



EMERALD LEASING FINANCE AND INVESTMENT COMPANY LIMITED

Our Company was incorporated under the Companies Act, 1956 in New Delhi as “Emerald Leasing Finance and Investment Company Limited” on November 22, 1983 vide Certificate of Incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. Our Company obtained certificate of Commencement of Business on December 16, 1983. Our Company was granted certificate of registration dated 20th November 2015 by the Reserve Bank of India to carry on the business of Non- Banking Financial Institution. The Corporate Identity Number of our Company is L65993CH1983PLC041774. For details on change of Registered Office of our Company, please refer to chapter titled “General Information” beginning on page 27 of this Draft Letter of Offer.

Registered Office: SCO 7, Industrial Area, Phase II, Chandigarh – 160002, India
Tel: 0172 - 4005659; **Fax:** 0172 - 4603859
Contact Person: Mrs. Anju Sharma, Company Secretary and Compliance Officer
E-mail: info@emeraldfin.com; **Website:** www.emeraldfin.com

**PROMOTERS OF OUR COMPANY: MR. SANJAY AGGARWAL, MRS. ANUBHA AGGARWAL,
MR. RAM SWAROOP AGGARWAL AND MRS. ANU AGGARWAL**

FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF OUR COMPANY

ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) (“RIGHTS EQUITY SHARES”) FOR AN AMOUNT AGGREGATING UPTO ₹ 2,500 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF EMERALD LEASING FINANCE AND INVESTMENT COMPANY LIMITED (“THE COMPANY” OR THE “ISSUER”) IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, i.e. ON [●] (THE “ISSUE”).

THE ISSUE PRICE OF EACH RIGHTS EQUITY SHARE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARE.

PAYMENT TERMS

AMOUNT PAYABLE PER EQUITY SHARE (₹)

	FACE VALUE (₹)	PREMIUM (₹)	TOTAL (₹)
ON APPLICATION	[●]	[●]	[●]
ON ALLOTMENT	[●]	[●]	[●]
TOTAL	[●]	[●]	[●]

FOR FURTHER DETAILS, PLEASE SEE “TERMS OF THE ISSUE” ON PAGE 93 OF THIS DRAFT LETTER OF OFFER

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the *Risk Factors* carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of our Company and the Issue including the risks involved. The Rights Equity Shares being offered in this Issue have not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer.

Investors are advised to refer to the “Risk Factors” on page 14 of this Draft Letter of Offer before making an investment in the Issue.

ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing equity shares of our Company are listed on BSE Ltd. (“BSE”). We have received “in-principle” approval from BSE for listing the equity shares arising from the Issue vide its letter dated [●]. For the purposes of the Rights Issue, the Designated Stock Exchange is BSE.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE

KEYNOTE
Keynote Financial Services Limited
(formerly Keynote Corporate Services Limited)
The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (W)
Mumbai – 400028
Tel. No.: +91 – 22 – 6826 6000
Email: mbd@keynoteindia.net
Website: www.keynoteindia.net
Contact Person: Ms. Pooja Sanghvi/Mr. Amlan Mahajan
SEBI Registration No: INM 000003606


MAS Services Limited
T-34, 2nd Floor Okhla Industrial Area, Phase II,
New Delhi – 110020 India
Tel. No: +91 11 2638 7281-83
E-mail: info@masserv.com
Website: www.masserv.com
Contact Person: Mr. Sharwan Mangla
SEBI Registration No: INR 000000049

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS	LAST DATE FOR OFF MARKET RENUNCIATION OF RIGHTS	ISSUE CLOSES ON
[●]	[●]	[●]	[●]

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SECTION I – GENERAL INFORMATION

DEFINITIONS AND ABBREVIATIONS

Definitions

In this Draft Letter of Offer, unless the context otherwise requires, the terms defined and abbreviations expanded herein below shall have the same meaning as stated in this section.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to “Emerald Leasing Finance and Investment Company Limited”, “Emerald”, the/our “Company”, “we”, “our”, “us” or similar terms are to Emerald Leasing Finance and Investment Company Limited or, as the context requires, and references to “you” are to the equity shareholders and/ or prospective investors in the Equity Shares.

Conventional/ General Terms

Term	Description
“Emerald Leasing Finance & Investment Company Limited” or “Emerald” or “the Company”, or “our Company”	Emerald Leasing Finance & Investment Company Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended and having its registered office SCO 7, Industrial Area, Phase II, Chandigarh – 160002, India.
“We” or “us” or “our”	Unless the context otherwise indicates or implies, refers to Emerald Leasing Finance & Investment Company Limited
₹/Rs. /Rupees /INR	Indian Rupees
ASBA	Application Supported by Blocked Amount
AY	Assessment Year
Board of Directors	Board of Directors of our Company
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended
Depositories Act	The Depositories Act, 1996 and amendments thereto
DP or Depository Participant	Depository Participant as defined under the Depositories Act
Eligible Shareholder(s) or “Eligible Equity Shareholder(s)”	Eligible holder(s) of the equity shares of Emerald as on the Record Date
Erstwhile Companies Act	The Companies Act, 1956, which has been repealed and replaced by the New Companies Act
EPS	Earnings Per Share
IT Act	The Income Tax Act, 1961 and amendments thereto
Ind AS	Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as notified under Companies (Indian Accounting Standards) Rules 2015, as amended
NAV	Net Asset Value per share
NEFT	National Electronic Fund Transfer
NR/Non- Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI
NRE Account	Non-resident external account
NRI	Non-resident Indian
OCB	Overseas Corporate Body
PAN	Permanent Account Number
PAT	Profit After Tax
RBI	Reserve Bank of India
RONW	Return on Net Worth
SCORES	SEBI Complaints Redress System



Term	Description
SCRA	Securities Contracts (Regulation) Act, 1956
SCR	Securities Contracts (Regulation) Rules, 1957
SEBI Listing Regulations/ SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI Regulations/ SEBI ICDR Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto
Securities Act	United States Securities Act of 1933, as amended
SAST Regulations, 2011/ Takeover Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
SAST Regulations, 1997	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereto
SR Equity Shares	Equity Shares of our Company having superior voting rights compared to all other equity shares issued by us

Issue related terms

Term	Description
Abridged Letter of Offer	The abridged letter of offer to be sent to the Equity Shareholders as on the Record Date with respect to this Issue in accordance with SEBI Regulations
Allotment	Unless the context requires, the allotment of Equity Shares pursuant to the Issue
Allottees	Persons to whom Equity Shares are issued pursuant to the Issue
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) used compulsorily by all investors/ applicants authorizing the SCSB to block the amount payable on application in their specified bank account
ASBA Account	Account maintained with a SCSB which will be blocked by such SCSB to the extent of the appropriate amount in relation to an application by an ASBA Investor
ASBA Investor	An investor (either Equity Shareholder or Renouncee) who is intending to subscribe the Equity Shares of our Company under this Issue applying through blocking of funds in a bank account maintained with SCSBs.
Banker to the Company	The Punjab State Co-op Bank Ltd. and Kotak Mahindra Bank Limited
Bankers to the Issue	HDFC Bank Limited
Application Form	The form used by an Investor to make an application for the Allotment of Equity Shares in the Issue
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated Stock Exchange	BSE Limited or BSE
Draft Letter of Offer/ DLOF	The Draft Letter of Offer dated [●] filed with SEBI for its observations.
Equity Share(s) or Share(s)	Equity shares of our Company having a face value of ₹10/- each unless otherwise specified in the context thereof
Equity Shareholder / Shareholder	Means a holder of Equity Shares of our Company
Financial Year/ Fiscal/ Fiscal Year/ FY	Any period of twelve months ended March 31 of that particular year, unless otherwise stated.
Issue/ Rights Issue	Issue of [●] Equity Shares with a face value of ₹ 10/- each (including a premium of ₹ [●] each) for an amount aggregating upto ₹ 2,500 Lakhs on a rights basis to the existing Equity Shareholders in the ratio of [●] Equity Share for every [●] fully paid-up Equity Share(s) held (i.e., [●]:[●]) by the existing Equity Shareholders on the Record Date. The issue price is [●] time

**Emerald Leasing Finance & Investment Company Limited**

Term	Description
	the face value of the Equity Shares.
Investor(s)	Equity Shareholders as on Record Date and/or Renounees applying in the Issue.
Issue Closing Date	[•]
Issue Opening Date	[•]
Issue Price	₹ [•]/- per Equity Share.
Issue Proceeds	The proceeds of the Issue that are available to our Company
Issue Size	The issue of [•] Equity Shares for an amount aggregating to ₹ 2,500 Lakhs
Lead Manager/ LM	Keynote Financial Services Limited
Letter of Offer	The final letter of offer to be filed with the Stock Exchange after incorporating the observations received from the SEBI on the Draft Letter of Offer
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange
MICR	Magnetic Ink Character Recognition.
NECS	National Electronic Clearing Services
Non-Institutional Investors	All Investors including sub-accounts of FIIs/ FPIs 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 a cumulative amount more than ₹ 2 Lakhs
Promoter	The Promoters of our Company, being Mr. Sanjay Aggarwal, Mrs. Anubha Aggarwal, Mr. Ram Swaroop Aggarwal and Mrs. Anu Aggarwal
Promoter Group	Unless the context requires otherwise, the entities forming part of the promoter group in accordance with the SEBI Regulations and which are disclosed by our Company to the Stock Exchange from time to time
Offer Document	Means Draft Letter of Offer/ Letter of Offer/ Abridged Letter of Offer
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018.
Record Date	[•]
Refund through electronic transfer of funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable
Registrar of Companies/ RoC	The Registrar of Companies, Chandigarh Corporate Bhawan, Plot No. 4 B, Sector 27 B, Madhya Marg, Chandigarh – 160 019
Registrar to the Issue	MAS Services Limited
Renounees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation
Retail Individual Investors	Individual Investors who have applied for Equity Shares for an amount not more than ₹ 2 lakhs (including HUFs applying through their Karta)
Rights Entitlement	The number of Equity Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date
SCSB(s)	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

Company Related and Industry Related Terms

Term	Description
Articles/ Articles of Association/ AoA	The articles of association of our Company, as amended
Auditor	K. Singh & Associates, Chartered Accountants, our present statutory auditors
Board/ Board of Directors	Board of Directors of our Company including any committees thereof.

**Emerald Leasing Finance & Investment Company Limited**

Term	Description
BIFR	Board for Industrial and Financial Reconstruction
Financial Statement	The audited consolidated financial statement of our Company for the period ended March 31, 2019 and for the six (6) months period ended September 30, 2019 which have been prepared in accordance with Indian Accounting Standard (Ind AS)
Memorandum/Memorandum of Association/ MOA/ MoA	The memorandum of association of our Company, as amended
NOC	No Objection Certificate
NBFC	Non-Banking Financial Company
NBFC-ND	Non-Deposit taking Non-Banking Financial Company
NBFI	Non-Banking Financial Institution

Abbreviations

Term	Description
ADR	American Depository Receipt
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAF	Common Application Form
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
DIN	Director Identification Number
DP	Depository Participant
DR	Depository Receipts
EGM	Extraordinary General Meeting
EEA	European Economic Area
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws.
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors
GDR	Global Depository Receipt
GNPA	Gross Net Performing Assets
HUF	Hindu Undivided Family
Ind AS	Indian Accounting Standards
Indian GAAP/ I-GAAP	Generally Accepted Accounting Principles In India
ISIN	International Securities Identification Number
IT	Information Technology
JV	Joint Venture
Ltd./Ltd	Limited
MCLR	Marginal Cost of Funds based Lending Rate
NPA	Non Performing Assets
NR	Non Resident
NSDL	National Securities Depository Limited
PBT	Profit Before Tax
PVT/ Pvt.	Private
Regulation S	Regulation S of the U.S. Securities Act of 1933, as amended
SEBI	Securities and Exchange Board of India
Stock Exchange	BSE
STT	Securities Transaction Tax



NOTICE TO OVERSEAS INVESTORS

The distribution of the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer and the Issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons in whose possession the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or CAFs may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue of the Rights Equity Shares on a rights basis to the Equity Shareholders as on Record Date and will dispatch the Letter of Offer/Abridged Letter of Offer and CAFs to such Eligible Equity Shareholders who have provided an Indian address to our Company. Those overseas shareholders, who have not updated our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Letter of Offer/Abridged Letter of Offer and CAFs, shall not be sent the Letter of Offer/Abridged Letter of Offer and CAFs.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with SEBI for observations. Accordingly, the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer/Abridged Letter of Offer and CAFs or any offering materials or advertisements in connection with the Issue may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer and CAFs will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under such circumstances, this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer and CAFs must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer and CAFs should not, in connection with the issue of the Rights Equity Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer and CAFs is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer and CAFs. Envelopes containing a CAF should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that she/he is authorised to acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in her/his jurisdiction. Our Company, the Registrar, the Lead Manager or any other person acting on behalf of us reserve the right to treat any CAF as invalid where we believe that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF. Neither the delivery of this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer and CAFs nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer.

The contents of this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer, CAFs should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Equity Shares. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares. In addition, neither our Company nor the Lead Manager is making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

The rights and the securities of our Company have not been and will not be registered under the Securities Act, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (the "United States" or "U.S."), except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in



Emerald Leasing Finance & Investment Company Limited

this Draft Letter of Offer are being offered in India, but not in the United States. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, this Draft Letter of Offer, the Letter of Offer or Abridged Letter of Offer and the enclosed CAF should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing a CAF should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making the issue of Equity Shares on a rights basis to Equity Shareholders of our Company on the Record Date and the Letter of Offer and CAF will be dispatched only to Equity Shareholders who have an Indian address. Any person who acquires rights and the Equity Shares will be deemed to have declared, represented, warranted and agreed, (i) that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made, (ii) it does not have a registered address (and is not otherwise located) in the United States, and (iii) it is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat as invalid any CAF which: (i) does not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations; (ii) appears to our Company or its agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such CAF.



PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

Certain Conventions

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to Emerald Leasing Finance and Investment Company Limited”, “Emerald”, the/our “Company”, “we”, “our”, “us” or similar terms are to Emerald Leasing Finance and Investment Company Limited or, as the context requires, and references to “you” are to the equity shareholders and/ or prospective investors in the Equity Shares.

Financial Data

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the audited consolidated Financial Statement of our Company for the period ended March 31, 2019 and for the six (6) months period ended September 30, 2019 which have been prepared in accordance with Indian Accounting Standard (Ind AS) and are included in this Draft Letter of Offer. The financial year of our Company commences on April 1 and ends on March 31.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections titled “*Risk Factors*” on page 14 of this Draft Letter of Offer have been calculated on the basis of the Financial Statements of our Company prepared in accordance with Ind AS and the Companies Act, 2013.

Currency of Presentation

All references in this Draft Letter of Offer to “Rupees”, “Rs.”, “₹”, “Indian Rupees” and “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “U.S.\$”, “U.S. Dollar”, “USD” or “\$” are to United States Dollars, the official currency of the United States of America.

Please Note:

One million is equal to 1,000,000/10 lakhs;
One billion is equal to 1,000 million/100 crores;
One lakh is equal to 100 thousand;
One crore is equal to 10 million/100 lakhs



FORWARD LOOKING STATEMENTS

We have included statements in this Draft Letter of Offer which contain words or phrases such as “will”, “may”, “aim”, “is likely to result”, “believe”, “expect”, “continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “pursue” and similar expressions or variations of such expressions, that are “forward looking statements”.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates 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 which have an impact on our 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, changes in competition in its industry and incidents of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Decline in economic growth or political instability nationally or internationally or changes in the Government in India;
- Failure to sustain our growth or expand our customer base;
- Downturns or disruptions in the securities markets could reduce transaction volumes, and could cause a decline in the business and impact our profitability;
- Errors in the research disseminated or advice provided by us;
- Failure of, or inadequacies in, our information technology systems upon which our business operations are highly dependent;
- Significant competition in our businesses may limit our growth and prospects;
- Dependence on a number of key management personnel and senior management personnel;
- Our risk management and internal controls, as well as the risk management tools available to us, may not be adequate or effective in identifying or mitigating risks to which we are exposed;
- Our insurance coverage could prove inadequate to cover our losses; and
- Claims by clients or actions by regulators or both for alleged mis-selling.

For a further discussion of factors that could cause the actual results to differ, see “*Risk Factors*” on page 14 of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could materially differ from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Neither our Company nor the Lead Manager nor any of their respective affiliates or advisors 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 and Stock Exchange’ requirements, our Company and Lead Manager shall ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.



SECTION II – LETTER OF OFFER SUMMARY

Summary of Business

We are a Non-Deposit taking Non-Banking Financial Company registered with RBI carrying on the NBFC activities under Section 45IA of the Reserve Bank of India Act, 1934. We are engaged in a diverse range of businesses catering to the financial services sector through our own Company and our Subsidiary, encompassing lending loans, and insurance.

Objects of the Issue:

The issue proceeds are to be utilized for financing the following objects:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	To augment the capital base of our Company	Up to [●]
2.	Issue Expenses	[●]

Subscription to the Issue by our Promoter and Promoter Group

The Promoters and members of the Promoter Group of our Company through their letters dated January 23, 2020 (the "**Subscription Letters**") have confirmed that they intend to subscribe jointly and/or severally along with other Promoter group members to the full extent of their Rights Entitlement in the Issue and to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or promoter group member and to the extent of unsubscribed portion (if any) of the Issue.

Further, the Promoters and Promoter Group may also apply for additional shares along with their Rights Entitlement and/or renunciation.

Such subscriptions of Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. Any acquisition of additional Equity Shares shall not result in change of control of the management of the Company in accordance with provisions of the Takeover Regulations and shall be exempt subject to fulfillment of the conditions of Regulation 10 of the Takeover Regulations. The members of the Promoter and Promoter Group acknowledge and undertake that their investment would be restricted to ensure that the public shareholding in the Company after the Issue do not fall below the permissible minimum level as specified in the listing conditions or Regulation 38 of SEBI LODR Regulations.

In case the rights issue remains unsubscribed and/ or minimum subscription is not achieved, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Financial Information:

The following table sets forth summary financial information derived from the Audited Consolidated Financial Statements, prepared in accordance with Ind AS and the Companies Act as of and for the Fiscal ended March 31, 2019; March 31, 2018 and March 31, 2017 and for the six (6) months period ended September 30, 2019.



Particulars	For the six months period ended September 30, 2019	For the Fiscal		
		2019	2018	2017
Share Capital	904.37	904.37	304.50	304.50
Net Worth	1,468.72	1,393.50	531.07	418.21
Total Income	353.07	671.93	438.49	172.99
Profit / (loss) after tax	72.43	118.48	56.44	19.20
Basic EPS (in `)	0.80	1.31	1.85	0.63
Diluted EPS (in `)	0.80	3.12	0.63	0.63
Net asset value per share (in `)	16.24	15.40	17.44	13.73
Total borrowings	260.96	93.61	83.07	-

Notes:

1. The Financial Statements for the financial years ended March 31, 2019 and March 31, 2018 and for the six (6) months period ended September 30, 2019 have been audited by our Statutory Auditors M/s K. Singh & Associates.
2. The Financial Statements for the financial years ended March 31, 2017 have been audited by our erstwhile Statutory Auditors M/S. S. Lal Bansal & Co.
3. The Financial Statements for the financial year ended March 31, 2017 has been prepared in accordance with I-GAAP and Financial Statements for the six (6) months period ended September 30, 2019 and for the Fiscals ended March 31, 2019 and March 31, 2018 have been prepared in accordance with Ind-AS. Hence, the numbers are strictly not comparable.

The Financial Statements for the Fiscal ended March 31, 2019 and March 31, 2018 and for the six months period ended September 30, 2019 referred to above are presented under “*Financial Statements*” on page 41 of this Draft Letter of Offer. The summary financial information presented below should be read in conjunction with the Financial Statements and the accompanying notes, schedules and annexures included in “*Financial Statements*” on page 41 of this Draft Letter of Offer.

Auditor Qualifications

No reservations, qualifications and adverse remarks have been made by our Auditors in their reports which have not been given effect to in the Financial Statements for Fiscals 2019, 2018, 2017 and the for the six (6) months period ended September 30, 2019.

Outstanding Litigations:

Our Promoters are in receipt of a show cause notice from the Adjudicating Officer, SEBI for alleged delay of 2,600 days in making public announcement under SAST Regulations, 1997.

For further details, please refer to chapter titled ‘*Outstanding Litigations and Defaults*’ on page 81 of this Draft Letter of Offer.

Risk Factors:

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares of the Company, material litigations which impact the business of the Company and other economic factors please see “*Risk Factors*” on page 14 of this Draft Letter of Offer.

Contingent Liabilities:

As on September 30, 2019, our Company does not have any contingent liabilities and commitments that have not been provided for.



Related Party Transactions:

For details of the related party transactions, as reported in the Financial Statements, see “*Financial Statements*” on page 56 and 57 of this Draft Letter of Offer.

Financing Arrangements:

There have been no financing arrangements whereby the Promoters, members of the Promoter Group, our directors 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 (6) months immediately preceding the date of the Draft Letter of Offer.

