill a casual vacancy shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid.</p>
83	<p>The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.</p>
<b>Proceedings of the Board</b>	
84	<p>i. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. A Director may, and the Manager or Secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p> <p>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.</p>
85	<p>(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.</p> <p>(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>
86	<p>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.</p>
87	<p>i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>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.</p>
88	<p>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.</p> <p>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.</p>
89	<p>i. A committee may elect a Chairperson of its meetings.</p> <p>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.</p>

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90	<ul style="list-style-type: none"> <li>i. A committee may meet and adjourn as it thinks fit.</li> <li>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.</li> </ul>
91	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.
92	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.
<b>Register of Charges</b>	
93	<ul style="list-style-type: none"> <li>i. The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.</li> <li>ii. The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours— <ul style="list-style-type: none"> <li>(a) by any member or creditor without any payment of fees; or</li> <li>(b) by any other person on payment of such fees as may be prescribed,</li> </ul> </li> </ul> <p>Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.</p>
<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>	
94	<p>Subject to the provisions of the Act—</p> <ul style="list-style-type: none"> <li>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;</li> <li>ii. A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.</li> </ul>
95	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, Company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, Company secretary or chief financial officer.
<b>Statutory Registers</b>	
96	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.
<b>The Seal</b>	
97	<ul style="list-style-type: none"> <li>i. The Board shall provide for the safe custody of the seal.</li> <li>ii. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</li> </ul>
<b>Dividends and Reserve</b>	

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98	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
99	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.
100	<ul style="list-style-type: none"> <li>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 equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.</li> <li>ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</li> </ul>
101	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> </ul>
102	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.
103	<ul style="list-style-type: none"> <li>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.</li> <li>ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</li> </ul>
104	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.
105	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.
106	No dividend shall bear interest against the Company.
107	<ul style="list-style-type: none"> <li>i. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called Unpaid Dividend Account.</li> <li>ii. Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 205 of the Companies Act, 1956.</li> <li>iii. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases</li> </ul>
<b>Accounts</b>	
108	<ul style="list-style-type: none"> <li>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.</li> <li>ii. No member (not being a director) shall have any right of inspecting any account or book</li> </ul>

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	or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.
<b>Audit</b>	
109	<ul style="list-style-type: none"> <li>i. The First Auditors of the Company shall be appointed by the Board of Directors within one month from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the First Annual General Meeting.</li> <li>ii. Appointment of Auditors shall be governed by the provisions of the Companies Act, 2013 and the respective rules made and amended, as the case may be, thereunder from time to time.</li> <li>iii. The Company shall within fifteen days of the appointment, give intimation thereof to every auditor so appointed and to Registrar of Companies within whose jurisdiction the registered office of the Company is situated, within such time as may prescribed under the Companies Act, 2013 and the rules made and amended, as the case may be, thereunder from time to time</li> <li>iv. The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues the serving or continuing Auditor or Auditors (if any) may act, but where such vacancy is caused by the resignation of an auditor, the vacancy shall only be filled by the Company in general meeting.</li> <li>v. The remuneration of the Auditors shall be fixed by the Company in general meeting in such manner as the Company may in general meeting determine except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.</li> </ul>
<b>Documents and Notices</b>	
110	<ul style="list-style-type: none"> <li>(i) A document may be served on a Company or an officer thereof by sending it to the Company or the officer at the registered office of the Company in the same manner as provided under section 20 of the Companies Act, 2013 and the respective rules made thereunder in this regards.</li> <li>(ii) A document may be served on a Registrar or any member by sending it in the same manner as provided under section 20 of the Companies Act, 2013 and the respective rules made thereunder in this regards.</li> </ul>
<b>Winding up</b>	
111	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> </ul>
<b>Indemnity</b>	
112	<ul style="list-style-type: none"> <li>i. 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.</li> <li>ii. Subject to the provisions of the Act, every Director, managing director, whole time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.</li> <li>iii. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all</li> </ul>

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	or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.
<b><i>General Power</i></b>	
113	Wherever in the Act or the Rules, 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 Article 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 provide.
<b><i>Secrecy</i></b>	
114	Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Employee, Servant, Agent, Accountant or other person employed in or about the business of the Company shall, if so required by the Board of Directors, before entering upon their duties, sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.