Issue of Equity Shares for consideration other than cash in the last one year

Our Company has not issued Equity Shares for consideration other than cash during the last one (1) year immediately preceding the date of filing the Draft Letter of Offer.



SECTION III - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to the country, the industry in which our Company operates in India, our Company or our Equity Shares. 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, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of an investment in this Issue.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including merits and risks involved.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including considerations described below and in “Forward Looking Statements” on page 10 of this Draft Letter of Offer. To obtain a better understanding of our business, you should read this section in conjunction with the section titled “Financial Statements” on page 41, together with all other financial information contained in this Draft Letter of Offer. Unless otherwise stated, the financial data in this section is derived from and should be read in conjunction with our audited consolidated financial statements for the six (6) months period ended September 30, 2019 and for the financial year ended March 31, 2019.

I. INTERNAL RISK FACTORS

- 1. Our Promoters are in receipt of a show cause notice from the Adjudicating Officer, SEBI for alleged violation of SAST Regulations, 1997. Any adverse decision in such proceedings may render them liable to penalties which may in turn adversely affect our reputation and business.***

Our Promoters, Mr. Sanjay Aggarwal and Mr. Ram Swaroop Aggarwal are in receipt of show cause notice dated November 13, 2019 from the Adjudicating Officer, SEBI to show cause as to why penalty under Section 15H(ii) of the SEBI Act, 1992 should not be imposed for alleged delay of 2,600 days in making public announcement under SAST Regulations, 1997 to the shareholders of the Company, which presently is pending before the Adjudication Officer, SEBI. As per the SEBI Act, 1992, penalty for violation Section 15H(ii) shall not be less than ten lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of such failure, whichever is higher. We cannot assure you that this legal proceeding will be decided in favour of our Promoters or that no other proceedings will be initiated by SEBI against them for the alleged violation. Any adverse decision in this proceeding may render our Promoters liable to monetary penalty which in turn may have a material adverse effect on our reputation and business.

For further details pertaining to outstanding litigations, kindly refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 81 of this Draft Letter of Offer.

- 2. As an NBFC, we have to adhere to several regulatory norms prescribed by RBI from time to time. Any non-compliance with such norms or any adverse change in the norms could negatively affect our Company’s operations, business, financial condition and the trading price of Equity Shares.***

NBFCs in India are subject to strict regulation and supervision by the RBI. We require certain approvals, licenses, registrations and permissions for operating our business. Such approvals, licenses, registrations and permissions must be maintained / renewed over time and we may have to comply with certain conditions in relation to these approvals. Moreover, the applicable requirements



may change and we may not be aware of or may comply with all requirements all of the time. We are required to obtain and maintain a certificate of registration for carrying on business as an NBFC. 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. RBI has the authority to change these norms/criteria as and when required. Inability to meet the prescribed norms/criteria, can adversely affect the operations and profitability of our Company.

3. ***The objects of the Issue are based on the internal estimates of our management and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue Proceeds could adversely affect our financial results.***

The funds raised under this Issue will be used to augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities. The objects of the Issue are based on management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financial results. Utilization of Issue proceeds would be disclosed to our Company’s shareholders in the manner required under the SEBI LODR Regulations. For further details, please refer to the section titled “*Objects of the Issue*” on page no. 35 of this Draft Letter of Offer.

4. ***We provide unsecured loans to our borrowers. If our customers default in their repayment obligations, our business, results of operations, financial condition and cash flows may be adversely affected***

Our Company mainly provides unsecured loans i.e., loans without any security. Hence, we run the risk of recovery by defaulters. Further, any deterioration in the quality of our borrowers in terms of their financial worth may also expose us to difficulties in timely recovery of interest and principal amount from such borrowers. In the event of such deterioration in our Company’s asset portfolio, there could be an adverse impact on our business and our future financial performance. Further, any default in repayment by our borrowers, will result in losses to our Company. While we have been very selective and conservative in our lending policies and are generally satisfying ourselves with credit worthiness and repayment capacities of our borrowers, there can be no assurance that we will be able to timely recover the interest and / or principal of loans advanced by us.

5. ***Our Company has experienced negative cash flows. Any negative cash flow in future could affect our results of operations.***

Our Company has experienced negative cash flows, the details of which are summarized below:

(₹ in lakhs)

Particulars (Consolidated)	For the period ended September 30, 2019	FY ended March 31, 2019	FY ended March 31, 2018	FY ended March 31, 2017
Net Cash from operating activities	(360.39)	(494.14)	7.51	(48.31)
Net cash used in investing activities	(18.68)	(6.69)	(9.25)	(92.28)

Any negative cash flows, if any in future could adversely affect our Company’s results of operation and financial condition. For further details please see the section titled “*Financial Information*” on page no 41 of this Draft Letter of Offer.

6. ***Our business is vulnerable to interest rate risk and volatility in interest rates which could adversely affect our income from our operations and adversely affect our financial performance and profitability.***

Our business is dependent on interest income from the loans disbursed. Accordingly, we are affected by 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. Due



to these factors, interest rates in India have historically experienced a relatively high degree of volatility.

If interest rates rise, we may have greater difficulty in maintaining a low effective cost of funds compared to our competitors who may have access to low-cost deposit funds. This could have a material adverse effect on our Company's results of operations and financial condition.

7. ***The small and medium scale enterprises to which we provide loans may not perform and we may not be able to control the non-performance of such companies. Further, the segment to which we cater are more likely to be affected by declining economic conditions than larger corporate borrowers***

A significant majority of our customer base belongs to the small and medium enterprises sector. We do not manage, operate or control such companies and have no control over their functions or operations. The repayment of the loans extended to such companies will depend to a significant extent on the specific management team of the relevant debtor company. Failure to maintain sufficient credit assessment policies, particularly for small and medium enterprise borrowers, could adversely affect our credit portfolio, which could have a material and adverse effect on its results of operations and/or financial condition.

8. ***We through our subsidiary act as Direct Selling Agent (DSA) for various Banks and NBFC's. Cancellation of same would adversely affect our financial performance and profitability.***

We through our subsidiary company are associated with several banks and NBFCs as a Direct Selling Agent. Commission earned from the said business is one of our major contributions to our consolidated revenue.

To obtain the bank codes for specific loan products, detailed process is required to be followed. Further, the business targets set by the banks / NBFC's is to be achieved consistently. Any delay in the above-mentioned activities would lead to cancellation/termination of our subsidiary's DSA Agreement, which in turn would adversely affect our financial performance and profitability.

9. ***Our Company has not complied with certain applicable provisions of securities law.***

Being a listed entity, our Company is required to comply with the provisions of securities laws *inter alia* SEBI LODR Regulations. Our Company has, on certain occasions in the past, failed to make requisite disclosures (other than those required to be filed periodically in the last three years) or has made the same with delay(s) under SEBI LODR Regulations. There can be no assurance that no action will be taken by any regulatory authority in relation to such delayed / non-compliances or any other non-compliances under these regulations. In case of action by any regulatory authority in relation to the aforementioned delayed / non-compliances, the same may have an adverse effect on the reputation, business and financials of our Company.

10. ***There have been some instances of non-filing/ delayed filings/ incorrect filings and certain other non-compliance under the Companies Act which may attract penalties.***

Our Company is required to make filings from time to time with RoC in compliance with the provisions of the Companies Act, some of which may either have not been done or have been done with certain discrepancies, inaccuracies, clerical mistakes and/ or delays. Further, there have been instances of non-compliance with some of the other provisions of the Companies Act such as non-adoption of certain mandatory policies at the relevant time.

Although, there have been no penalty levied on the Company for such non-compliances/ defaults till date, however, there can be no assurance that even in future no action or penalty shall be levied. If the concerned authorities impose monetary penalties on us or take certain punitive actions against our Company or its directors / officers in relation to the same, our business, financial condition and results of operations could be adversely affected.



11. *We do not own our Registered cum Corporate Office.*

We do not own the premises on which our Registered cum Corporate Office is situated. We have taken our Registered cum Corporate Office on rental/ leave & license basis from Mr. Sanjay Aggarwal, Promoter of our Company for a period of 11 months from September 01, 2019 which can be renewed from time to time. We cannot be sure of continuity of the said premises after expiry of the current rental period and if such agreement is not renewed, there may be temporary disruption in our operations due to relocation of our office. Further, the terms and conditions on which the said premises may be renewed on rental basis may not be favourable to us.

12. *Certain agreements may be inadequately stamped or may not have been registered or may not have necessary disclosure as a result of which our operations may be adversely affected.*

Some of our agreements such as those relating to immovable properties, may not be adequately stamped or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration of documents that are required to be registered, is that such document will not have any effect on the property or be eligible to be received as evidence in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

13. *Our success depends upon our management team and skilled personnel and our ability to attract and retain such persons.*

Our future performance will be affected by the continued service of our management team and skilled personnel. We face a continuing challenge to recruit and retain a sufficient number of suitably skilled personnel, particularly as we continue to grow. There is significant competition for management and other skilled personnel in the various segments of the financial services industry in which we operate, and it may be difficult to attract and retain the personnel we need in the future. The loss of key personnel may have a material and adverse effect on our business, future financial performance, results of operations and ability to grow in line with our strategy and future plans.

14. *We have in past entered into related party transactions and may continue to do so in future.*

We have, in the course of our business, entered into transactions with related party forming part our Promoter / Promoter Group. There can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Such related party transactions may give rise to potential conflicts of interest with respect to dealings between us and the related parties.

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

Apart from receipt of remuneration and re-imbusement of expenses incurred by them, our Promoters, Directors and Key Management Personnel may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Company, and benefits deriving from their directorship in our Company. Further, our Promoter, Mr. Sanjay Aggarwal, may also be regarded as interested to the extent of rent paid by our Company for leasing out premises on which our Registered cum Corporate office is located. For further details, please refer to the chapters titled “*Our Management*”, beginning on page 39 and the Annexure titled “*Related Party Transactions*” under chapter titled “*Financial Statements*” beginning on page 56 and 57 of this Draft Letter of Offer.

16. *The financing industry is becoming increasingly competitive and our Company’s growth and profitability will inter alia depend on its ability to compete effectively*

Our Company faces increasing competition from public and private sector Indian commercial banks, and from other financial institutions that provide financial products or services. Some of our



Company's competitors have greater resources than our Company does. The competition our Company faces from banks is increasing as more banks are targeting products and services similar to ours. Competition in our industry depends on, among other things, the ongoing evolution of government policies relating to the industry, the entry of new participants in the industry and the extent to which there is consolidation among banks and financial institutions in India.

As our Company enters new markets in the financial services industry, our Company is likely to face additional competition from entities who may be better capitalized, have longer operating histories, a greater retail and brand presence, and more experienced management. If our Company is unable to compete with these entities effectively in these new markets, its operations and/or profitability may be adversely affected.

II. RISKS RELATED TO OUR EQUITY SHARES AND EQUITY SHARE HOLDERS

17. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements*

Our revenues are dependent on various factors such as future earnings, financial condition, cash flows, working capital requirements and capital expenditures. Our business is capital intensive as we require a large amount of money to pursue our NBFC business and activities. The combination of these factors may result in significant variations in our revenues and profits and thereby may impact our ability to pay dividends.

18. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Capital gains arising from the sale of the equity shares of our Company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the STT (Security Transaction Tax) has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are transacted. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to capital gains tax in India. Capital gains arising from the sale of the equity shares of our Company will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gain upon a sale of the Equity Shares.

19. *Volatility in the stock market may have an impact on the market price and trading of our Equity Shares.*

Stock markets have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our Equity Shares. There may be significant volatility in the market price of our Equity Shares.

If we are unable to operate profitably or as profitably as we have in the past, investors could sell our Equity Shares when it becomes apparent that the expectations of the market may not be realized, resulting in a decrease in the market price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.



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

We are subject to a daily 'circuit breaker' imposed by the Stock Exchanges, which may not allow transactions beyond specified increases or decreases in the price of our Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of our Equity Shares.

This circuit breaker will limit the upward and downward movements in the price of our Equity Shares during the day. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

- 21. *Any future issuance of Equity Shares may dilute the investor's shareholding and sales of the Equity Shares by any of our significant shareholders may adversely affect the trading price of the Equity Shares.***

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

- 22. *Any trading closure at the BSE may adversely affect the trading price of our Equity Shares.***

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. The BSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on the BSE Platform could adversely affect the trading price of the Equity Shares.

III. EXTERNAL RISK FACTORS

- 23. *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, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude.

- 24. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive



as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

25. ***Terrorist attacks, civil unrests and other acts of violence in India and around in the world could adversely affect the financial markets, result in a loss of consumer confidence and adversely affect our business, financial condition and cash flows.***

Terrorist attacks, civil unrests and other acts of violence or war in India and around in the world may adversely affect worldwide financial markets and result in a loss of client's confidence and ultimately adversely affect our business, financial condition and cash flows. India has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighboring countries. Political tensions could create a perception that an investment in Indian companies involves higher degrees of risk and on our business and price of our Equity Shares.

26. ***Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business***

Any adverse revision to India's credit rating 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 is available. This could have an adverse effect on our financial performance and our ability to obtain financing to fund our growth on favourable terms or at all.

27. ***The occurrence of natural calamities or man-made disasters could have a negative effect on the Indian economy and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods, drought, fires, explosions, tornadoes, pandemic disease and man-made disasters including acts of terrorism and military actions in the past few years. The extent and severity of these natural and man-made disasters determines their effect on the Indian economy. The erratic progress of a monsoon would also adversely affect sowing operations for certain crops. Further prolonged spells of below normal rainfall or other natural calamities in the future could have a negative effect on the Indian economy, adversely affecting our business and the price of our Equity Shares.



SECTION IV - INTRODUCTION

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Consolidated Audited Financial Information for the year ended March 31, 2019 and for the six (6) months period ended September 30, 2019, and Statement of Unaudited Financial Results for the Quarter and Nine Months period ended December 31, 2019 prepared in accordance with recognition and measurement principles of Ind AS 34 and Regulation 33 of SEBI (LODR) Regulations, 2015. The summary of financial information presented below should be read in conjunction with our Financial Information and the notes thereto in the section titled “Financial Statements” on page 41 on this Draft Letter of Offer.

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CONSOLIDATED AUDITED FINANCIAL INFORMATION FOR THE YEAR ENDED MARCH 31, 2019 AND FOR THE SIX (6) MONTHS PERIOD ENDED SEPTEMBER 30, 2019

ANNEXURE I

CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lacs)

	PARTICULARS	As at 30 th September 2019	As at 31 st March 2019
I	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	(a) Share capital	904.37	904.37
	(b) Reserves and Surplus	564.35	489.13
	Minority interest	20.76	20.76
	Sub Total 1	1489.48	1414.26
2	Non - Current Liabilities		
	(a) Long - term borrowings	260.96	93.61
	Sub Total 2	260.96	93.61
3	Current liabilities		
	(a) Trade payables		
	(b) Other current liabilities	101.91	56.67
	(c) Short - term provisions	24.37	44.73
	Sub Total 3	126.28	101.40
	TOTAL	1876.72	1609.27
II	ASSETS		
1	Non - current assets:		
	(a) Fixed Assets		
	(i) Tangible Assets	8.18	7.84
	Sub Total 1	8.18	7.84
2	Current assets		
	(a) Trade Receivables	108.94	125.24
	(b) Cash and Bank balances	223.71	430.99
	(c) Short-term loans and advances	1493.67	999.64
	(d) Others (to be specified)	10.85	32.53
	(e) Security Deposit	6.00	6.00
	(f) Deferred Tax Assets	0.31	0.31
	Sub Total 2	1843.48	1594.71
3	Miscellaneous Expenses	25.06	6.72
	TOTAL	1876.72	1609.27





ANNEXURE II

CONSOLIDATED PROFIT AND LOSS ACCOUNT STATEMENT

(₹ in Lacs)

	PARTICULARS	As at 31st September 2019	Year Ended 31st March 2019
I	Revenue from operations (Gross)	350.17	670.36
	Other Income	2.90	1.57
	Total revenue (I)	353.07	671.93
II	Expenses		
	Employee benefits expense	51.59	54.60
	Finance Cost	17.25	16.21
	Depreciation and amortization expense	-	2.60
	Other expenses	187.43	435.66
	Total Expenses (II)	256.27	509.07
III	Profit/(Loss) before exceptional and extraordinary Items and tax (I-II)	96.80	162.86
IV	Exceptional items	-	-
V	Profit/(Loss) before extraordinary Items and tax (III-IV)	96.80	162.86
VI	Extraordinary Items	-	-
VII	Profit/(Loss) before tax (V-VI)	96.80	162.86
VIII	Tax expenses		
	1.Current tax	24.37	44.73
	2.Income tax		
	3. Deferred Tax		(0.35)
	Total	24.37	44.38
IX	Profit for the year (VII-VIII)	72.43	118.48





ANNEXURE III

CONSOLIDATED STATEMENT OF CASH FLOW

(₹ in Lacs)

PARTICULARS	As at 30 th September 2019	Year Ended 31st March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax and Extraordinary Items	96.80	162.86
Adjustment for: Add :		
Depreciation and amortization expense	-	2.60
Misc Expenses Written Off	-	0.94
Previous Year Taxes	2.79	-
Financial Expenses	17.25	16.21
	20.04	19.75
Less :		
Deferred Tax Liabilities	-	(0.35)
Provision for Tax	24.37	44.73
Provision for Dividend		11.07
Interest Received		
Tax on Dividend		2.27
	24.37	57.72
Operating Profit before Working Capital Changes	92.47	124.89
Adjustment for:		
Increase/Decrease in trade & other receivable	16.30	(1.04)
Changes in Loans & Advances	(472.35)	(619.39)
Short Term Borrowings & Provisions	-	-
Trade Payable	24.88	1.40
CASH GENERATED FROM OPERATING ACTIVITIES	(338.70)	(494.14)
Direct Taxes Paid/ Deducted at source	-	-
NET CASH FROM OPERATING ACTIVITIES (A)	(338.70)	(494.14)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (Net of Sales)	(0.34)	(6.69)
Misc Expenditure	(18.34)	-
Purchase of investments in Subsidiaries	-	-
Interest Received	-	-
NET CASH FROM INVESTING ACTIVITIES (B)	(18.68)	(6.69)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of Share Capital	-	760.62
Proceeds from Unsecured Loans	167.35	10.54
Interest Paid	(17.25)	(16.21)
NET CASH FROM FINANCING ACTIVITIES 'C'	150.10	754.95
Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(207.28)	254.12
CASH AND CASH EQUIVALENTS:		
Opening Balance in the beginning of the year	430.99	176.87
Closing Balance at the end of the year	223.71	430.99





Emerald Leasing Finance & Investment Company Limited

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED DECEMBER 31, 2019



EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED							
Regd. Office: SCO 7 Industrial Area Phase 2 Chandigarh 160002							
CIN : L65993CH1983PLC041774							
CONSOLIDATED STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31.12.2019							
(INR in lakhs except eps data)							
S.No.		Quarter Ended			Period Ended		Year Ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1	Income from Operations	-	-	-	-	-	-
	a) Fees Based Income	139.88	125.31	179.32	403.64	351.83	578.49
	b) Interest Income	50.61	47.07	17.92	137.01	48.59	82.87
2	Dividend	11.25	-	9.00	11.25	9.00	9.00
3	Other Income	0.17	2.35	0.53	3.06	1.98	1.57
4	Total Revenue (1+2)	201.91	174.73	206.77	554.96	411.40	671.93
5	Expenditure						
	a) Employees Cost	28.51	28.19	16.48	80.09	45.61	54.60
	b) Finance charges	8.83	13.33	1.00	26.09	6.31	16.21
	c) Depreciation	-	-	-	-	-	2.60
	d) Other Expenditure	110.80	99.07	130.29	298.22	283.62	435.66
	Total Expenses	148.14	140.59	147.77	404.40	335.54	509.07
6	Profit before Exceptional & extraordinary items (3-4)	53.77	34.14	59.00	150.56	75.86	162.86
7	Exceptional Items	-	-	-	-	-	-
8	Profit before extraordinary items & tax (5-6)	53.77	34.14	59.00	150.56	75.86	162.86
9	Extraordinary Items	-	-	-	-	-	-
10	Profit Before Tax (7-8)	53.77	34.14	59.00	150.56	75.86	162.86
11	Tax Expenses:						
	a) Current Tax	11.17	7.60	0.32	35.53	0.92	44.73
	b) Deferred tax	-	-	-	-	-	(0.35)
12	Profit(+)/Loss (-) for the period from continuing operations (9-10)	42.60	26.54	58.68	115.03	74.94	118.48
13	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Remeasurement of the net defined benefit liability/asset	-	-	-	-	-	-
	Tax on above	-	-	-	-	-	-
	Total Other comprehensive Income, net of tax	-	-	-	-	-	-
14	Total comprehensive income, for the period	42.60	26.54	58.68	115.03	74.94	118.48
15	Paid up equity share capital	90.44	90.44	30.45	90.44	30.45	90.44
	(Face value of ` 10/- each per share)						
16	Basic and diluted Earning Per Share (EPS) before Extra Ordinary Items						
	-Basic	0.47	0.29	1.93	1.27	2.46	1.31
	-Diluted	0.47	0.29	1.93	1.27	2.46	3.12

Notes:

- The above Financial Results have been reviewed and recommended by the Audit Committee and thereafter approved and taken on record by the Board of Directors at the meeting held on 14th February 2020.
- The figures of the previous quarter/year have been regrouped or reclassified wherever necessary to make them comparable with current year figures.
The company adopted Indian Accounting Standard ("IND AS") from April 1, 2017 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the IND AS 34 Interm Financial Reporting prescribed under Section 133 of the Companies Act 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The figures of the previous period have been restated, regrouped and reclassified wherever required to comply with the INDAS.
- Based on the guiding principles given in Ind AS 108 on "Operating Segments," the Company's business activity falls within a Single Operating Segment namely "Non Banking Finance Company", hence the disclosure requirements of Ind AS 108 are not applicable.

Place: Chandigarh
Date : 14.02.2020

(Sudhoy Aggarwal)
Managing Director
DIN NO - 02580828

EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED

CIN - L65993CH1983PLC041774



THE ISSUE

The Issue has been authorised by way of a resolution passed by our Board on March 8, 2019 and by the way of special resolution passed by the shareholders in its EGM held on April 8, 2019, pursuant to section 62 of the Companies Act, 2013.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 93 of this Draft Letter of Offer.

Equity Shares outstanding prior to the Issue	90,43,650 Equity Shares
Rights Equity Shares offered in the Issue	[●] Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[●] Equity Shares
Rights Entitlement	[●] Equity Shares for every [●] fully paid-up Equity Shares held on the Record Date i.e., [●]
Record Date	[●]
Face Value per Equity Share	₹ 10/- each
Issue Price per Equity Share	₹ [●]-/- each
Issue Size	Upto ₹ 2,500 Lakhs
Terms of the Issue	Please see “ <i>Terms of the Issue</i> ” on page 93 of this Draft Letter of Offer.
Use of Issue Proceeds	Please see “ <i>Objects of the Issue</i> ” on page 35 of this Draft Letter of Offer.
Scrip Code	BSE: 538882

Terms of Payment

Amount Payable Per Equity Share (₹)			
	Face Value (₹)	Premium (₹)	Total (₹)
On Application	[●]	[●]	[●]
On Allotment	[●]	[●]	[●]
Total	[●]	[●]	[●]

Issue Schedule

Issue Opening Date:	[●]
Last date for On Market Renunciation of Rights	[●]
Last date for Off Market Renunciation of Rights	[●]
Issue Closing Date:	[●]



GENERAL INFORMATION

Our Company was originally incorporated in New Delhi as Emerald Leasing Finance and Investment Company Limited under the Companies Act, 1956 vide certificate of incorporation no. 16993 of 1983-84 issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana on November 22, 1983. Our Company obtained certificate of Commencement of Business on December 16, 1983. Our Company was granted certificate of registration dated 20th November 2015 by the Reserve Bank of India to carry on the business of Non- Banking Financial Institution.

Registered Office cum Corporate Office of our Company

Emerald Leasing Finance and Investment Company Limited

SCO 7, Industrial Area, Phase II,
Chandigarh – 160 002, India
Tel: 0172 - 4005659; Fax: 0172 - 4603859
Website: www.emeraldfin.com
Email: info@emeraldfin.com
Corporate Identification No.: L65993CH1983PLC041774

Changes in Registered Office of our Company

Effective date	Address	Reason for change
November 22, 1983	29 A/1, Asif Ali Road, New Delhi- 110002	Administrative convenience
September 20, 2004	144 Sant Nagar, East of Kailash, New Delhi 110065	
April 4, 2013	A 35, New Multan Nagar, Paschim Vihar, New Delhi- 110063	
January 06, 2014	M 63 Third Floor, Lajpat Nagar, New Delhi-110024	
September 15, 2016	59, First Floor, Uday Park, Gautam Nagar, New Delhi-110049	
October 26, 2017	SCO 7, Industrial Area, Phase II, Chandigarh -160002	

Address of the Registrar of Companies

The Registrar of Companies, Punjab, Chandigarh

Corporate Bhawan, Plot No. 4 B,
Sector 27 B, Madhya Marg,
Chandigarh – 160 019

Board of Directors

The following table sets out the current details regarding our Board of Directors as on the date of filing of this Draft Letter of Offer:

Name	Designation	DIN	Address
Mr. Sanjay Aggarwal	Managing Director	02580828	3054, Sector 28 D Chandigarh 160002
Mrs. Anubha Aggarwal	Director	02557154	3054, Sector 28 D Chandigarh 160002
Mr. Raman Aggarwal	Independent Non-executive Director	00116103	F- 1/17, Model Town, Delhi
Mr. Deepak Gaur	Independent Non-executive Director	06445299	B-20 West Block A, Friends Enclave, Mundka Rani Khara Road, Nangloi Delhi

For further details of our Board of Directors, see “*Our Management*” on page 39.



Company Secretary and Compliance Officer	Lead Manager to the Issue
Mrs. Anju Sharma SCO 7, Industrial Area, Phase II, Chandigarh 160 002, India Tel: 0172 - 4603859 Fax: 0172 - 4603859 E-mail: cs@emeraldfin.com	Keynote Financial Services Limited The Ruby, 9 th Floor, Senapati Bapat Marg, Dadar (West), Mumbai- 400 028 Tel: +91 22 3026 6000 E-mail: mbd@keynoteindia.net Website: www.keynoteindia.net Contact Person: Ms. Pooja Sanghvi SEBI Registration No: INM 000003606
Legal Advisor to the Issue	Registrar and Share Transfer Agent
Alliance Law 801, 8 th Floor, Raheja Center, Free Press Journal Marg, Nariman Point, Mumbai – 400 021 Tel: +91 22 2204 0822/23/24 E-mail: info@alliancelaw.in Contact Person: Mr. Ankur Loona	Mas Services Limited T-34, IInd Floor, Okhla Industrial Area, Phase-II New Delhi - 110020. Tel: +91-11- 2638 7281-83 Fax: +91-11- 2638 7384 E-mail: info@masserv.com Website: www.masserv.com Contact Person: Mr. Sharwan Mangla SEBI Registration Number: INR 000000049
Banker to the Issue	
HDFC Bank Limited FIG-OPS Department Lodha I, Think Techno Campus, Level O-3 Opp. Crompton Greaves Next to Kanjurmarg Railway Station Kanjurmarg (E), Mumbai - 400 042 Tel: +91 22 3075 2928 E-mail: vincent.dsouza@hdfcbank.com Website: www.hdfcbank.com Contact Person: Mr. Vincent D'souza SEBI Registration No.: INBI00000063	

Self Certified Syndicate Banks

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, or at such other website as may be prescribed from time to time. Further, for a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and updated from time to time, please refer to the above-mentioned link or any such other website as may be prescribed by SEBI from time to time.

For further details on the ASBA process, please refer to details given in ASBA form and also see “*Terms of the Issue*” on page 93 of this Draft Letter of Offer.

Investors may please contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue /post-Issue related matter such as non-receipt of Abridged Letter of Offer / CAF / letter of allotment / credit of allotted shares in the respective beneficiary account etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount blocked, ASBA account number and the Designated Branch of the SCSB where the CAF was submitted by the ASBA Investors.



Allocation of responsibilities

Keynote Financial Services Limited is the sole Lead Manager to this issue and hence Inter-se allocation of responsibilities is not applicable. However, the list of major responsibilities of Keynote Financial Services Limited inter alia, is as follows:

Sr. No.	Activity
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.
2.	Drafting and design of the offer document and of advertisement / publicity material including newspaper advertisements and brochure / memorandum containing salient features of the offer document. To ensure compliance with the SEBI Regulations and other stipulated requirements and completion of prescribed formalities with Stock Exchange and SEBI.
3.	Marketing of the issue will cover, inter alia, preparation of publicity budget, arrangements for selection of (i) ad-media, (ii) bankers to the issue, (iii) collection centres (iv) distribution of publicity and issue material including common application form and the Abridged Letter of Offer and the Letter Of Offer to the extent applicable.
4.	Selection of various agencies connected with the issue, namely Registrar to the Issue, Bankers to the Issue, printers, and advertisement agencies, etc.
5.	Follow-up with bankers to the issue to get quick estimates of collection and advising the issuer about closure of the issue, based on the correct figures.
6.	The post-issue activities will involve essential follow-up steps, which must include finalization of basis of allotment/weeding out of multiple applications, listing of instruments and refunds, with the various agencies connected with the work such as registrars to the issue, bankers to the issue. Even if many of these post-issue activities would be handled by other intermediaries, the Lead Manager shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with the Issuer.

Credit rating

As the Issue is a rights issue of equity shares, no credit rating is required.

Monitoring agency

Since the Issue size does not exceed ₹ 10,000 Lakhs, the appointment of a monitoring agency as per Regulation 82(1) of the SEBI Regulations is not required.

Appraising agency

The objects of this Issue have not been appraised by any bank or any other independent financial institution.

Experts

Except for the reports of the Auditor of our Company on the audited Financial Information and statement Of Tax Benefits, included in the Draft Letter of Offer, our Company has not obtained any expert opinions.

Underwriting

This Issue of Equity Shares is not being underwritten and no standby support is being sought for the said Issue.



Debenture Trustee

As the Issue is of Rights Equity Shares, the appointment of a debenture trustee is not required.

Minimum Subscription

If our Company does not receive minimum subscription of 90% of the Issue, we shall refund the entire subscription amount received within 15 days from the Issue closing date. In the event that there is a delay of making refunds beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under “*Terms of the Issue*” on page 93 of this Draft Letter of Offer.

Filing

This Draft Letter of Offer has been filed with Northern Regional Office of the SEBI for its observations, at Corporation Finance Department of the SEBI, located at 5th Floor, Bank of Baroda Building, 16, Sansad Marg New Delhi - 110001, India and through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI, and with BSE. After SEBI gives its observations, the Letter of Offer will be filed with SEBI and the Stock Exchange simultaneously as per the provisions of the SEBI ICDR Regulations.

Issue Schedule:

Issue Opening Date	[●]
Last date for On Market Renunciation of Rights	[●]
Last date for Off Market Renunciation of Rights	[●]
Issue Closing Date	[●]

The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided the Issue will not be kept open in excess of 30 days from the Issue Opening Date.



CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Draft Letter of Offer, prior to and after the proposed Issue, is set forth below:

(₹ in lakhs except per share data)

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
Authorized share capital:		
3,50,00,000 Equity Shares of ₹ 10/- each	3,500.00	-
Issued, subscribed and paid up capital before the Issue		
90,43,650 Equity Shares of ₹ 10/- each	904.37	-
Present Issue in terms of this Draft Letter of Offer		
[●] Equity Shares of face value of ₹ 10/- each	[●]	upto ₹2,500.00
Issued, subscribed and paid up capital after the Issue⁽¹⁾		
[●] Equity Shares of ₹ 10/- each	[●]	[●]
Securities premium account		
Before the Issue		NIL
After the Issue ⁽²⁾		[●]

⁽¹⁾The present issue has been authorised by our Board of Directors pursuant to the resolution passed in their meeting held on March 8, 2019 and by our shareholders pursuant to the special resolution passed in the EGM held on April 8, 2019 under section 62(1)(a) of the Companies Act, 2013:

⁽²⁾Assuming full subscription for and allotment of Rights Entitlement

Notes to the Capital Structure

- As on the date of this Draft Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with option to convert or securities which are convertible at a later date into Equity Shares.
- Our Company does not have a stock option scheme.
- The shareholding pattern of our Company as on December 31, 2019 is as follows:



a. Summary statement holding of specified securities

Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Voting Rights		Number of equity shares held in dematerialized form
					Number	Total as a % of total voting rights	
(A) Promoter & Promoter Group	4	60,06,452	60,06,452	66.42	60,06,452	66.42	60,06,452
(B) Public	695	30,37,198	30,37,198	33.58	30,37,198	33.58	25,50,897
(C) Non-Promoter – Non-Public	0	0	0	0	0	0.00	0
(C1) Shares Underlying DRs	0	0	0	0	0	0.00	0
(C2) Shares Held by Employee Trust	0	0	0	0	0	0.00	0
Grand Total	699	90,43,650	90,43,650	100.00	90,43,650	100.00	85,57,349

Source: BSE

b. Aggregate Shareholding of our Promoter Group for the quarter ended December 31, 2019 is as follows:

Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (As a % of A+B+C2)	Number of equity shares held in dematerialized form
A1) Indian					
Individuals/ Hindu undivided family					
Sanjay Aggarwal	1	19,28,500	19,28,500	21.32	19,28,500
Anubha Aggarwal	1	19,02,452	19,02,452	21.04	19,02,452
Ram Swaroop Aggarwal	1	17,30,000	17,30,000	19.13	17,30,000
Anu Aggarwal	1	4,45,500	4,45,500	4.93	4,45,500
Sub Total A1	4	60,06,452	60,06,452	66.42	60,06,452
A2) Foreign	0				
A= A1+A2	4	60,06,452	60,06,452	66.42	60,06,452



c. Details of Public shareholders holding more than 1% of the pre-Issue paid up capital of our Company for the quarter ended December 31, 2019 is as follows:

Category and name of the shareholder	No. of shareholder	No. of fully paid up equity shares held	Total no. of shares held	Shareholding % calculated as per SCRR, 1957. As a percentage of (A+B+C2)	No. of voting rights	Total as a % of voting rights	No. of equity shares held in dematerialized form
(B) Public							
AGR Investments Limited	1	7,50,000	7,50,000	8.29	7,50,000	8.29	7,50,000
Bosco Armando Menezes	1	2,01,511	2,01,511	2.23	2,01,511	2.23	2,01,511
Emily Bosco Menezes	1	2,01,034	2,01,034	2.22	2,01,034	2.22	2,01,034
Radha Krishna Agarwal	1	1,50,000	1,50,000	1.66	1,50,000	1.66	1,50,000
Nidhi Arora	1	1,48,500	1,48,500	1.64	1,48,500	1.64	1,48,500
Navneet Kaur Ahluwalia	1	1,40,000	1,40,000	1.55	1,40,000	1.55	1,40,000
Shweta Ahluwalia	1	1,10,000	1,10,000	1.22	1,10,000	1.22	1,10,000
Atul Arora	1	1,00,000	1,00,000	1.11	1,00,000	1.11	1,00,000
Dimple Singla	1	1,00,000	1,00,000	1.11	1,00,000	1.11	50,000
Total (B)	9	19,01,045	19,01,045	21.03	19,01,045	21.03	18,51,045

4. No Equity Shares held by our Promoter or members of our Promoter Group have been locked-in, pledged or encumbered as of the date of this Draft Letter of Offer.
5. The Equity Shares of our Company are fully paid up and there are no partly paid up Equity Shares as on the date of this Draft Letter of Offer.
6. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
7. As on the date of this draft letter of offer, our company has not issued any SR equity shares and there are no outstanding SR equity shares.
8. There have been no acquisition of specified securities by the Promoter and Promoter Group in the last one (1) year immediately preceding the date of filing of this Draft Letter of Offer.
9. The ex-rights price arrived in accordance with the formula prescribed under Clause 4 (b) of Regulation 10 of the SAST Regulations, 2011 in connection with the Issue is ₹ [●]
10. No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in the rights issue, except for fees or commission for services rendered in relation to the Issue

11. Details for subscription of Rights Equity Shares by Promoter and Promoter Group

The Promoters and members of the Promoter Group of our Company through their letters dated January 23, 2020 (the "**Subscription Letters**") have confirmed that they intend to subscribe jointly and/or severally along with other Promoter group members to the full extent of their Rights Entitlement in the Issue and to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or promoter group member and to the extent of unsubscribed portion (if any) of the Issue.

Further, the Promoters and Promoter Group may also apply for additional shares along with their Rights Entitlement and/or renunciation.



Such subscriptions of Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. Any acquisition of additional Equity Shares shall not result in change of control of the management of the Company in accordance with provisions of the Takeover Regulations and shall be exempt subject to fulfillment of the conditions of Regulation 10 of the Takeover Regulations. The members of the Promoter and Promoter Group acknowledge and undertake that their investment would be restricted to ensure that the public shareholding in the Company after the Issue do not fall below the permissible minimum level as specified in the listing conditions or Regulation 38 of SEBI LODR Regulations.

In case the rights issue remains unsubscribed and/ or minimum subscription is not achieved, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.



SECTION V - PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

Our Company proposes to utilise the Net Proceeds to:

- Augment of our capital base; and
- Meet issue related expenses.

The details of the proceeds of the Issue are summarized below:

Particulars	Amount (₹ in lakhs)
OBJECTS OF THE ISSUE	
Augment capital base	[●]
Issue related expenses	[●]
MEANS OF FINANCE	
Rights issue	Upto 2500.00

Augment Capital Base:

We are a Non Deposit taking Non-Banking Financial Company (NBFC-ND) registered with RBI. Our Company's business model is centred around two main activities in the financial market i.e. Loan activities (granting of loans & advances) and acting as a Direct Selling Agent (for various Banks and NBFC's) through our subsidiary. As the Company has been granted NBFC License by RBI, Emerald is focused mainly on giving loans to credit worthy small and medium enterprises (SMEs) and retail customers.

In the past we have granted loans ranging from ₹ 5 Lakhs to ₹ 100 Lakhs to known and credit worthy clients after analysing their financials, past track records and promoter's credibility. Mostly these clients are such with whom we have had long relationships. For the year ended March 31, 2019, out of the total equity of ₹ 970.46 lakhs an amount of ₹ 649.79 lakhs has been advanced as loans to various parties. Our interest income for the FY 2019 has increased to ₹ 48.04 lakhs from ₹ 27.62 lakh during FY18.

Our Company intends to utilize approximately ₹ [●] lakhs from the Issue Proceeds towards the expansion of the financing business and /or to provide for funding of fresh loans to our customers. We plan to utilise the network established by our subsidiary which works as a DSA for various banks and NBFCs across the country to deploy the funds we raise.

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

The fund requirement and deployment are based on internal management estimates and have not been appraised by any banks or financial institutions. These are based on current conditions and are subject to change in light of changes in external circumstances or costs.

The fund requirements set out in the Objects of the Issue are proposed to be met entirely from the Proceeds of the Rights Issue and internal accruals. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue as required under SEBI ICDR Regulations.

Issue Expenses

The Issue related expenses consist of fees payable to the Lead Manager, Legal Counsel, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchange. Our Company will need approximately ₹ [●] lakhs towards these expenses, a break-up of the same is as follows:

(₹ in lakhs)



Activity	Estimated Expense	% of Total Expenses	As a % of Issue size
Lead manager fees	[●]	[●]	[●]
Selling commission and upload fees	[●]	[●]	[●]
Registrar to the Issue fees	[●]	[●]	[●]
Legal Advisor fees	[●]	[●]	[●]
Advertising Expenses	[●]	[●]	[●]
Statutory, Regulators fees including Stock Exchange fees	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Miscellaneous Expenses	[●]	[●]	[●]
Total	[●]	[●]	[●]

Proposed schedule of implementation and deployment of the Net Proceeds

The Net Proceeds are currently expected to be deployed in Fiscal Year 2020-2021.

Sources of financing of funds already deployed

Our Company has deployed ₹ 23.35 lakhs as on March 03, 2020 towards “Objects of the Issue” as certified by K. Singh and Associates, Chartered Accountants vide certificate dated March 03, 2020. The details of which are as under:

(₹ in lakhs)

Particulars	Amount
DEPLOYMENT OF FUNDS	
- Fees of the Intermediaries	5.00
- Statutory and other miscellaneous expenses	18.35
Total	23.35
SOURCES OF FUNDS	
- Internal accruals	23.35
Total	23.35

Strategic and/ or Financial Partners

There are no Strategic and Financial partners to the objects of the issue.

Bridge Financing Facilities

We have not availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue.

Interim Use of Funds

The Issue Proceeds pending utilization for the objects described above shall be deposited with scheduled commercial banks included in second schedule of Reserve Bank of India Act, 1934.

Monitoring of Utilization of Funds

Our Board of Directors will monitor the utilization of the Issue Proceeds. The Company will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate investments, if any, of unutilized Issue Proceeds in the Balance Sheet of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to Regulation 32 of the SEBI Listing Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI Listing Regulation, the Company shall furnish to the Stock Exchange, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above. This



information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

Variation in Objects

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 authorized 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 Hindi, the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other Confirmations

No part of the proceeds from the Issue will be paid by the Company as consideration to our Promoters, Promoter Group Companies, our Directors, or Key Managerial Personnel.



STATEMENT OF TAX BENEFITS

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

The Board of Directors
Emerald Leasing Finance & Investment Company Limited
Chandigarh
India

Dear Sirs,

Sub: Proposed Right Issue of Equity Shares (the “Issue”) by Emerald Leasing Finance & Investment Company Limited (the “Company”)

We report that there are no possible special direct tax benefits available to the Company and its shareholders under the Income-tax Act, 1961, presently in force in India.