## SECTION XIV: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this 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 RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 331, 3<sup>rd</sup> Floor, Four Point Complex, Vesu, Besides Maniba Park, Surat, Gujarat- 395007, India from date of filing the Prospectus with RoC to Offer Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### Material Contracts

1. Issue Agreement dated November 16, 2019 between our Company and the LM.
2. Registrar Agreement dated May 16, 2019 between our Company and Registrar to the Offer (Skyline Financial Services Private Limited).
3. Underwriting Agreement dated November 16, 2019 between our Company and Underwriter viz. LM.
4. Market Making Agreement dated November 16, 2019 between our Company, Market Maker and the LM.
5. Bankers to the Offer and Sponsor Bank Agreement dated November 18, 2019, amongst our Company, the LM, Banker(s) to the offer and Sponsor Bank and the Registrar to the issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated June 11, 2019.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated May 29, 2019.

#### Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time.
2. Resolutions of the Board of Directors dated July 04, 2019 in relation to the Offer and other related matters.
3. Shareholders' resolution dated July 27, 2019 in relation to the Offer and other related matters.
4. Statement of Tax Benefits dated July 29, 2019 issued by Statutory Auditor, M/s Dilip Pares & Co., Chartered Accountants.
5. Report of the Auditor M/s Dilip Pares & Co., Chartered Accountants, dated July 29, 2019 on the Restated Financial Statements for the period ended on June 30, 2019 and for the financial years ended as on March 31, 2019, 2018, 2017 and 2016 of our Company.
6. Consents of Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Banker/ Lender to the Company, Legal Advisor to the offer, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker and Bankers to the Issue to act in their respective capacities.
7. Due diligence certificate dated November 19, 2019 from Lead Manager to NSE Limited.
8. Copy of approval from NSE Limited *vide* letter dated October 22, 2019, to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.

None of the contracts or documents mentioned in this Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION BY THE COMPANY

We, the undersigned, hereby certify and declare that, all relevant provisions of the Companies Act and the Rules, Regulations and Guidelines issued by the Government of India or the Regulations/ 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 Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or Rules made thereunder or regulations/ guidelines issued, as the case may be. We further certify that all the disclosures and statements made in this Prospectus are true and correct.

### SIGNED BY ALL THE DIRECTORS OF OUR COMPANY:

<b>Mr. Tushar RohitBhai Pandya</b> <i>Managing Director</i> <b>DIN: 03264783</b>	<b>Sd/-</b>
<b>Mr. Rohitkumar Balvantraai Pandya</b> <i>Whole Time Director</i> <b>DIN: 06400619</b>	<b>Sd/-</b>
<b>Mrs. Rupalben Tushar Pandya</b> <i>Whole Time Director</i> <b>DIN: 06396751</b>	<b>Sd/-</b>
<b>Mr. Ketanbhai Dhanjibhai Lakhani</b> <i>Independent Director</i> <b>DIN: 07098256</b>	<b>Sd/-</b>
<b>Mrs. Jayshriben Rajendra Pathak</b> <i>Independent Director</i> <b>DIN: 08490562</b>	<b>Sd/-</b>
<b>Mr. Pradeep Champaklal Wadiwala</b> <i>Independent Director</i> <b>DIN:08490596</b>	<b>Sd/-</b>

### SIGNED BY:

<b>Ms. Sweta V. Shah</b> <i>Chief Financial Officer</i>	<b>Sd/-</b>
<b>Mr. Hemant Kumar</b> <i>Company Secretary</i>	<b>Sd/-</b>

**Place:** Surat

**Date:** November 19, 2019