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

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

We hereby give consent to include this statement of tax benefits in the Draft Letter of Offer, the Letter of Offer and in any other material used in connection with the Issue.

Yours faithfully,
For K. Singh & Associates
Chartered Accountants

Kultar Singh (Partner)
Membership No: 091673
Firm Registration No.: 012458N
Peer Review Certificate No.: 009586

Place: Chandigarh
Date :11/02/2020



SECTION VI - ABOUT THE COMPANY

OUR MANAGEMENT

Board of Directors

Our Company currently has four directors on its Board, including two (2) independent directors and one (1) woman director.

The following table sets forth details regarding the Board of Directors as on the date of this Draft Letter of Offer:

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age (years)	Other directorships
Mr. Sanjay Aggarwal Designation: Chairman & Managing Director Address: 3054, Sector 28 D Chandigarh 160002 Occupation: Business Term: 3 years with effect from August 14, 2019 Nationality: Indian Date of Birth: March 14, 1967 DIN: 02580828	53	Public Limited Companies Eclat Capital and Finance Limited. Private Limited Companies Eclat Net Advisors Private Limited.
Mrs. Anubha Aggarwal Designation: Non-Executive Director Address: 3054 Sector 28 D Chandigarh 160002 Occupation: Business Term: Liable to retire by rotation Nationality: Indian Date of Birth: August 9, 1970 DIN: 02557154	49	Public Limited Companies Eclat Capital and Finance Limited. Private Limited Companies Eclat Net Advisors Private Limited.
Mr. Raman Aggarwal Designation: Independent Non-Executive Director Address: F- 1/17, Model Town, Delhi Occupation: Business Term: 5 years from September 28, 2019 Nationality: Indian Date of Birth: March 12, 1965 DIN: 00116103	55	Public Limited Companies 1. Association of Leasing & Financial Services Company. 2. Paisalo Digital Limited Private Limited Companies Brace Iron & Steel Private Limited Non Profit Companies Finance Industry Development Council



Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age (years)	Other directorships
Mr. Deepak Gaur Designation: Independent Non-Executive Director Address: B-20 West Block A, Friends Enclave, Mundka Rani Khera Road, Nangloi Delhi Occupation: Professional Term: 5 years from September 28, 2019 Nationality: Indian Date of Birth: August 1, 1984 DIN: 06445299	35	Public Limited Companies NIL Private Limited Companies NIL

Relationship between Directors

Except as stated below, none of the directors are related to each other:

Name of the directors	Relationship between directors
Mr. Sanjay Aggarwal- Mrs. Anubha Aggarwal	Husband- wife

Confirmations

None of the Directors is or was a director of any listed company in India during the last five years preceding the date of filing of the Draft Letter of Offer, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

None of the Directors is or was a director of any listed company, which has been or was delisted from any recognised stock exchange in India during the term of their directorship in such company.

Our Company has not entered into any service contracts with the present Board of Directors for providing benefits upon termination of employment.

Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned directors have been appointed in the Board.



SECTION VII – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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Independent Auditor’s Report	42 to 48
Consolidated Audited Financial Statements for the Financial Year 2019	49to 62
Independent Auditor’s Report	63 to 64
Consolidated Audited Financial Statements for the period ended September 30, 2019 & Year Ended March 31, 2019	65 to 74
Unaudited financial statements for the nine months period ended December 31, 2019	75 to 77



INDEPENDENT AUDITORS' REPORT

To the Members of

Emerald Leasing Finance and Investment Co. Limited.

Report on the Consolidated Financial Statements as per Ind AS

We have audited the accompanying Consolidated financial statements of **Emerald Leasing Finance and Investment Co. Limited** ("the Company"), which comprise Consolidated the Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss, Consolidated Statement of change in Equity and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Company as at March 31, 2019, and its Consolidated **Profit**, and its Consolidated cash flows for the year ended on that date.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and its loss and its Cash Flow for the year ended on that date.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other Consolidated comprehensive income, Consolidated cash flows and Consolidated change in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standard Ind AS specified under Section 133 of the Act, read with the provision of the Companies (Indian accounting Standards) Rules, 2015 as amended . This responsibility includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentations of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, management is responsible for assessing the company ability to continue as a going concern disclosing as applicable, matter relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

Those respective board of directors of the companies included in the Group and of its associates are also responsible for overseeing the company's financial reporting process of the Group and its associates.

Auditor's Responsibility on Consolidated Ind As Financial Statements



Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matters

We did not audit the financial statements / financial information of two (1) subsidiaries, whose financial statements / financial information reflect total assets of Rs. 751.80 Lacs as at 31st March, 2019, total revenues of Rs. 559.18 and net cash flows amounting to Rs.41.23 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of Rs. NIL for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of NIL associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and associates, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirement's

3. As required by section 143(3) of the Act, based on our audit report and on the consideration of report of the other auditors on separate financial statements and other financial information of subsidiaries as noted in the "other matters" paragraph we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the consolidated IND AS financial statements
 - b) In our opinion proper books of account as required by law have been kept by the Holding Company, including relevant records relating to the preparation of the aforesaid consolidated IND AS financial statements so far as it appears from our examination of those books and records of the Holding Company and report of the other auditors).
 - c) The Consolidated Balance Sheet, Consolidated Statement of Consolidated Profit and Loss, Consolidated Cash Flow Statement, consolidated statement of Changes in the Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of Consolidated Ind AS Financial Statements;
 - d) In our opinion the Consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies(Accounts) Rules,2014;
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies none of the directors of the Group's companies, its associates incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in Annexure "A and
 - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:
 - i. The Holding Company has nor its subsidiary as per report of other auditor has no pending litigations.
 - ii. The Holding company nor its subsidiary have any long term contracts including derivative contracts for which there were any material foreseeable losses.



iii. There no amounts which required to be transferred, to the Investor Education and Protection Fund by the Holding company.

h) The Holding Company is NBFC and registered under section 45-IA of the Reserve Bank of India Act, 1934.

[i] (a) The holding Company has been granted certificate of registration from Reserve Bank of India under Section 45IA of the Reserve Bank of India Act, 1934.

(b) The holding company is entitled to continue and hold the certificate of registration in terms of asset/income pattern as at 31st March 2019.

(c) Considering the asset/income pattern of the holding company we are of the opinion that the company is not an Asset Finance Company.

[ii] As per information and explanation given to us the Board of Directors have passed a resolution for the non-acceptance of any deposits from public.

[iii] As it appears from our examination of the books of account, the company has not accepted any deposits from public during the year under review.

[iv] The Company has given Loans & Advances and has complied with the Prudential Norms relating to income recognition accounting standards, asset classification and provisioning for bad and doubtful debts as applicable as on 31-03-2019

FOR K SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm No. 012458N

Kultar Singh
Partner
Membership No. 091673

PLACE: Chandigarh
DATED:29/05/2019



Annexure – “A” to the Auditors’ Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Emerald Leasing Finance and Investment Co. Limited** (“the Holding Company”) and its subsidiaries as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and the subsidiaries, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiaries, has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

for **K Singh & Associates**
Chartered Accountants
Firm's Registration Number: 012458N

CA. Kulltar Singh
Partner
Membership Number: 091673
Place of Signature: New Delhi
Date: 29th May, 2019



Note No. 1

SIGNIFICANT ACCOUNTING POLICIES.-Year ended 31st March, 2019.

a) Principles of Consolidation

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) 110, "Consolidated Financial Statements", issued by The Institute of Chartered Accountants of India. The financial statement of Emerald Leasing Finance & Investment Company Limited the parent company of Eclat Net Advisors Private Limited has been combined on 31st March, 2019. The Consolidated Financial Statements are prepared by applying on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating inter-group balances and inter-group transactions resulting in unrealized profit or losses.

b) Basis of Presentation

1. The consolidated financial statements relate to Emerald Leasing Finance & Investment Company Limited ("the Company") and its subsidiaries.
2. Notes to these consolidated financial statements are intended to serve as a means of information disclosure and guide to better understanding of the consolidated position of the companies. Recognizing, this purpose, the company has disclosed only such notes from the individual financial statement, which fairly present the needed disclosures.

c) Other Significant Accounting Policies

These are set out under "Significant Accounting Policies" as given in the standalone financial statements of Emerald Leasing Finance & Investment Company Limited and its subsidiaries.



EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019							
	PARTICULARS	NOTE	As at 31st March, 2019 (` in Lakh)	As at 31st March, 2018 (` in Lakh)			
	ASSETS						
(1)	Non-current assets						
	(a) Property, Plant and Equipment	3	7.84	4.07			
	(b) Non current investment						
			7.84	4.07			
(2)	Current assets						
	(a) Financial Assets						
	(i) Trade receivables	4	125.24	124.20			
	(ii) Cash and cash equivalents	5	430.99	176.87			
	(iii) Loans	6	999.64	403.50			
	(iv) Others (to be specified)	7	32.53	15.59			
	(v) Security Deposits	8	6.00				
	(vi) Defferred Tax Assets (Net)	9	0.31				
	(b) Misc Expenditure	10	6.72	7.65			
			1601.43	727.81			
	Total Assets		1609.27	731.88			
	EQUITY AND LIABILITIES						
(1)	Equity						
	(a) Equity Share capital	11	904.37	304.50			
	(b) Other Equity	12	489.13	226.57			
	(c) Minority Interest		20.76	17.74			
			1414.26	548.81			
(2)	LIABILITIES						
(3)	Non-current liabilities						
	(a) Financial Liabilities						
	(i) Borrowings	13	93.61	83.07			
			93.61	83.07			
(4)	Current liabilities						
	(a) Other current liabilities	14	56.67	80.39			
	(b) Provisions	15	44.73	19.58			
	(c) Deferred Tax liabilities (net)		-	0.03			
			101.40	100.00			
	Total Equity and Liabilities		1609.27	731.88			
	Significant Accounting Policies & Notes on Financial Statements	1 to 35	0.00	0.00			
As per our report of even date attached.							
For K. SINGH & ASSOCIATES Chartered Accountants Firm No 012458N Kultar Singh Partner Membership No. - 091673 Place : Chandigarh Dated : 29.05.2019			For and on behalf of the Board <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> Sanjay Aggarwal Managing Director DIN No: 02580828 Sheetal Kapoor CFO </td> <td style="width: 50%; vertical-align: top;"> Anubha Aggarwal Director DIN No. 02557154 Anju Sharma Company Secretary </td> </tr> </table>			Sanjay Aggarwal Managing Director DIN No: 02580828 Sheetal Kapoor CFO	Anubha Aggarwal Director DIN No. 02557154 Anju Sharma Company Secretary
Sanjay Aggarwal Managing Director DIN No: 02580828 Sheetal Kapoor CFO	Anubha Aggarwal Director DIN No. 02557154 Anju Sharma Company Secretary						



EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED				
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019				
	PARTICULARS	NOTE	Year Ended 31st March, 2019 (` in Lakh)	Year Ended 31st March, 2018 (` in Lakh)
I	Revenue from Operations	16	670.36	437.36
II	Other income	17	1.57	1.13
III	Total Income		671.93	438.49
IV	EXPENSES			
	Employee-benefits expenses	18	54.60	61.07
	Finance costs	19	16.21	4.23
	Depreciation and amortization expenses	20	2.60	1.88
	Other expenses	21	435.66	295.25
	Total expenses		509.07	362.43
V	Profit/ (Loss) before Exceptional Items & Tax (I-IV)		162.86	76.06
VI	Exceptional Items		-	-
VII	Profit/(Loss) Before Tax (V-VI)		162.86	76.06
VIII	Tax expense			
	(1)Current Tax	16	44.73	19.58
	(2)Deferred tax	22	(0.35)	0.03
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		118.48	56.44
X	Profit/(Loss) for the period from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(Loss) for the period from discontinuing operations after tax (X-XI)		-	-
XIII	Profit/(Loss) for the period (IX+XII)		118.48	56.44
XIV	Other comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss	23	-	-
	(ii) Income tax realting to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax realting to items that will be reclassified to profit or loss		-	-
XV	Total comprehensive income for the period (XIII+XIV)		118.48	56.44
	(Comprising Profit (Loss) and Other			



	Comprehensive Income for the period)				
XVI	Earning per equity share (from continuing operation)				
	(1)Basic		1.31		1.85
	(2)Diluted		3.12		1.85
XVII	Earning per equity share (from discontinued operation)				
	(1)Basic		-		-
	(2)Diluted		-		-
XVIII	Earning per equity share (from discontinued and continuing operation)				
	(1)Basic		1.31		1.85
	(2)Diluted		3.12		1.85
	Significant Accounting Policies & Notes on Financial Statements	1 to 35			
As per our report of even date attached.		For and on behalf of the Board			
For K. SINGH & ASSOCIATES Chartered Accountants Firm No 012458N		Sanjay Aggarwal Managing Director DIN No: 02580828		Anubha Aggarwal Director DIN No. 02557154	
Kultar Singh Partner Membership No. - 091673		Sheetal Kapoor CFO		Anju Sharma Company Secretary	
Place : Chandigarh Dated : 29.05.2019					



EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED			
CONSOLIDATED NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019 Continued			
The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation			
	PARTICULARS	As at 31st March, 2019 (` in Lakh)	As at 31st March, 2018 (` in Lakh)
4	TRADE RECEIVABLES (Unsecured and Considered Good)		
	Other		8.50
	Accrued Interest on Unsecured Loans	14.23	20.75
	Commission Receivables	111.01	94.95
	TOTAL	125.24	124.20
5	Cash and Cash Equivalents		
	Cash in hand	15.94	3.73
	Balance with banks	242.70	114.99
	Cheques issued but not presented for payment	172.35	58.15
	TOTAL	430.99	176.87
6	Loans		
	Unsecured:		
	Loans to Body corporates/ Firms/ Individuals	999.64	-
	Total	999.64	403.50
7	Others		
	TDS Receivables	30.65	15.59
	Income Tax Refund	1.88	
	TOTAL	32.53	15.59
8	Security Deposits		
	Security Deposits	6.00	-
	TOTAL	6.00	-
9	Deferred Tax Assets		
	Deferred Tax Asset	0.31	-
	TOTAL	0.31	-
10	Misc Expenditure		
	Misc Expenditure	6.72	7.65
	TOTAL	6.72	7.65
11	SHARE CAPITAL		
	AUTHORISED		
	110,00,000 Equity Shares of ` 10/- each (Previous Year 350,00,000 equity share of ` 10/- Each)	1,100.00	350.00
		1,100.00	350.00
	ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
	9043650 Equity Shares ` 10/- Each fully paid (Previous Year 3,045,000 Equity Shares of ` 10/- Each Fully Paid)	904.37	304.50
	TOTAL	904.37	304.50



The detail of Shareholders holding more than 5% shares:					
	Name of the Shareholders	As at 31st March, 2019		As at 31st March,2018	
		No of Shares	% held	No of Shares	% held
1	R. S. Aggarwal	1790000	19.79%	580000	19.05%
1	AGR Investments Limited	750000	8.29%	750000	24.63%
2	Sanjay Aggarwal	1928500	21.32%	278500	9.15%
3	Anubha Aggarwal	1902452	21.04%	0	0.00%

The reconciliation of number of shares outstanding is set out below.

Particulars	As at 31st March, 2019	As at 31st March,2018
	No of Shares	
Equity Shares at the beginning of the year	3045000	3045000
Add : Shares issued during the year	5998650	-
Equity Shares at the end of the year	9043650	3045000

Note :

1. The company declared an Issue of 59,98,650 equity shares of face value of INR 10/- each at par for an amount aggregating upto INR 599.87 lakhs on rights basis to the existing equity shareholders in the ratio of 197 equity share for every 100 fully paid-up equity share(s) held (i.e., 197:100) to the existing equity shareholders.
2. The proceeds from the Rights Issue were utilised in funding of fresh loans to our customers in the form of Unsecured Loans. The object of the Issue was fulfilled as mentioned in the Letter of Offer submitted with SEBI.



Statement of Change in Equity
For the period ended 31st March, 2019

11 A. Equity Share Capital							
Balance as at 31st March, 2019	Change in Equity Share Capital during the year			Balance as at 31st March, 2019			
304.50	599.87			904.37			
Balance as at April 1, 2017	Change in Equity Share Capital during the year			Balance as at 31st March, 2018			
304.50	0			304.50			
12 B. Other Equity							
(Amount in Rupees)							
Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve/P&L Reserve	Retained Earning	Debt Instruments through other comprehensive income	
Balance as at March-31, 2018	-	131.00	-	94.11	1.46	-	226.57
Change in accounting policy/ prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	131.00	-	94.11	1.46	-	226.57
Profit (loss) for the year	-	-	-	118.48	-	-	118.48
Residual value of assets	-	-	-	(0.32)	-	-	(0.32)
Other comprehensive income for the year	-	157.74	-	-	-	-	157.74
Total comprehensive income for the year	-	157.74	-	118.16	-	-	275.90
Transactions with owners in capacity as owners							
Dividends	-	-	-	13.34	-	-	13.34
Transferred to retained earnings Reserve fund u/s 451C @20%	-	-	-	(23.70)	23.70	-	-
Bonus Shares	-	-	-	-	-	-	-
Movement during the year	-	-	-	-	-	-	-
Balance as at March 31, 2019	-	288.74	-	201.91	25.16	-	489.13
(Amount in Rupees)							
Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve/P&L Reserve	Retained Earning	Debt Instruments through other comprehensive income	
Balance as at March 31, 2017	-	74.58	-	39.13	-	-	113.71
Change in accounting policy/ prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	74.58	-	39.13	-	-	113.71
Profit (loss) for the year	-	-	-	56.44	-	-	56.44
Other comprehensive income for the year	-	56.42	-	-	-	-	56.42
Total comprehensive income for the year	-	56.42	-	56.44	-	-	112.86
Transactions with owners in capacity as owners							
Dividends	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	(1.46)	1.46	-	-
Bonus Shares	-	-	-	-	-	-	-
Movement during the year	-	-	-	-	-	-	-
Balance as at March 31, 2018	-	131.00	-	94.11	1.46	-	226.57



13	LONG TERM BORROWINGS		
	Unsecured		
	Loans from Financial Institutions	51.42	33.07
	Loans from Banks	42.19	50.00
	Total	93.61	83.07
14	OTHER CURRENT LIABILITIES		
	Duties and Taxes	28.83	22.36
	Audit Fees Payable	0.68	0.63
	Income Tax Deducted as Source Payable	1.92	4.18
	Expenses Payable	25.24	11.98
	Cheques issued but not presented for payment	-	41.24
	Total	56.67	80.39
15	PROVISIONS		
	Provision for taxation	44.73	19.58
	Total	44.73	19.58
16	Revenue from Operations		
	Interest Income	82.87	53.05
	Dividend	9.00	-
	Commission and Fees Based Income	578.49	384.31
	TOTAL	670.36	437.36
17	OTHER INCOME		
	Other Operating Income	1.57	0.75
	Interest on Income Tax Refund	-	0.14
	S-balances w/off	-	0.24
	TOTAL	1.57	1.13
18	EMPLOYEE BENEFITS EXPENSE		
	Salary	54.60	61.07
	TOTAL	54.60	61.07
19	FINANCE COSTS		
	Interest on Loan	16.21	4.23
	TOTAL	16.21	4.23
20	DEPRECIATION AND AMORTIZATION EXPENSE		
	Depreciation on Tangible Assets	2.60	1.88
	TOTAL	2.60	1.88
21	OTHER EXPENSES		
	Administrative Overheads		
	Advertisement & Promotion	3.28	1.22
	Annual Listing Fee	2.50	2.50
	Audit fee	0.68	0.63
	Other Allied Fees	0.25	0.20
	Bad debts written off	-	-
Balance written off	0.32	-	



Commission Paid	379.19	245.60
Corporate Social Responsibility	2.10	2.29
Donation	0.43	-
Electricity & Water expenses	2.02	2.47
Gensent Rent	0.72	0.66
Internet Marketing Expenses	4.89	5.41
Income tax Adjustment	0.32	0.08
Misc Exp W/off	0.94	0.96
Office Expenses	4.24	3.44
Postage & Telegraph	1.33	1.15
Printing & Stationery	2.89	1.62
Processing Fee	0.53	1.24
Professional/Legal Fees	9.02	9.65
Rates Fees & Taxes	9.94	6.86
Rent	1.20	1.20
Repair & Maintenance	2.19	2.13
Telephone Expenses	1.24	0.92
Travelling Expenses	4.68	2.86
Website Charges	-	1.89
Financial Overheads	0.76	0.27
GRAND TOTAL	435.66	295.25

22	DEFERRED TAX		
	Deferred Tax	(0.35)	0.03
	TOTAL	(0.35)	0.03

23	OTHER COMPREHENSIVE INCOME		
	Remeasurements (Actuarial gain/loss)	0.00	0.00
	TOTAL	0.00	0.00

24	Contingent Liabilities not provided for Particulars	Current Year	Previous Year
a)	Bills Discounted with bank since not realized	Nil	Nil
b)	Bank Guarantees/Counter Guarantee issued	Nil	Nil
c)	Estimated amount of contract remaining to be executed	Nil	Nil
d)	Letter of Credit un-expired	Nil	Nil

25	Related Party Disclosures																		
	As per INDAS 24, the disclosure of transactions with the related parties are given below.																		
(i)	List of related parties with whom transactions have taken place.																		
	<table border="1"> <thead> <tr> <th>S.No.</th> <th>Name of the Related Party</th> <th>Relationship</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Eclat Net Advisors Private Limited</td> <td>Subsidiary</td> </tr> <tr> <td>2</td> <td>Mr. Sanjay Aggarwal</td> <td>Key Managerial Personnel</td> </tr> <tr> <td>3</td> <td>Mrs. Anubha aggarwal</td> <td>Key Managerial Personnel</td> </tr> <tr> <td>4</td> <td>Ms. Anju Sharma</td> <td>Key Managerial Personnel</td> </tr> <tr> <td>5</td> <td>Ms. Sheetal Kapoor</td> <td>Key Managerial Personnel</td> </tr> </tbody> </table>	S.No.	Name of the Related Party	Relationship	1	Eclat Net Advisors Private Limited	Subsidiary	2	Mr. Sanjay Aggarwal	Key Managerial Personnel	3	Mrs. Anubha aggarwal	Key Managerial Personnel	4	Ms. Anju Sharma	Key Managerial Personnel	5	Ms. Sheetal Kapoor	Key Managerial Personnel
S.No.	Name of the Related Party	Relationship																	
1	Eclat Net Advisors Private Limited	Subsidiary																	
2	Mr. Sanjay Aggarwal	Key Managerial Personnel																	
3	Mrs. Anubha aggarwal	Key Managerial Personnel																	
4	Ms. Anju Sharma	Key Managerial Personnel																	
5	Ms. Sheetal Kapoor	Key Managerial Personnel																	
II)	Disclosure in Respect of Material Related Party Transactions during the year:																		
1	Investment made in Equity of Subsidiary company of INR 89,99,900 (899990 equity shares @INR 10 each) total holding of 81.26% shares																		
2	Rent paid to Managing Director Mr. Sanjay Aggarwal during the year - INR 1,20,000 for the premises of registered cum corporate office taken on rent.																		
3	Investment received by way of Equity :																		



- | | | | |
|----|-----------------|---|--|
| a. | R.S. Aggarwal | : | Rs. 17300000 (1730000 Equity shares of Rs. 10/- each) |
| b. | Anu Aggarwal | : | Rs. 4455000 (4455000 Equity shares of Rs. 10/- each) |
| c. | Sanjay Aggarwal | : | Rs. 19285000 (1928500 Equity Shares of Rs. 10/- each) |
| d. | Anubha Aggarwal | : | Rs. 19024520 (1902452 Equity Shares of Rs. 10/- each) |

4 Company has granted a Short term loan to Eclat Net Advisors Private Limited, which is a Subsidiary of the company. Outstanding amount of which as on 31-03-2019 is INR 107.90 Lakhs

26 Disclosure as required under INDAS 108 -Operating Segments

The company has only one reportable primary segment i.e. NBFC Activity and hence no separate segment disclosures made.

Particulars	Total	
	Current Period	Previous Period
Revenue		
External Sales	670.36	437.36
Inter-segment sales	-	-
Total Revenue	670.36	437.36
Result		
Segment result	(509.07)	(362.43)
Operating Profit	161.29	74.93
Interest expenses	-	-
Interest income	-	-
Other income	1.57	1.13
Foreign exchange gain/(loss)	-	-
Income tax (Current + Deferred)	(44.38)	(19.61)
Net Profit (inclusive other comprehensive income)	118.48	56.45
Other Information	As on 31.03.2019	As on 31.03.2018
Segment assets	1,609.27	731.88
Unallocated corporate assets	-	-
Total assets	1,609.27	731.88
Segment liabilities	195.01	183.07
Unallocated corporate liabilities	-	-
Total liabilities	195.01	183.07
Capital Expenditure	-	-
Depreciation	2.60	1.88

27 Financial Instruments-Accounting classifications and fair value measurements

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in current transaction between willing parties, other than in force or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.
2. Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.
The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on



observable market data					
27.1	Particulars	Carrying amount As at 31- March- 2018	Fair Value		
			Level 1	Level 2	Level 3
	Financial Assets at fair value through profit or loss				
	Investments in debt instruments	-	-	-	-
	Total	-	-	-	-
	Financial assets at fair value through other comprehensive income				
	Investments in debt instruments	-	-	-	-
	Investments in equity instruments	-	-	-	-
	Total	-	-	-	-
	Financial assets at amortised cost				
	Investments in debt instruments	-	-	-	-
	Investments in subsidiaries and joint venture	-	-	-	-
	Bank deposits	-	-	-	-
	Trade receivables	124.20	-	-	-
	Cash and Bank balances	176.87	-	-	-
	Total	301.07	-	-	-
	Financial liabilities at amortised cost				
	Term loans	-	-	-	-
	Finance lease obligations	-	-	-	-
	Short term borrowings	-	-	-	-
	Trade Payables	-	-	-	-
	Other financial liabilities (non-current)	83.07	-	-	-
	Other financial liabilities (current)	80.39	-	-	-
	Total	163.46	-	-	-
27.2	Particulars	Carrying amount As at 31- March - 2019	Fair Value		
			Level 1	Level 2	Level 3
	Financial Assets at fair value through profit or loss				
	Investments in debt instruments	-	-	-	-
	Total	-	-	-	-
	Financial assets at fair value through other comprehensive income				
	Investments in debt instruments	-	-	-	-
	Investments in equity instruments	-	-	-	-
	Total	-	-	-	-
	Financial assets at amortised cost				
	Investments in debt instruments	-	-	-	-
	Investments in subsidiaries and joint venture	-	-	-	-
	Bank deposits	-	-	-	-
	Trade receivables	125.24	-	-	-
	Cash and Bank balances	430.99	-	-	-
	Total	556.23	-	-	-
	Financial liabilities at amortised cost				
	Term loans	-	-	-	-
	Finance lease obligations	-	-	-	-
	Short term borrowings	-	-	-	-
	Trade Payables	-	-	-	-



	Other financial liabilities (non-current)	93.61	-	-	-
	Other financial liabilities (current)	56.67	-	-	-
	Total	150.28	-	-	-
28	Financial Risk Management Objectives and Policies				
	The Company's financial risk management is an integral part of how to plan and execute its business strategies.				
	Market risk				
	Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings. The Board provides oversight and reviews the Risk management policy on a quarterly basis.				
	Interest rate risk				
	The company is not exposed to significant interest rate risk as at the respective reporting dates.				
	Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly.				
	The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The company considers reasonable and supportive forward-looking information.				
	Financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the company. The company provides for overdue outstanding for more than 90 days other than institutional customers which are evaluated on a case to case basis.				
	Liquidity Risk				
	Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior management. Management monitors the Company's net liquidity position on the basis of expected cash flows vis a vis debt service fulfillment obligation.				
	Maturity profile of financial liabilities				
	The table below provides details regarding the maturities of financial liabilities at the reporting date based on contractual undiscounted payments.				
	As at March 31, 2019	Less than 1 year/ On Demand	1 to 5 years	More than 5 years	
	Finance lease obligations	-	-	-	
	Deposits payable	-	-	-	
	Long term borrowings	-	93.61	-	
	Short term borrowings	-	-	-	
	Trade payables	-	-	-	
	Other financial liabilities	-	-	-	
	As at March 31, 2018	Less than 1 year/ On Demand	1 to 5 years	More than 5 years	
	Finance lease obligations	-	-	-	
	Deposits payable	-	-	-	
	Long term borrowings	-	83.07	-	
	Short term borrowings	-	-	-	
	Trade payables	-	-	-	
	Other financial liabilities	-	-	-	
	Particulars	Foreign	Local Currency		



		Currency		
29	Exposure in Foreign Currency			
(A)	Outstanding overseas exposure not being hedged against adverse currency fluctuation			
	i) Export Receivable	CY	USD	-
30	Disclosure as required by INDAS 33- Earning Per Share. Particulars			
		Year ended 31st March.2019		Year ended 31st March.2018
	Net Profit After tax	118.48		56.44
	Weighted Average number of equity shares for Basic EPS(Nos.)	9,043,650		3,045,000
	Face Value Per share	` 10/-		` 10/-
	Basic EPS (₹)	1.31		1.85
	Diluted EPS (₹)	3.12		1.85
31	As per INDAS 36 impairment of Assets, the company has assessed the conditions of all assets used in its operation and is of the opinion that there is no impairment of assets, hence no provision was made.			
32	In the opinion of the management current assets, loan and advances are of the value stated, if realized in the ordinary course of business.			
33	Assets Taken on Operating Lease The office premises has been taken on operating lease on annual basis and is annually renewable. The lease Agreements does not have any escalation clause for renewal of lease. There are no Sub-Leases and leases are generally cancellable in nature.			
34	The Balances of debtors and creditors, loan and advances are subject to confirmation and their pending reconciliation. Such balances are reflected in the balance sheet as appearing in the books of accounts.			
35	Disclosure As per Clause 32 of Listing agreement with the stock exchanges			
	a) Loan and advances to subsidiary.			` In Lacs
	Name of Company	Relationship	31-Mar-2019	Maximum balance outstanding during the year ended 31st March 2019
	Eclat Net Advisors Private Limited	Subsidiary	107.90	176.30
As per our report of even date attached.				
For K. SINGH & ASSOCIATES Chartered Accountants Firm No 012458N		For and on behalf of the Board		
		Sanjay Aggarwal Managing Director DIN No: 02580828	Anubha Aggarwal Director DIN No. 02557154	
	Kultar Singh Partner Membership No. - 091673	Sheetal Kapoor CFO	Anju Sharma Company Secretary	
	Place : Chandigarh Dated : 29.05.2019			



EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED		
CONSOLIDATED STATEMENT OF CASH FLOW (Pursuant to INDAS-7) Indirect Method		
FOR THE YEAR ENDED MARCH 31, 2019		
PARTICULARS	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	`('000)	`('000)
1. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	162.86	76.06
Add:		
Depreciation	2.60	1.88
Miscellaneous Expenses Written Off	0.94	0.96
Financial Expenses	16.21	4.23
	19.75	7.07
Less:		
Deferred Tax Liability	(0.35)	0.03
Provision for Tax	44.73	19.58
Interest Received	-	0.14
Provision for Dividend	11.07	
Tax On Dividend	2.27	-
	57.72	19.75
Operating profit for working capital changes	124.89	63.38
(Increase) / Decrease in trade receivable	(1.04)	(87.53)
(Increase) / Decrease in Loans & Advances	(619.39)	(32.03)
Increase / (Decrease) in Trade Payables & Others	1.40	63.69
Cash Generated from / (used in) operating activities	(494.14)	7.51
Direct Taxes paid / deducted at source	-	-
Net cash generated from / (used in) operating activities	(A) (494.14)	7.51
2. CASH FLOW FROM INVESTING ACTIVITIES		
Misc Expenditure	-	(6.75)
Purchase of Fixed Assets	(6.69)	(2.64)
Purchase of Investment in subsidiary	-	-
Interest Received	-	0.14
Net Cash from / (used in) Investing Activities	(B) (6.69)	(9.25)
3. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share capital	760.62	57.50
Proceeds from Unsecured Loans	10.54	83.07
Interest Paid	(16.21)	(4.23)
Net Cash from / (used in) Financing Activities	(C) 754.95	136.34
4. NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	(A)+(B)+(C) 254.12	134.60
5. CASH & CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR	176.87	42.27
6. CASH & CASH EQUIVALENTS AS AT THE END OF THE YEAR	430.99	176.87
Cash and Cash equivalents (Year end)	430.99	176.87
Balances with banks with restatement (including cc & od balances)	242.70	58.15
Cheques/Drafts in hand	172.35	-



Cash in Hand		15.94	3.73
Reconciliation of Cash and Cash equivalents			
Cash and Cash equivalents as per Balance Sheet		430.99	176.87
Balances with banks in CC Accounts		-	-
Balances with banks in OD Accounts		-	-
		430.99	176.87
For and on behalf of the Board			
		Sanjay Aggarwal Managing Director DIN No: 02580828	Anubha Aggarwal Director DIN No. 02557154
Place : Chandigarh Dated : 29.05.2019		Sheetal Kapoor CFO	Anju Sharma Company Secretary
Auditor's Certificate			
We have examined the attached cash flow statement of Emerald Leasing Finance & Investment Company Limited for the year ended 31st March, 2019. The Statement has been prepared by the company in accordance with the requirement of the listing agreement Clause 32 with Stock Exchange and is based on and derived from the audited accounts of the Company for the year ended 31st March, 2019.			
		For K. SINGH & ASSOCIATES Chartered Accountants Firm No 012458N	
Place : Chandigarh Dated : 29.05.2019		Kultar Singh Partner Membership No. - 091673	



CONSOLIDATED AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2019 & YEAR ENDED MARCH 31, 2019



K. SINGH & ASSOCIATES

AUDITOR'S REPORT

Chartered Accountants

To

The Board of Directors
Emerald Leasing Finance & Investment Company Limited
SCO 7 Industrial Area Phase 2
Chandigarh 160002.

1. We have examined the attached financial information ("Financial Information") of Emerald Leasing Finance & Investment Company Limited ("Emerald " or the "Parent Company" or the "Company"), its subsidiary Eclat Net Advisors Pvt. Ltd. (collectively referred to as "Group") as approved by the Board of Directors of the Company, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956("the Act") (which continue to be applicable in respect of section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2019, as amended to date("SEBI Regulations"), the Guidance note on "Reports in Company's Prospectus" (Revised) issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable ('Guidance note') in connection with the proposed rights issue of equity shares of the Company.
2. This consolidated Financial Information has been extracted by the Management from the Audited consolidated financial statements of the Company for the period ending September 30, 2019 and for the year ended March 31, 2019.
3. In accordance with the Accounting Standards notified under the Act, (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) the SEBI regulations, Guidance Note and terms of our engagement agreed with you, we further report that:

The Summary of Statement of assets and liabilities, as for the period ending September 30, 2019 and for the year ended March 31, 2019 examined by us, as set out in Annexure I to this report, and the Summary of Statement of profit and loss, and the Summary of cash flows, as at September 30, 2019 and for the year ended March 31, 2019 examined by us, as set out in Annexure II and III respectively to this report, read with the Notes to financial statement and Statement of significant accounting policies and notes forming part of accounts in Annexure IV (a) and Annexure IV(b) respectively has been prepared in accordance with the requirements of clause 1(b) of Section 26 of the Companies Act and the Regulations.

4. The Company has not declared any dividend during the financial year ended March 31, 2019.
5. We have also examined the following other financial information set out in the Annexures prepared by the Management and approved by the Board of Directors relating to the company :
 - i. Statement of Accounting Ratios, enclosed as Annexure V for the years ended March 31, 2019, March 31, 2018, and March 31, 2017.
 - ii. Statement of Capitalisation, as appearing in Annexure VI for the period ended September 30, 2019.
 - iii. Statement of Tax Shelter, enclosed as Annexure VII for the year ended March 31, 2019.
6. The accounts as given in the enclosed consolidated statements for the Period ending September 30, 2019 and financial year ended March 31, 2019 have been given as per the audited statement of accounts for those years and there has been no restatement in the accounts since:
 - a) There have been no incorrect accounting policies followed by the company.
 - b) There are no audit qualifications.
 - c) There are no adjustments relating to previous years
 - d) There are no extra ordinary items which are needed to be disclosed separately
 - e) There has been no change in the accounting policies followed by the company



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7. In our opinion the consolidated financial information contained in this report read along with the significant accounting policies and notes on accounts (refer Annexure IV(b)) has been prepared after regrouping as considered appropriate and have been prepared in accordance with ("The Act") and SEBI Regulations.
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 us.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. Our report is intended solely for use of the management and for inclusion in the offer document in connection with the proposed rights issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For K. Singh & Associates
Chartered Accountants

Partner
Membership No.: 091673
Firm Registration No. : 012458N
Peer Review Certificate No : 009586

Place: Mohali
Date: 21/12/2019



ANNEXURE I

CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lacs)

	PARTICULARS	As at 30 th September 2019	As at 31 st March 2019
I	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	(a) Share capital	904.37	904.37
	(b) Reserves and Surplus	564.35	489.13
	Minority interest	20.76	20.76
	Sub Total 1	1489.48	1414.26
2	Non - Current Liabilities		
	(a) Long - term borrowings	260.96	93.61
	Sub Total 2	260.96	93.61
3	Current liabilities		
	(a) Trade payables		
	(b) Other current liabilities	101.91	56.67
	(c) Short - term provisions	24.37	44.73
	Sub Total 3	126.28	101.40
	TOTAL	1876.72	1609.27
II	ASSETS		
1	Non - current assets:		
	(a) Fixed Assets		
	(i) Tangible Assets	8.18	7.84
	Sub Total 1	8.18	7.84
2	Current assets		
	(a) Trade Receivables	108.94	125.24
	(b) Cash and Bank balances	223.71	430.99
	(c) Short-term loans and advances	1493.67	999.64
	(d) Others (to be specified)	10.85	32.53
	(e) Security Deposit	6.00	6.00
	(f) Deferred Tax Assets	0.31	0.31
	Sub Total 2	1843.48	1594.71
3	Miscellaneous Expenses	25.06	6.72
	TOTAL	1876.72	1609.27





ANNEXURE II

CONSOLIDATED PROFIT AND LOSS ACCOUNT STATEMENT

(₹ in Lacs)

	PARTICULARS	As at 31st September 2019	Year Ended 31st March 2019
I	Revenue from operations (Gross)	350.17	670.36
	Other Income	2.90	1.57
	Total revenue (I)	353.07	671.93
II	Expenses		
	Employee benefits expense	51.59	54.60
	Finance Cost	17.25	16.21
	Depreciation and amortization expense	-	2.60
	Other expenses	187.43	435.66
	Total Expenses (II)	256.27	509.07
III	Profit/(Loss) before exceptional and extraordinary items and tax (I-II)	96.80	162.86
IV	Exceptional items	-	-
V	Profit/(Loss) before extraordinary items and tax (III-IV)	96.80	162.86
VI	Extraordinary Items	-	-
VII	Profit/(Loss) before tax (V-VI)	96.80	162.86
VIII	Tax expenses		
	1.Current tax	24.37	44.73
	2.Income tax		
	3. Deferred Tax		(0.35)
	Total	24.37	44.38
IX	Profit for the year (VII-VIII)	72.43	118.48





ANNEXURE III

CONSOLIDATED STATEMENT OF CASH FLOW

(₹ in Lacs)

PARTICULARS	As at 30 th September 2019	Year Ended 31st March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax and Extraordinary Items	96.80	162.86
Adjustment for: Add :		
Depreciation and amortization expense	-	2.60
Misc Expenses Written Off	-	0.94
Previous Year Taxes	2.79	-
Financial Expenses	17.25	16.21
	20.04	19.75
Less :		
Deferred Tax Liabilities	-	(0.35)
Provision for Tax	24.37	44.73
Provision for Dividend		11.07
Interest Received		
Tax on Dividend		2.27
	24.37	57.72
Operating Profit before Working Capital Changes	92.47	124.89
Adjustment for:		
Increase/Decrease in trade & other receivable	16.30	(1.04)
Changes in Loans & Advances	(472.35)	(619.39)
Short Term Borrowings & Provisions	-	-
Trade Payable	24.88	1.40
CASH GENERATED FROM OPERATING ACTIVITIES	(338.70)	(494.14)
Direct Taxes Paid/ Deducted at source	-	-
NET CASH FROM OPERATING ACTIVITIES (A)	(338.70)	(494.14)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (Net of Sales)	(0.34)	(6.69)
Misc Expenditure	(18.34)	-
Purchase of investments in Subsidiaries	-	-
Interest Received	-	-
NET CASH FROM INVESTING ACTIVITIES (B)	(18.68)	(6.69)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of Share Capital	-	760.62
Proceeds from Unsecured Loans	167.35	10.54
Interest Paid	(17.25)	(16.21)
NET CASH FROM FINANCING ACTIVITIES 'C'	150.10	754.95
Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(207.28)	254.12
CASH AND CASH EQUIVALENTS:		
Opening Balance in the beginning of the year	430.99	176.87
Closing Balance at the end of the year	223.71	430.99





ANNEXURE IV (a)

NOTES FORMING PART OF FINANCIAL STATEMENTS

I. Statement of significant accounting policies

a) Principles of Consolidation

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) 110, "Consolidated Financial Statements", issued by The Institute of Chartered Accountants of India. The financial statement of Emerald Leasing Finance & Investment Company Limited the parent company of Eclat Net Advisors Private Limited has been combined on 31st March, 2019. The Consolidated Financial Statements are prepared by applying on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating inter-group balances and inter-group transactions resulting in unrealized profit or losses.

Note No. 2

b) Basis of Presentation

1. The consolidated financial statements relate to Emerald Leasing Finance & Investment Company Limited ("the Company") and its subsidiaries.
2. Notes to these consolidated financial statements are intended to serve as a means of information disclosure and guide to better understanding of the consolidated position of the companies. Recognizing, this purpose, the company has disclosed only such notes from the individual financial statement, which fairly present the needed disclosures.

c) Other Significant Accounting Policies

These are set out under "Significant Accounting Policies" as given in the standalone financial statements of Emerald Leasing Finance & Investment Company Limited and its subsidiaries.





IV(b) NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Share capital

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Authorised Capital (INR 35,00,00,000 - 3,50,00,000 @ INR 10 each)		
(Previous Year 110,00,000 equity share of ` 10/- Each)	3,500.00	1,100.00
	3,500.00	1,100.00
Issued, subscribed and paid up (INR 9,04,36,500 - 9,04,36,50@ INR 10 each)	904.37	904.37
Total	904.37	904.37

NOTE 2 - Reserve & Surplus

PARTICULARS	As at 30th September 2019	As at 31st March 2019
As per last Balance Sheet	489.13	226.57
Add: Transferred during the year	72.43	118.48
Add: Adjustment for the Year	2.79	157.42
Dividend		13.34
Total	564.35	489.13

NOTE 3 - Long Term Borrowings

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Loans from Financial Institutions	197.54	51.42
Loans from Banks	37.95	42.19
Loans from Directors	25.47	
Total	260.96	93.61

NOTE 4 - Other Current Liabilities

PARTICULARS	As at 30th September 2019	As at 31st March 2019
(a) Audit fees Payable	0.15	0.68
(b) Income Tax Deducted as Source Payable	3.23	1.92
(c) Expenses Payable	14.42	25.24
(d) Cheques Issued But Not Presented For Payment	0.04	
(e) Commission Payble	59.04	
(f) Income Tax Payble	2.30	
(g) Sundry Creditors	9.37	
(h) GST and other taxes Payable	10.92	28.83
(i) Salaries Payble	2.44	
TOTAL	101.91	56.67

NOTE 5 - Short Term Provisions

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Income Tax Provision	24.37	44.73
TOTAL	24.37	44.73





NOTE 6- Fixed Asset

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Computer	3.84	3.83
Air Conditioner	1.14	0.83
Printer	1.88	1.89
UPS	0.30	0.31
Mobile	0.85	0.85
Software	0.17	0.13
TOTAL	8.18	7.84

NOTE 7 - Trade Receivables

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Accrued Interest on Unsecured loans	74.28	14.23
Commission Receivable	34.56	111.01
Others	0.10	-
TOTAL	108.94	125.24

NOTE 8- Cash and Bank Balances

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Balance with banks	207.01	242.70
Cheque Issued but not Presented for Payment	-	172.35
Fidg with Agile	7.50	-
Cash on hand	9.20	15.94
TOTAL	223.71	430.99

Note 9 - Loans and Advances

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Sundry Advances	1,493.67	999.64
TOTAL	1,493.67	999.64

Note 10- Others (to be specified)

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Tds Receivable	10.85	30.65
Income Tax Refund	-	1.88
TOTAL	10.85	32.53

Note 11- Security Deposit

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Sundry Advances	6.00	6.00
TOTAL	6.00	6.00





Note 12- Deferred Tax Asset

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Deferred Tax Asset	0.31	0.31
TOTAL	0.31	0.31

Note 13- Miscellaneous Expenses

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Miscellaneous Expenses	25.06	6.72
TOTAL	25.06	6.72

Note 14- Revenue from Operations

PARTICULARS	As at 30th September 2019	As at 31st March 2019
(a) Commission Received	263.76	578.49
(b) Interest on Unsecured Loan	86.41	82.87
(c) Dividend		9.00
TOTAL	350.17	670.36

Note 15- Other Income

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Other Operating Income	2.90	1.57
TOTAL	2.90	1.57

Note 16- Employee Benefit Expenses

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Salaries to Staff	49.59	54.60
Salaries to Director	2.00	-
TOTAL	51.59	54.60

Note 17- Finance Cost

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Finance Cost	17.25	16.21
TOTAL	17.25	16.21

Note 18- Depreciation and Amortization Expenses

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Depreciation and Amortization Expenses	-	2.60
TOTAL	-	2.60





NOTE 19- Other Expenses

PARTICULARS	As at 30th September 2019	As at 31st March 2019
Advertisement	0.39	3.28
Audit Fees & Allied Fees	0.25	0.93
Balance Written Off	0.01	0.32
Commission Paid	159.45	379.19
Corporate Social Responsibility	1.05	2.10
Donation	0.11	0.43
Electricity & Water Expenses	1.11	2.02
Genset Rent	0.36	0.72
Income Tax Adjustment	0.39	0.32
Internet Marketing Charges	3.05	4.89
Listing Fees	3.00	2.50
Misc. Exp. Written off	-	0.94
Office Expenses	3.09	4.24
Postage	0.86	1.33
Printing & Stationery	0.76	2.89
Professional /Legal Fees	0.40	9.02
Processing Fees	2.10	0.53
Rate, Fee & Taxes	6.59	9.94
Rent	0.60	1.20
Repairs & Maintenance	0.75	2.19
Telephone Expenses	0.39	1.24
Travelling Expenses	2.56	4.68
Finance Overhead	0.16	0.76
TOTAL	187.43	435.66

13. Related Parties Disclosures :

(i) Related parties : Names and Descriptions

	PARTICULARS	As at 30th September 2019	As at 31st March 2019
a)	Key Management Personnel	Mr. Sanjay Aggarwal Mrs. Anubha Aggarwal Mrs. Amarjeet Kaur Ms. Sheetal Kapoor	Mr. Sanjay Aggarwal Mrs. Anubha Aggarwal Mrs. Amarjeet Kaur Ms. Sheetal Kapoor
b)	Subsidiary Company *	M/s Eclat Net Advisors Private Limited	M/s Eclat Net Advisors Private Limited

(ii) Related Party Transactions:

S.No.	Nature of Transaction		As at 30th September 2019	Year Ended 31st March 2019
1	Interest	Key Management Personnel	-	-
		Subsidiary Company	81.26	0.81
		Associates	-	-
		Others	-	-
2	Managerial Remuneration (INR in Lakhs)	Key Management Personnel	4.08	4.90
		Holding Company	-	-
		Associates	-	-
		Others	-	-





Annexure V - Summary of Accounting Ratios

Particulars	As at 30th September 2019	As at 31st March 2019	As at 31st March 2018	As at 31st March 2017
1. Net Profit Attributable to Equity Shareholders	72.43	118.48	56.45	19.20
Earnings Per Share (EPS) (Rs.) a/b	0.80	1.31	1.85	0.63
Return on Investment (%) (a/c)	4.93%	8.50%	10.63%	4.59%
Return on Net Worth (%) (a/g %)	5.02%	8.54%	10.78%	4.61%
Net Profit Ratio (%) (a/g)	20.51%	17.63%	12.87%	11.10%
Net Asset Value per Share (f/b)	15.96	23.12	17.19	13.67
Note:				
Net Profit after tax adjustments (a)	72.43	118.48	56.45	19.20
Weighted Average No. of Equity Shares (b)	9,043,650.00	9,043,650.00	3,045,000.00	3,045,000.00
Shareholder's Fund (c)	1,468.72	1,393.50	531.07	418.21
Total No. of Equity Shares for calculating Diluted EPS(d)	9,043,650.00	5,998,650.00	3,045,000.00	3045000
No. of Equity Shares at the end of the year/period e	9,043,650.00	9,043,650.00	3,045,000.00	3045000
Net Worth (f)	1,443.66	1,386.78	523.42	416.34
Net Income (g) ()	353.07	671.93	438.49	172.99
Net Asset Value per Share (g/b)	10.00	10.00	10.00	10.00

2. Formula:

Earnings per Share (Rs.)	$\frac{\text{Net profit attributable to equity}}{\text{Weighted Average number of equity}}$
Net Asset Value Per Share (Rs.)	$\frac{\text{Net Worth excluding revaluation reserve}}{\text{Total Number of equity shares}}$
Return on Net Worth (%)	$\frac{\text{Net profit after tax adjustments}}{\text{Net worth at the end of the year/ period}}$
Net Asset Value	$\frac{\text{Equity Share Capital plus Reserves \& Expenditure to the extent not written off/ outstanding at end of each year/ period}}{\text{Total Number of equity shares}}$

1. Earnings per share (EPS) calculation is in accordance with the notified Accounting Standard 20 'Earnings per Share' prescribed by the Companies (Accounting Standards) Rules, 2006

Annexure VI - Statement of Capitalisation

Particulars	(Rs. in lacs)	
	Pre-issue as at 30-09-2019	As adjusted for Issue*
Debts		
Long Term Debt	169.52	
Short Term Debt		
Total Debt	169.52	
Equity (shareholder's funds)		
Equity Share Capital	904.37	
Reserves	95.28	
Total Equity	999.65	
Total Capitalization		
Long Term Debts/ Equity Ratio (x)	0.17:1	
Total Debt/ Equity Ratio (x)	0.17:1	





Annexure VII - Statement of Tax Shelter

Particulars	Year Ended 31st March 2019
A. Computation of Total Income under Regular provisions of the Act	
1. Business income	
Net profit as per profit and loss account	47.26
Add : Depreciation as per books	0.23
Add: Inadmissibles / Disallowances	-
Add : Income Tax	-
Less : Depreciation as per Income Tax	0.58
Dividend	9.00
(Loss)/Income from Business as per IT Act	37.91
B. Computation of Book Profits u/s 115 JB of IT Act	
Net profit as per profit and loss account	47.26
Net Income After Adjustment (For Mat Working)	47.26
MAT Rate	18.50%
Tax due u/s 115JB	8.74
Add surcharges	-
Total Tax and surcharge	8.74
Add Education Cess	0.35
Tax Payable	9.86
Provision for Current Taxes	2.30





STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS
PERIOD ENDED DECEMBER 31, 2019



K. SINGH & ASSOCIATES

Chartered Accountants

Independent Auditor's Review Report On consolidated unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE BOARD OF DIRECTORS OF
Emerald Leasing Finance and Investment Co. Ltd
Chandigarh

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Emerald Leasing Finance and Investment Co. Ltd ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended Dec 2019 and for the period from 1st April 2019 to 31st Dec 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended Dec 2018 and the corresponding period from 01st April 2018 to 31st Dec 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

8. Based on our review conducted and procedures performed nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

9. We did not review the interim financial statements / financial information / financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial statements / financial information / financial results reflect total Fixed assets of Rs.4,85,149/- as at December 2019 and total revenues of Rs. 4,24,82,588/-, total net profit after tax of Rs

Office: 27/06/B, MIG Super, Sector 70, Mohali 160 070. Ph.: 5071389, 5075399, 4646068
Regd. Office: H.No. 6, Sector 19-A, Chandigarh - 160 019
Website: www.caks.in, e-mail : kultarsingh@caks.in, ksinghassociates@rediffmail.com





13,88,977/- for the quarter ended 31st December 2019 and total comprehensive income / loss of Rs. 59,91,855/- and for the period from 01.04.2019 to 31.12.2019, respectively, as considered in the consolidated unaudited financial results. These interim financial statements / financial information / financial results have not been reviewed by other auditors whose reports are furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries.

10. The consolidated unaudited financial results includes the interim financial statements/ financial information/ financial results of 1 subsidiaries which have not been reviewed/audited by their auditors, interim consolidated financial statements/ financial information/ financial results reflect total Fixed assets of Rs. 8,18,672/- as at 31.12.2019 and total revenue of Rs. 2,01,91,347/-, total net profit after tax of Rs.4259681/- for the quarter ended 31.12.2019 and total consolidated comprehensive income of Rs. 1,15,03,348/- and for the period from 01.04.2019 to 31.12.2019, respectively as considered in the consolidated unaudited financial results

Our conclusion on the Statement is not modified in respect of the above matter.

Place: Chandigarh
Date: 14/02/2020

K Singh & Associates
Chartered Accountants




KULTAR SINGH
PROP
(M. No./091673)



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EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED
 Regd. Office: SCO 7 Industrial Area Phase 2 Chandigarh 160002
 CIN : L65993CH1983PLC041774
CONSOLIDATED STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31.12.2019
 (INR in lakhs except eps data)

S.No.		Quarter Ended			Period Ended		Year Ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1	Income from Operations	-	-	-	-	-	-
	a) Fees Based Income	139.88	125.31	179.32	403.64	351.83	578.49
	b) Interest Income	50.61	47.07	17.92	137.01	48.59	82.87
2	Dividend	11.25	-	9.00	11.25	9.00	9.00
3	Other Income	0.17	2.35	0.53	3.06	1.98	1.57
4	Total Revenue (1+2)	201.91	174.73	206.77	554.96	411.40	671.93
5	Expenditure						
	a) Employees Cost	28.51	28.19	16.48	80.09	45.61	54.60
	b) Finance charges	8.83	13.33	1.00	26.09	6.31	16.21
	c) Depreciation	-	-	-	-	-	2.60
	d) Other Expenditure	110.80	99.07	130.29	298.22	283.62	435.66
	Total Expenses	148.14	140.59	147.77	404.40	335.54	509.07
6	Profit before Exceptional & extraordinary items (3-4)	53.77	34.14	59.00	150.56	75.86	162.86
7	Exceptional Items	-	-	-	-	-	-
8	Profit before extraordinary items & tax (5-6)	53.77	34.14	59.00	150.56	75.86	162.86
9	Extraordinary Items	-	-	-	-	-	-
10	Profit Before Tax (7-8)	53.77	34.14	59.00	150.56	75.86	162.86
11	Tax Expenses:						
	a) Current Tax	11.17	7.60	0.32	35.53	0.92	44.73
	b) Deferred tax	-	-	-	-	-	(0.35)
12	Profit(+)/Loss (-) for the period from continuing operations (9-10)	42.60	26.54	58.68	115.03	74.94	118.48
13	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Remeasurement of the net defined benefit liability/asset	-	-	-	-	-	-
	Tax on above	-	-	-	-	-	-
	Total Other comprehensive income, net of tax	-	-	-	-	-	-
14	Total comprehensive income, for the period	42.60	26.54	58.68	115.03	74.94	118.48
15	Paid up equity share capital (Face value of `10/- each per share)	90.44	90.44	90.44	90.44	90.44	90.44
16	Basic and diluted Earning Per Share (EPS) before Extra Ordinary Items						
	-Basic	0.47	0.29	1.93	1.27	2.46	1.31
	-Diluted	0.47	0.29	1.93	1.27	2.46	3.12

Notes:

- The above Financial Results have been reviewed and recommended by the Audit Committee and thereafter approved and taken on record by the Board of Directors at the meeting held on 14th February 2020.
- The figures of the previous quarter/year have been regrouped or reclassified wherever necessary to make them comparable with current year figures.
The company adopted Indian Accounting Standard ("IND AS") from April 1, 2017 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the IND AS 34 interim Financial Reporting prescribed under Section 133 of the Companies Act 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The figures of the previous period have been restated, regrouped and reclassified wherever required to comply with the INDAS.
- Based on the guiding principles given in Ind AS 108 on "Operating Segments," the Company's business activity falls within a Single Operating Segment namely "Non Banking Finance Company", hence the disclosure requirements of Ind AS 108 are not applicable.

Place: Chandigarh
Date : 14.02.2020

(Sainjay Aggarwal)
Managing Director
DIN NO - 02580828

EMERALD LEASING FINANCE & INVESTMENT COMPANY LIMITED

CIN - L65993CH1983PLC041774



ACCOUNTING RATIOS AND CAPITALIZATION STATEMENT

ACCOUNTING RATIOS

Following are the Key Accounting Ratios for the Financial year ended March 31, 2019 and for the Six (6) months period ended September 30, 2019

Particulars	September 30, 2019 (6 months)	March 31, 2019 (12 months)
Earnings Per Share (EPS) (Basic and Diluted) (₹)	0.80	1.31
Return on Net Worth (%)	5.02	8.54
Net Asset Value per Share (₹)	15.96	23.12
EBITDA (₹ in Lakhs)	114.05	181.67
EBITDA (%)	43.24	30.92

Formula:

- Earnings Per Share (₹):** Net Profit after tax for the year attributable to Equity Shareholders divided by weighted average no of equity shares outstanding during the period.
- Return on Net Worth (%):** Net Profit after tax for the year attributable to Equity Shareholders divided by Net Worth at the end of the period multiplied by 100.
- Net Asset Value Per Share (₹):** Net Assets as at the year end/ period end divided by total number of equity shares outstanding at the end of the period.
- EBITDA (₹ in lacs):** Profit before tax plus finance costs plus depreciation and amortisation expense less interest income.
- EBITDA (%):** [EBITDA/ (Revenue-Interest Income)] * 100

CAPITALISATION STATEMENT

The capitalization statement of the Company as at September 30, 2019 and as adjusted for the Issue is as follows:
(₹ in Lakhs)

Particulars	Pre-Issue as at 30.09.2019	Adjusted for the Issue*
Total Borrowings		
Current Borrowings (A)	-	
Non-current Borrowings (including current maturity) (B)	169.52	
Total Borrowings (C) = (A) + (B)	169.52	
Total Equity		
Equity Share Capital (D)	904.37	
Other Equity (E)	95.28	
Total Equity (F) = (D) + (E)	999.65	
Ratio: Non-current Borrowings (including current maturity/ Total Equity (G) = (B) / (F)	0.17:1	

Notes:

- The figures disclosed above are based on the audited books of accounts of the Company as at September 30, 2019
- *The Company's Post Rights capitalization data shall be updated at the time of filing of Letter of Offer.



MARKET PRICE INFORMATION

Our Company's Equity Shares are listed on the BSE Limited.

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
4. In case of two days with the same high / low / closing price, the date with higher volume has been considered.

Stock Market Data of the Equity Shares

The high, low and average closing prices recorded on the BSE, during the preceding three years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Year	Date of High	High (₹)	Volume on date of High (Number of Equity Shares)	Date of Low	Low (₹)	Volume on date of low (Number of Equity Shares)	Average price for the year (₹)
BSE							
2020	June 07, 2019	12.50	4	November 13, 2019	6.01	13,091	9.80
2019	August 27, 2018	42.75	1	March 12, 2019	10.83	1,810	20.25
2018	April 24, 2017	46.20	2,174	November 06, 2017	36.10	6	39.82

Source: www.bseindia.com.

Stock Prices for the last six months

The high and low prices and volume of Equity Shares traded on the respective dates on the BSE during the last six months is as follows:

Month	Date of High	High (₹)	Volume (Number of Equity Shares)	Date of Low	Low (₹)	Volume (Number of Equity Shares)	Volume of trade on monthly basis
BSE							
February 2020	February 26	9.44	1,000	February 26	9.44	1,000	1,000
January 2020	January 20	11	1	January 28	9.44	13	42
December 2019	December 30	10.5	2	December 2	8.8	1000	2,047
November 2019	November 29	8.4	2	November 13	6.01	13,091	79,509
October 2019	October 09	9.95	204	October 29	7.4	58	7,509
September 2019	September 12	10.67	25	September 03	8.08	231	583

Source: www.bseindia.com.



Week end closing prices of the Equity Shares for the last four weeks on BSE

Week ended on	Closing Price (₹)	High Price (₹)	Date of High	Low Price (₹)	Date of Low
BSE					
March 27, 2020	10.90	10.90	March 27, 2020	10.90	March 27, 2020
March 20, 2020	10.44	10.45	March 17, 2020	10.44	March 20, 2020
March 13, 2020	11.00	11.00	March 13, 2020	10.40	March 11, 2020
March 06, 2020	10.40	10.40	March 06, 2020	9.85	March 02, 2020
February 28, 2020	9.44	9.44	February 28, 2020	9.44	February 28, 2020

Source: www.bseindia.com.

The Issue Price of ₹ [●] has been arrived at by our Company in consultation with the Lead Manager.



SECTION VIII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below) involving our Company, its Subsidiary, Directors or Promoters;

In relation to (iv) above, our Board, at its meeting held on February 14, 2020 has determined Material Litigation as:

- a. the aggregate amount involved in such individual litigation exceeds 5% of the consolidated profit after tax of the Company, as per the last audited financial statements; or where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed the abovementioned thresholds, if similar litigations put together collectively exceed 5% of the consolidated profit after tax of the Company;*
- b. any such litigation wherein the monetary liability is not quantifiable but which is expected to be material from the perspective of the Company's business, operations, prospects or reputation.*

shall be considered as "Material Litigation".

B. (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) pending proceedings initiated against our Company for economic offences;

A. LITIGATION INVOLVING OUR COMPANY

1. Litigation against our Company

1.1. Civil

NIL

1.2. Criminal

NIL

1.3. Taxation

1.3.1. Direct Tax Proceedings

NIL

1.3.2. Indirect Tax Proceedings

NIL

2. Litigation by our Company

2.1. Civil

NIL

2.2. Criminal



NIL

2.3. Taxation

2.3.1. Direct Tax Proceedings

NIL

2.3.2. Indirect Tax Proceedings

NIL

B. OTHER MATERIAL LITIGATIONS

1. Litigation against our Promoters

Our Promoters Mr. Sanjay Aggarwal and Mr. Ram Swaroop Aggarwal have received Notice of Summary Settlement No. SEBI/HO/CFD/DCR1/OW/P/2019/2019/1 dated January 18, 2019 from SEBI for summary settlement in the matter of Emerald Leasing Finance and Investment Company Limited for alleged violation of regulation 14(3) of SAST Regulations 1997.

Subsequently, they have received a show cause notice (No. SEBI/EAD-3/VSSCM/29969/2019) dated November 13, 2019 under rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 from the Adjudicating Officer, SEBI to show cause as to why penalty under Section 15H(ii) of the SEBI Act, 1992 should not be imposed against them for alleged delay of 2600 days in making public announcement under SAST Regulations 1997 to the shareholders of the Company.

Our Promoters have vide their letter dated November 25, 2019 submitted their reply to SEBI in response to the above-mentioned show cause notice.

The matter is currently pending before the Adjudicating Officer, SEBI

Disclosures pertaining to wilful defaulters

Neither our Company, our Directors or our Promoters are or have been declared as wilful defaulters by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

Material development since the date of the last audited accounts

To our knowledge no circumstances have arisen since the date of the latest audited balance sheet i.e. September 30, 2019, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities.



GOVERNMENT AND OTHER APPROVALS

In order to operate our business, we require various approvals and/or licenses under various laws, rules and regulations. Our Company has received the necessary material consents, licenses, registrations, permissions and approvals from the Government of India and various governmental agencies and other statutory and/or regulatory authorities required to undertake this Issue and 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 and licenses are valid as of the date of this Draft Letter of Offer and in case of licenses and approvals which have expired; we have either made application for renewal or are in the process of making an application for renewal. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf.

Except for the following, no further material approvals from any governmental or regulatory authority are pending to undertake the Issue or continue its business activities:

Material licenses / approvals for which applications have been made by our Company, but are currently pending grant:

Nil

Material licenses/ approvals for which renewal applications have been made by our Company:

Nil

Material approvals which have expired and for which renewal applications are yet to be made by our Company:

Nil

Material approvals required for which no application has been made by our Company:

Nil



OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

This Issue of Equity Shares to the Eligible Equity Shareholders is being made in accordance with the

1. Resolution passed by our Board of Directors under Sections 62(1)(a) and other provision of the Companies Act, at their meeting held on March 8, 2019.
2. Resolution passed by the members of our Company under Sections 62(1)(a) and other provision of the Companies Act, at their meeting held on April 8, 2019.
3. In-principle approval from BSE pursuant to its letter dated [●].

The Board of Directors or Committee thereof in their meeting held on [●] have determined the Issue Price as ₹[●] per Equity Share and the Rights Entitlement as [●] Rights Equity Share(s) for every [●] Equity Share(s) held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager.

Prohibition by SEBI and various agencies/ other regulatory bodies

Our Company, Promoters, members of Promoter Group and directors, have not been or are not prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of the companies with which our Promoter or our directors are associated as promoter or directors have been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Company, Promoter or director have been identified as willful Defaulters by the RBI.

None of our Directors are associated with the securities market in any manner.

Neither our Promoter nor our directors are declared as Fugitive Economic Offenders.

None of our Directors hold current or have held directorship(s) in the last five years in a listed company whose shares have been or were suspended from trading on BSE or the NSE or in a listed company which has been / was delisted from any stock exchange.

We confirm that there are no proceedings initiated by SEBI, Stock Exchange or ROC, etc on our Company/Promoters/Directors/Group Companies.

Eligibility for the Issue

Our Company is a listed company incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE Limited. It is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations.

Compliance with Regulation 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with requirements of Regulation 61 and 62 of the SEBI ICDR Regulations to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to BSE for listing of the Rights Equity Shares to be issued pursuant to the Issue.

Compliance with Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:



1. Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI Listing Regulations, as applicable for the last three years immediately preceding the date of filing of the Draft Letter of Offer with the SEBI and until date.
2. The reports, statements and information referred to above are available on the websites of BSE.
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and is not covered under the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (5) of Part B of Schedule VI of SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED / CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER . THE LEAD MANAGER, KEYNOTE FINANCIAL SERVICES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE LEAD MANAGER 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, KEYNOTE FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 30, 2020 WHICH READS AS FOLLOWS:

WE CONFIRM THAT:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATIONS LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT LETTER OF OFFER PERTAINING TO THE SAID ISSUE;**
2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - a. **THE DRAFT LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - b. **ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - c. **THE MATERIAL DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH**



DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES ALL THE INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOT APPLICABLE AS THE RIGHTS ISSUE IS NOT PROPOSED TO BE UNDERWRITTEN.
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER - NOT APPLICABLE.
6. WE CERTIFY THAT REGULATION 15 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN DRAFT LETTER OF OFFER - NOT APPLICABLE.
7. WE UNDERTAKE THAT SUB-REGULATION (3) OF REGULATION 14 AND CLAUSE (C) AND (D) OF SUB-REGULATION (9) OF REGULATION 25 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2018 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE.
8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THIS ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40(3) OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT TO BE ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOT APPLICABLE. THIS BEING A RIGHTS ISSUE, SECTION 40(3) OF THE COMPANIES ACT 2013 IS NOT APPLICABLE. FURTHER, TRANSFER OF MONIES RECEIVED PURSUANT TO THE ISSUE SHALL BE RELEASED TO THE COMPANY AFTER FINALISATION OF THE BASIS OF ALLOTMENT IN COMPLIANCE WITH REGULATION 90 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.
9. WE CERTIFY THAT THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF



THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT IN THE LAST 10 YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH TO THE EXTENT APPLICABLE.

10. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:

- a. **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, EXCLUDING SR EQUITY SHARES, WHERE AN ISSUER HAS OUTSTANDING SR EQUITY SHARES; AND (COMPLIED WITH TO THE EXTENT APPLICABLE)**
- b. **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.**

11. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS), REGULATIONS 2018 WHILE MAKING THE ISSUE - NOTED FOR COMPLIANCE.

12. WE CONFIRM THAT THE ISSUER IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS), REGULATIONS 2018 – NOT APPLICABLE.

13. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE COMPANY, THE RISKS IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE DRAFT LETTER OF OFFER HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH THE APPLICABLE LAWS. – COMPLIED WITH

14. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. COMPLIED WITH

THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCE 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 DRAFT LETTER OF OFFER.

Disclaimer clauses from our Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in this Issue will be deemed to have represented by our Company and Lead Manager and



their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company, and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue will be BSE Limited.

Disclaimer Clause of BSE

As required, a copy of the Draft Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by the BSE to us, post scrutiny of the Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchange.

Filing

The Draft Letter of Offer has been filed with the Corporation Finance Department of the SEBI, located at 5th Floor, Bank of Baroda Building, 16, Sansad Marg New Delhi - 110001, India for its observations and through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI, and with BSE. After SEBI gives its observations, the Letter of Offer will be filed with SEBI and BSE as per the provisions of the Companies Act and SEBI ICDR Regulations.

Selling Restrictions

The distribution of the Draft Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue to the shareholders of our Company and will dispatch the Letter of Offer/Abridged Letter of Offer and CAFs to shareholders who have provided an Indian address.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer is filed with SEBI for observations. Accordingly, the rights or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction.

Receipt of the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or CAFs will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or CAFs must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or CAFs should not, in connection with the issue of the rights or Rights Equity Shares, distribute or send the same in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. If the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or CAFs is received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the rights referred to in the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or CAFs.

Neither the delivery of the Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date. For further details, please see "Notice to Overseas Shareholders" on page 7 of this Draft Letter of Offer.

IMPORTANT INFORMATION FOR INVESTORS – ELIGIBILITY AND TRANSFER RESTRICTIONS



As described more fully under the caption “Notice to Overseas Investors”, there are certain restrictions regarding the Rights Entitlements and Rights Equity Shares that affect potential investors. These restrictions are restrictions on the ownership of Equity Shares by such persons following the offer.

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the U.S. and, unless so registered, may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) (“U.S. Persons”) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlement or Rights Equity Shares within the U.S. by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Eligible Investors

The Rights Entitlements and the Rights Equity Shares are being offered and sold only to persons who are outside the U.S. and are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. All persons who acquire the Rights Entitlement or Rights Equity Shares are deemed to have made the representations set forth immediately below.

Rights Equity Shares and Rights Entitlement Offered and Sold in this Issue

Each purchaser acquiring the Rights Entitlement or Rights Equity Shares, by its acceptance of this Draft Letter of Offer and of the Rights Entitlement or Rights Equity Shares, will be deemed to have acknowledged, represented to and agreed with us and the Lead Manager that it has received a copy of this Draft Letter of Offer and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Rights Entitlement or Rights Equity Shares in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Rights Entitlements and Rights Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the U.S. and, accordingly, may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
3. the purchaser is purchasing the Rights Entitlements and Rights Equity Shares in an offshore transaction meeting the requirements of Rule 903 of Regulation S;
4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Rights Entitlement or Rights Equity Shares, is a non-U.S. Person and was located outside the U.S. at each time (i) the offer was made to it and (ii) when the buy order for such Rights Entitlement or Rights Equity Shares was originated, and continues to be a non-U.S. Person and located outside the U.S. and has not purchased such Rights Entitlement or Rights Equity Shares for the account or benefit of any U.S. Person or any person in the United States or entered into any arrangement for the transfer of such Rights Entitlement or Rights Equity Shares or any economic interest therein to any U.S. Person or any person in the U.S.;
5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;
6. the purchaser is not subscribing for the Rights Entitlements or Rights Equity Shares with a view to the offer, sale, allotment, exercise, resale, renunciation, pledge, transfer, delivery, directly or indirectly, of any such Rights Entitlements or Rights Equity Shares into the United States (as defined in Regulation S). If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Rights Entitlement or Rights Equity Shares, or any economic interest therein, such Rights Entitlement or Rights Equity Shares or any



economic interest therein may be offered, sold, pledged or otherwise transferred only (A) outside the U.S. in an offshore transaction complying with Rule 903 or Rights Entitlement or Rights Equity Shares Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the U.S. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them, and confirms that the proposed transfer of the Rights Entitlement or Rights Equity Shares is not part of a plan or scheme to evade the registration requirements of the Securities Act;

7. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the Securities Act in the U.S. with respect to the rights or the Rights Equity Shares;
8. the purchaser understands that such Rights Entitlement or Rights Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE RIGHTS EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

9. the purchaser agrees, upon a proposed transfer of the rights or the Rights Equity Shares, to notify any purchaser of such Rights Entitlement or Rights Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Entitlement or Rights Equity Shares being sold;
10. our Company will not recognize any offer, sale, pledge or other transfer of such Rights Entitlements or Rights Equity Shares made other than in compliance with the above-stated restrictions; and
11. the purchaser acknowledges that our Company, the Lead Manager, its respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Rights Entitlements or Rights Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Rights Entitlements or Rights Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Each person in a Member State of the EEA which has implemented the Prospectus Directive (each, a “Relevant Member State) who receives any communication in respect of, or who acquires any Rights Entitlement or Rights Equity Shares under, the offers contemplated in this Draft Letter of Offer will be deemed to have represented, warranted and agreed to and with the Lead Manager and our Company that in the case of any Rights Entitlement or Rights Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive:

- i. the Rights Entitlements or Rights Equity Shares acquired by it have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Lead Manager has been given to the offer or resale; or
- ii. where Rights Entitlements or Rights Equity Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Rights Entitlement or Rights Equity Shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this provision, the expression an “offer of Equity Shares to the public” in relation to any of the Rights Entitlement or Rights Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the Rights Entitlement or Rights



Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Investor Grievances and Redressal System

We have adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI LODR Regulations as well as a well-arranged correspondence system developed for letters of routine nature. The share transfer and dematerialization for our Company is being handled by the Registrar and Share Transfer Agent, MAS Services Limited. The Redressal norm for response time for all correspondence including shareholders complaints is within 7 (seven) to 10 (ten) days.

The Stakeholders' Relationship Committee consists of Mrs. Anubha Aggarwal as Chairperson and Mr. Raman Aggarwal and Mr. Sanjay Aggarwal as members of the said committee. All investor grievances received by our Company have been handled by the Registrar and Share Transfer agent in consultation with the Compliance Officer.

The contact details of the Registrar and Share Transfer agent to the company are as follows:

MAS Services Limited

T-34, IInd Floor Okhla Industrial Area, Phase-II,
New Delhi 110020,

Tel: +91 11 2638 7281-83;

Fax: +91 11 2638 7384;

Email: info@masserv.com;

Website: www.masserv.com

Contact Person: Mr. Sharwan Mangla;

SEBI Registration No: INR 000000049

Investor grievances arising out of this Issue

Our Company's investor grievances arising out of the Issue will be handled by MAS Services Limited, who is the Registrar to the Issue. The Registrar will have a separate team of personnel handling only post-Issue correspondence.

The agreement between our Company and the Registrar will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice to enable the Registrar to redress grievances of Investors.

All grievances relating to the Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact telephone / cell numbers, email id of the first applicant, number and type of shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be 7-10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Investors may contact the compliance officer at the below mentioned address and/ or Registrar to the Issue at the above mentioned address in case of any pre-Issue/ post -Issue related problems such as non-receipt of allotment advice/ demat credit etc.

Additionally, we have been registered with the SEBI Complaints Redress System ("SCORES") as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Investors may contact the Compliance Officer in case of any pre-Issue/ post -Issue related problems such as nonreceipt of Allotment advice/demat credit The contact details of the Compliance Officer are as follows:



Mrs. Anju Sharma

SCO 7, Industrial Area, Phase II,
Chandigarh 160 002, India

Tel: +91 172-4005659

Fax: +91 172-4603859

Website: www.emeraldfin.com

Email: cs@emeraldfin.com

Status of Complaints

- a. Total number of complaints received during Fiscal 2019: NIL
- b. Total number of complaints received during Fiscal 2018: NIL
- c. Total number of complaints received during Fiscal 2017: NIL

Average time normally taken for disposal of various types of investor complaints: 7-10 days from the date of receipt of complaints.

Status of outstanding investor complaints

As on date, there were no outstanding investor complaints.



SECTION IX – OFFERING INFORMATION

TERMS OF THE ISSUE

The Rights Equity Shares proposed to be issued in the Issue, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Common Application Form (“CAF”), the Memorandum of Association and Articles of Association of our Company, the provisions of the Companies Act, FEMA, SEBI ICDR Regulations, SEBI Listing Regulations, any other regulations, guidelines, notifications and regulations for issue of capital and for listing of securities issued by SEBI, the RBI, the Government of India and/or other statutory and regulatory authorities and bodies from time to time, and the terms and conditions as stipulated in the Allotment advice or letters of Allotment or demat credit of securities and rules as may be applicable and introduced from time to time.

Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renounee) shall make an application for a rights issue only through ASBA facility.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of SEBI circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in their own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue by using the ASBA facility shall be responsible for ensuring that they have a separate account in their own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

All rights and obligations of the Eligible Equity Shareholders in relation to Applications pertaining to the Issue shall apply to Renounee(s) as well.

Allotment of Rights Equity Shares pursuant to this Rights Issue shall be only in dematerialized form. Hence, the physical shareholders shall be required to provide their demat account details to the Company / Registrar to the Issue for credit of their Rights Entitlements not later than two working days prior to the issue closing date.

Basis for the Issue

The Rights Equity Shares are being offered for subscription for cash to those existing Eligible Equity Shareholders (“Investors”) of our Company whose names appear, (i) as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in the electronic form, and (ii) on the register of members of our Company in respect of Equity Shares held in the physical form at the close of business hours on the Record Date, i.e. [●], fixed in consultation with the Designated Stock Exchange, but excludes persons not eligible under applicable laws, rules, regulations and guidelines.



PRINCIPAL TERMS AND CONDITIONS OF THE EQUITY SHARES ISSUED UNDER THE ISSUE

Face Value

Each Equity Share shall have the face value of ₹10/-.

Issue Price

Each Equity Share is being offered at a price of ₹ [●] (including a premium of ₹ [●] per Rights Equity Share). The Issue Price has been arrived at, by us in consultation with the Lead Manager.

Terms of payment

Amount Payable Per Equity Share (₹)			
	Face Value (₹)	Premium (₹)	Total(₹)
On Application	[●]	[●]	[●]
On Allotment	[●]	[●]	[●]
Total	[●]	[●]	[●]

Ranking of Equity Shares

The Rights Equity Shares being issued shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Rights Equity Shares shall rank *pari passu*, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

Mode of Payment of Dividend

In the event of declaration of dividend, our Company shall pay dividend to the shareholders of our Company as per the provisions of the Companies Act and the provisions of the Articles of Association.

Rights Entitlement (“REs”) (Rights Equity Shares)

As your name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Eligible Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e. [●], you are entitled to the number of Rights Equity Shares in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date. Details of your rights entitlement will be sent to you separately along with the CAF.

Details of respective Eligible Equity Shareholder’s entitlement would also be available on the website of the Registrar to the Issue (<http://www.masserv.com/index.asp>) and on the website of our Company at (<https://www.emeraldfin.com/>) which can be checked by entering the requisite details therein.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer/ Abridged Letter of Offer and CAF only to Eligible Equity Shareholders who have a registered address in India. The distribution of the Letter of Offer/ Abridged Letter of Offer and the issue of securities on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Any person who acquires Rights Entitlements or the Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer/ Abridged Letter of Offer/CAF that such person is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, will not be, in any restricted jurisdiction.

Eligible Equity Shareholders can also download the CAF from the website of the Registrar to the Issue being (<http://www.masserv.com/index.asp>)



Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date.

Fractional Entitlements

As per the SEBI – Rights Issue Circular, in case of fractional entitlements of RE's to be credited before issue opening date, the fractional part shall be ignored by rounding down the entitlement.

However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above will be given preferential consideration for the Allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlements. Same will be adjusted from one of the promoter's entitlement.

Process of credit of Rights Entitlements

As per the SEBI – Rights Issue Circular issued in order to streamline the process of the rights issue, SEBI has introduced dematerialized Rights Entitlements and the process with respect to the credit of rights entitlements and renunciation thereof is as set out below:

- (1) A separate temporary ISIN No. [●] has been obtained by our Company for credit of REs in demat account of the Eligible Equity Shareholders.
- (2) Based on the rights entitlement ratio, RE's will be credited to the demat account of eligible equity shareholders in dematerialized form before the opening of the issue.
The physical shareholders are required to provide their demat account details to the Company / Registrar to the Issue for credit of their RE's not later than two working days prior to the issue closing date being [●], such that the credit of the RE's in their demat account takes place at least one date prior to the issue closing date.
- (3) The REs will be credited in the demat account of the Eligible equity shareholder on [●] through a corporate action by our company and the separate ISIN so obtained for the REs will be kept frozen (for debit) in the depository system till the date of opening of the issue i.e. [●].
- (4) If the demat account of the eligible equity shareholder is frozen or demat account details are not available, including shares held in unclaimed suspense account or in the account of Investor Education and Protection Fund Authority, then REs of such eligible equity shareholders will be credited in a suspense escrow demat account of our Company and an intimation will be sent to such eligible equity shareholder by the Registrar to the Issue.
- (5) Eligible Equity Shareholders can either apply or renounce full or part of their REs.
- (6) Eligible Equity Shareholders shall apply for the REs through ASBA facility only. For details, see “*Terms of the Issue- procedure for application*” on page 99.
- (7) No withdrawal of application will be permitted by any Eligible Equity Shareholders after the issue closing date.
- (8) REs credited to demat account can be renounced either by sale of REs using stock exchange platform or off-market transfer.
- (9) In case the shareholders wish to renounce their REs by sale of REs through stock exchange, the eligible shareholder can place order only to the extent of REs available in his demat account. Trading in REs in such case shall be closed on [●] being at least four days prior to the closure of rights issue.
- (10) In case the shareholders wish to renounce his REs by the way of off-market transfer, the eligible shareholder can do so only to the extent of REs available in his demat account. The ISIN so obtained shall be suspended for such Off-market transfers of the RE's from the issue closing date.



(11) REs which are neither renounced nor subscribed by the shareholders, will lapse after the closure of Rights Issue.

Details of respective Eligible Equity Shareholder's RE would be available on the website of the Registrar to the Issue (<http://www.masserv.com/index.asp>) and on the website of our Company at (<https://www.emeraldfin.com/about/>) which can be checked by respective Eligible Equity Shareholder by entering their requisite details therein.

Trading of the Rights Entitlements ("REs") on the Stock Exchange Platform.

Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI – Rights Issue Circular, the Rights Entitlements credited in demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN - [●] subject to necessary approvals.

The ISIN of REs shall be kept frozen (for debit) in the depository system till the date of the opening of the issue.

The company would submit details of total REs credited to the Stock Exchange and shall obtain requisite trading approval of such RE's from the stock exchange.

The Eligible equity shareholders can place order for sale only to the extent of REs available in the demat account of the eligible equity shareholders. RE's credited to the demat account of the respective eligible equity shareholders duly renounced by them by the way of sale through stock exchange platform, would be settled by transferring the dematerialized RE's through depository system in the same manner as done for all the other types of securities.

Trading in the REs on the secondary market platform of the stock exchange will happen electronically on T+2 rolling settlement basis. The transactions will be settled on trade-for-trade basis.

The trading in Rights Entitlements shall commence from the Issue Opening Date and shall close on [●] (both days inclusive) or such other extended date as may be determined by our Board from time to time. No assurance can be given regarding the active or sustained trading in the Rights Entitlements or the price at which the Rights Entitlements will trade.

Listing and trading of the Rights Equity Shares proposed to be issued under the Issue

As per the SEBI – Rights Issue Circular, the Rights Entitlements with a separate ISIN would be credited to the demat account of the respective Eligible Equity Shareholders before the issue opening date. On the Issue Closing date the depositories will suspend the ISIN of REs for transfer and once the allotment is done post the basis of allotment approved by the designated stock exchange, the separate ISIN no. [●] for REs so obtained will be permanently deactivated from the depository system.

Our Company's existing Equity Shares are listed and traded on BSE (Scrip code: 538882) under the ISIN: INE030Q01015.

Post the closure of the issue and approval of the basis of allotment from the designated stock exchange, the Rights Equity Shares to be allotted pursuant to the Issue shall, in terms of the circular (no. CIR/MRD/DP/21/2012) by SEBI dated August 2, 2012, be allotted under a temporary ISIN which shall be kept blocked till the receipt of final listing and trading approval from the Stock Exchange. Upon receipt of such listing and trading approval, the Rights Equity Shares shall be debited from such temporary ISIN and credited in the existing ISIN of our Company and be available for trading.

The listing and trading of the Rights Equity Shares shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the schedule. Upon Allotment, the Rights Equity Shares shall be traded on Stock Exchange in the demat segment only.

Our Company has made application to the BSE seeking 'in-principle' approval for the listing of the Rights Equity Shares pursuant to the Issue in accordance of SEBI Listing Regulations and has received such approval from BSE pursuant to their letter no. [●] dated [●]. We will apply to BSE for final approval for the listing and trading of the



Rights Equity Shares. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or that the price at which the Equity Shares offered under the Issue will trade after listing on the Stock Exchange. All steps for the completion of the necessary formalities for listing and commencement of trading of the Rights Equity Shares to be allotted pursuant to the Issue shall be taken in accordance with law. The Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE under the existing ISIN for Equity Shares.

Rights of the Equity Shareholder

Subject to applicable laws, Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote either in person or by proxy;
- Right to receive offers for equity shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability of shares; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of our Company.

Intention and extent of participation by our Promoters and Promoter Group in the Issue

Our Promoter(s) and entities forming part of our Promoter Group have, vide their letters dated January 23, 2020 (the “**Subscription Letters**”) undertaken to: (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoter or member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations. The additional subscription by the promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in LODR/ SCRR.

GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares of our Company are tradable only in dematerialized form. The market lot for the Rights Equity Shares in dematerialized mode is one Equity Share.

Minimum Subscription

If our Company does not receive the minimum subscription of 90 % of the Issue (i.e. Net Issue), our Company shall refund the entire subscription amount within the time prescribed by applicable laws. In the event that there is a delay in unblocking of ASBA beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws.



Joint-Holders

Where two or more persons are registered as the holders of any Equity Shares they shall be deemed to hold the same as joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association of our Company. In case of joint holders, the CAF would be required to be signed by all the joint holders to be considered valid.

Nomination

Since the allotment of Rights Equity Shares will be made only in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with respective Depository Participant (“DP”) of the investor would prevail. Any investor desirous of changing the existing nomination is requested to inform their respective DP.

Arrangements for Disposal of Odd Lots

Our Rights Equity Shares are traded in dematerialized form only and therefore the marketable lot is one Equity Share and hence no arrangements for disposal of odd lots are required.

Notices

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one (1) English national daily newspaper with wide circulation, one (1) Hindi national daily newspaper with wide circulation and one (1) Regional language daily newspaper with wide circulation at the place where our Registered Office is situated and/ or will be sent by ordinary post or registered post or speed post to the registered address of the Eligible Equity Shareholders in India as updated with the Depositories/ registered with the Registrar and Transfer Agent from time to time or the Indian address provided by the Eligible Equity Shareholders from time to time.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Regulation 6 of Notification No. FEMA 20(R)/2017- RB dated November 07, 2017, the RBI has given general permission to Indian companies to issue equity shares to non-resident shareholders including additional securities. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be *inter alia*, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. The Abridged Letter of Offer and CAF shall be dispatched to non-resident Eligible Equity Shareholders at their Indian address only. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form. The Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of Rights Equity Shares. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original shares against which Rights Equity Shares are issued.

CAFs will be made available for eligible NRIs at our Registered Office and with the Registrar to the Issue and would also be available on the website of the Registrar to the Issue.

In case of change of status of holders, that is, from Resident to Non-Resident, a new demat account must be opened.

By virtue of circular no.14, dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, OCBs shall not be eligible to subscribe to the Rights Equity Shares. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated Non-Resident entities.



PROCEDURE FOR APPLICATION

How to Apply

The Common Application Form (“CAF”) will be printed in black ink for all Eligible Equity Shareholders. The CAF along with the Abridged Letter of Offer will be dispatched through registered post or speed post at least three days before the Issue Opening Date. In case the CAFs are not received by the Investor or is misplaced by the Investor, they can download the same from the website of the Registrar (<http://www.masserv.com/index.asp>) or can obtain printed CAF from our Company, the Lead Manager or the Registrar..

The CAF can be used both by the shareholder or renouncee.

Please note that in accordance with the provisions of the SEBI – Rights Issue Circular, all Eligible Equity Shareholder(s) (including renouncee) shall make an application for a rights issue only through ASBA facility.

Please also note that by virtue of circular no. 14, dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been de recognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Any Equity Shareholders being an OCB is required to obtain prior approval from RBI for applying in this Issue.

Common Application Form (“CAF”)

The Registrar will dispatch the CAF along with the Abridged Letter of Offer to all Eligible Equity Shareholders as per their Rights Entitlement on the Record Date.

Applicants may choose to accept the offer to participate in the Issue by making plain paper Applications. For more information, see "Terms of the Issue - Application on Plain Paper" on page 104.

Application in electronic mode will only be available with such SCSBs who provide such facility. The Eligible Equity shareholders shall submit the CAF to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

Investors are also advised to ensure that the CAF is correctly filled up, stating therein the bank account number maintained with the SCSB in which an amount equivalent to the amount payable on Application as stated in the CAF will be blocked by the SCSB.

Mode of Payment

The Eligible Equity Shareholders applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorizing the SCSB to block an amount, equivalent to the amount payable on application, in an ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrar to the Issue. Upon receipt of intimation from the Registrar to the Issue, the SCSBs shall transfer such amount as per the Registrar to the Issue’s instruction from the ASBA Account. This amount will be transferred in terms of SEBI ICDR Regulations, into the separate bank account maintained by our Company for the purpose of the Issue. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB.

The Eligible Equity Shareholder would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of CAF if the ASBA Account, details of which have been provided by the Investor in the CAF does not have sufficient funds equivalent to the amount payable



on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, our Company would have a right to reject the application only on technical grounds.

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA Process is provided at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on Designated Branches of SCSBs collecting the CAF, please refer the above mentioned link.

Options available to the Eligible Equity Shareholders

Details of each Eligible Equity Shareholders REs will be sent to the Eligible Equity shareholder separately along with the CAF and would also be available on the website of the Registrar to the Issue at (<http://www.masserv.com/index.asp>). Respective Eligible Equity Shareholders can check their entitlement by entering their requisite details therein.

The Eligible Equity Shareholders will have the option to

- Apply for his Rights Entitlement in full;
- Apply for his Rights Entitlement in part (without renouncing the other part);
- Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares;
- Apply for his Rights Entitlement in part and renounce the other part of the Rights Equity Shares; and
- Renounce his Rights Entitlement in full.

(1) Resident Eligible Equity Shareholders

Resident Eligible Equity shareholders can apply through ASBA application by electronic mode or shall submit the CAF to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

In case the CAF is not received by the Eligible Equity shareholder or is misplaced by the him, then the Eligible Equity shareholder may request the printed forms of same from the Company, Registrar to the Issue or the Merchant Banker to the Issue.

Eligible Equity Shareholder(s) can also download the application form which will be available on the website of the Registrar to the issue at <http://www.masserv.com/index.asp>.

(2) Non-Resident Eligible Equity Shareholders

The CAF to the Eligible Equity shareholder(s) being an Non-Resident Indian shall be sent at their Indian address only as per Company/DP records. Such shareholders can apply through ASBA (facility provided for NRE/NRO accounts) application by electronic mode or shall submit the CAF to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account

In case the CAF is not received or is misplaced, then the Non- Resident Eligible Equity shareholder may request the printed forms of same from the Company, Registrar to the Issue or the Merchant Banker to the Issue.

Non- Resident Eligible Equity Shareholder(s) can also download the application form which will be available on the website of the Registrar to the issue at <http://www.masserv.com/index.asp>.

Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be *inter alia*, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.



Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Entitlement offered without renouncing them in whole or in part in favour of any other person(s). Renouncee(s), applying for all Rights Equity Shares renounced in their favour, can also apply for additional Rights Equity Shares in the Issue. Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under the section titled “*Terms of the Issue*” on page 108 . If you desire to apply for additional Rights Equity Shares, please indicate your requirement in the place provided for additional Rights Equity Shares in the CAF. Those applying through the electronic mode are required to punch in their requirement for additional Rights Equity Shares.

Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Applications by Overseas Corporate Bodies

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (“OCBs”), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003. Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s).

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 and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Renunciation

The Issue includes a right exercisable by you to renounce the Rights Entitlement offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not allot the Rights Equity Shares in favour of the following Renouncees: (i) more than three persons (including joint holders); (ii) partnership firm(s) or their nominee(s); (iii) minors (except applications by minors having valid demat accounts as per the demographic details provided by the Depositors); (iv) HUF; or (v) any trust or society (unless the same is registered under the Societies Registration Act, 1860, as amended or the Indian Trust Act, 1882, as amended or any other applicable law relating to societies or trusts and is authorised under its constitution or bye-laws to hold equity shares, as the case may be). Additionally, the Eligible Equity Shareholders may not renounce in favour of “U.S. Persons” (as defined in Regulation S) or persons or entities which would otherwise be prohibited from being offered or subscribing for Rights Equity Shares or Rights Entitlement under applicable securities laws.

The CAF can be used by both the Eligible Equity Shareholder and the Renouncee. The renouncee can make the application in electronic mode only if such facility is available with such SCSBs. In case where the application through electronic mode is not available with the SCSB, the renouncee shall submit the CAF to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

Renouncee(s), applying for all Rights Equity Shares renounced in their favour, can also apply for additional Rights Equity Shares in the Issue.



Renouncee(s) are also advised to ensure that the CAF is correctly filled up, stating therein the bank account number maintained with the SCSB in which an amount equivalent to the amount payable on Application as stated in the CAF will be blocked by the SCSB. The list of SCSBs would be available on the reverse of the CAF.

This right of renunciation is subject to the express condition that our Board of Directors shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof.

Procedure for renunciation

The Investors holding Rights Entitlements in dematerialized form in their demat account can renounce the same either in full or in part in favour of any other person or persons in India only either a) by using the secondary market platform of the Stock Exchanges (“**On Market Renunciation**”) or b) through off market transfer (“**Off Market Renunciation**”) during the Renunciation Period.

a. On Market Renunciation

The Investors holding Rights Entitlements in dematerialized form in their demat account can renounce the same by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company are being traded.

In this connection, in terms of provisions of the SEBI ICDR Regulations and the SEBI – Rights Issue Circular, the Rights Entitlements credited in demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN - [●]. The details for trading in Rights Entitlements will be as specified by BSE from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlement. The trading in Rights Entitlements on the Stock Exchanges shall commence from the Issue Opening Date and shall close on [●] (both days inclusive) or such other extended date as may be determined by our Board from time to time.

The Investors holding the Rights Entitlements in their demat account who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN - [●] and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The order for trading of the Rights Entitlements can be placed during the normal trading hours of the Stock Exchanges and only during the Renunciation Period. The trading in Rights Entitlements shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis.

Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

The Investors who intend to trade in the Rights Entitlements should consult their respective stock brokers for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the stock brokers for trading in Rights Entitlements.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage) levied by the stock brokers, and such costs will be incurred solely by the Investors.

b. Off Market Renunciation

The Investors holding Rights Entitlements in dematerialized form in their demat account can renounce the same through off market transfer through a depository participant in the same manner as the existing Equity Shares of our Company can be transferred.



The Rights Entitlements can be transferred in dematerialized form only. The Rights Entitlements can be renounced through off market transfer from the Issue Opening Date till [●] (both days inclusive) or such other extended date as may be determined by our Board from time to time.

The Investors holding the Rights Entitlements in their demat account who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN - [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer.

The buyer of the Rights Entitlements (unless he has already given a standing receipt instruction) has to issue a receipt instruction slip to his depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants and only during the Renunciation Period. The transfer shall take on the execution date mentioned in the instruction slip and the settlement shall be carried out through depository transfer mechanism in the same manner as done for all other type of securities.

The detailed rules for transfer of Rights Entitlements through off market transfer shall be as specified by the NSDL and CDSL from time to time

REs which are neither renounced nor subscribed by the shareholders, will lapse after the closure of Rights Issue.

Availability of Application Form

The CAF along with the Abridged Letter of Offer shall be dispatched through registered post or speed post at least three days before the Issue Opening Date. The Abridged Letter of Offer and CAF shall be dispatched to non-resident Eligible Equity Shareholders at their Indian address only.

In case the CAFs are not received by the Investor or is misplaced by the Investor, the Investor may request the printed forms of same from the Company, Registrar to the Issue or the Lead Manager to the Issue.

Eligible Shareholders can also download the application form which will be available on the website of the Registrar to the issue at <http://www.masserv.com/index.asp>

Rights Equity Shares in Dematerialized Form

ELIGIBLE EQUITY SHAREHOLDERS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY SUCH APPLICANT ON THE RECORD DATE.

Is the demat account of a shareholder is frozen or demat account details are not available, including shares held in the unclaimed suspense account or in the account of IEPF Authority, the Rights Entitlement shall be credited in the suspense escrow demat account of the Company and an intimation would be sent to such a shareholder by the Company and / or the Registrar to the Issue.

Last date of Application

The last date for submission of the duly filled in the Application Form is [●]. Our Board or any Committee thereof will have the right to extend the said date for such period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date and no withdrawal of Application shall be permitted after the issue closing.

Acceptance of the Issue

You may accept the Issue and apply for the Rights Equity Shares either in full or in part, through ASBA application by electronic mode or shall submit the CAF to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account. The submission of CAF to Designated Branch of the SCSB for ASBA application should be done before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors of



our Company in this regard.

Application on Plain Paper

An Eligible Equity Shareholder who has neither received the CAF nor is in a position to obtain the CAF either from the company, registrar to the issue, Manager to the issuer or from the website of the Registrar, can make an Application to subscribe to the Issue on plain paper through ASBA process. Eligible Equity Shareholders shall submit the plain paper application to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

The envelope should be super scribed “[●]” or “[●]” and should be postmarked in India. The application on plain paper, duly signed by the Eligible Equity Shareholders including joint holders, in the same order and as per the specimen recorded with our Company/Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of our Company, being Emerald Leasing Finance and Investment Company Limited;
- Name and address of the Eligible Equity Shareholder including joint holders;
- DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for within the Rights Entitlement;
- Number of additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for;
- Total amount paid at the rate of ₹[●] per Rights Equity Share;
- Details of ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of non-resident investors, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account
- Signature of the Applicant (in case of joint holders, to appear in the same sequence and order as they appear in the records of our Company/Depositories); and
- Additionally, all such Applicants shall include the following:

“I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”) or to or for the account or benefit of a “U.S. Person” as defined in Regulation S under the US Securities Act (“Regulation S”). I/we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement in the United States. I/we understand that none of the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company has reason to believe is, a resident of the United States or a “U.S. Person” (as defined in Regulation S,) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting



satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement and/or the Rights Equity Shares is/are, outside the United States, (ii) am/are not a "U.S. Person" as defined in Regulation S, and (iii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Investors are requested to note that CAF or plain paper application with only foreign addresses is liable to be rejected on technical grounds. The CAF or plain paper application should contain the Indian address also if foreign address is mentioned.

General instructions for Eligible Equity Shareholders/Renouncees

1. Please read the instructions printed on the CAF carefully.
2. As per the SEBI – Rights Issue Circular, application for a rights issue shall be made only through ASBA facility.
3. Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer are liable to be rejected. The CAF / plain paper application must be filled in English.
4. The CAF / plain paper application in the ASBA Process should be handed over only at a Designated Branch of the SCSB and whose bank account details are provided in the CAF and not to our Company or Registrar or Manager to the Issue. The onus of due completion and submission of such ASBA applications shall solely be that of the Investor.
5. Application in electronic mode will only be available with such SCSBs who provide such facility.
6. All Investors, and in the case of application in joint names, each of the joint Investors, should mention his/her PAN allotted under the Income-Tax Act, 1961, irrespective of the amount of the application. Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, **CAFs / plain paper applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no allotment and credit of Rights Equity Shares shall be made into the accounts of such Investors.**
7. All payments will be made by blocking the amount in the bank account maintained with the SCSB.
8. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Eligible Equity Shareholders must sign the CAF / plain paper application as per the specimen signature recorded with our Company /or Depositories.
9. In case of joint holders, all joint holders must sign the CAF / plain paper application in the same order and as per the specimen signature(s) recorded with our Company. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.



10. All communication in connection with application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar to the Issue.
11. Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
12. In case of non – receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under the section titled "*Terms of the Issue - Application on Plain Paper under the ASBA process*" beginning on page 104.
13. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Do's:

- a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Rights Entitlement and Rights Equity Shares will be allotted in the dematerialized form only.
- b) Ensure that the CAFs are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the CAF.
- c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares as the case may be applied for} X {Issue Price of Rights Equity Shares}) available in the ASBA Account mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.
- d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the ASBA Account, of which details are provided in the CAF and have signed the same.
- e) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the CAF in physical form.
- f) Except for CAFs submitted on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the IT Act.
- g) Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.
- h) Ensure that the Demographic Details are updated, true and correct, in all respects.
- i) Ensure that the account holder in whose bank account the funds are to be blocked has signed authorising such funds to be blocked.

Don'ts:

- a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- b) Do not apply on through multiple CAF after you have submitted a CAF to a Designated Branch of the SCSB.
- c) Do not pay the amount payable on application in cash, by money order, pay order, postal order, cheque or demand drafts.



- d) Do not send your physical CAFs to the Lead Manager to Issue / Registrar / to a branch of the SCSB which is not a Designated Branch of the SCSB / Bank; instead submit the same to a Designated Branch of the SCSB only.
- e) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- f) Do not apply if the ASBA account has been used for five Applicants.
- g) Do not instruct the SCSBs to release the funds blocked under the ASBA Process.
- h) Do not submit more than one application form for the Rights Entitlement available in the particular demat account.

Grounds for Technical Rejection

Applications are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the Registrar.
- b) Sending CAF to a Lead Manager / the Registrar to the Issue/ the Registrar and Transfer Agent/ to a branch of a SCSB which is not a Designated Branch of the SCSB/ Bank.
- c) Insufficient funds are available with the SCSB for blocking the amount.
- d) Funds in the bank account with the SCSB whose details are mentioned in the CAF having been frozen pursuant to regulatory orders.
- e) Submission of more than one application form for the Rights Entitlement available in the particular demat account..
- f) ASBA Account holder not signing the CAF or declaration mentioned therein.
- g) Multiple CAFs, including cases where an Eligible Equity Shareholder submits CAFs along with a plain paper application.
- h) CAFs that do not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in restricted jurisdictions and is authorized to acquire the rights and the securities in compliance with all applicable laws and regulations.
- i) Applications by persons not competent to contract under the Indian Contract Act, 1872, as amended, except applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- j) Submitting the GIR number instead of the PAN.
- k) ASBA Bids by SCSBs applying through the ASBA process on own account, other than through an ASBA Account in its own name with any other SCSB.
- l) Failure to mention an Indian address in the Application. Application with foreign address shall be liable to be rejected.
- m) If an Investor is (a) debarred by SEBI and/or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlement.
- n) Failure to provide a copy of the requisite RBI approval in relation to renunciation by non-resident ASBA Applicants.



By signing the CAFs, the Investors applying would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating Allotment and unblocking would be mailed at the address of the Investor as per the Demographic Details received from the Depositories. The Registrar to the Issue will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Investors may note that delivery of letters intimating unblocking of the funds may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Investor in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.

Note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, the Registrar to the Issue or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, (a) names of the Eligible Equity Shareholders (including the order of names of joint holders), (b) the DP ID and (c) the beneficiary account number, then such Applications are liable to be rejected.

Transfer of Funds

The Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA bank accounts for (i) transfer of requisite funds to the separate bank account maintained by our Company as per the provisions of Section 40 (3) of the Companies Act, 2013 (ii) rejected / unsuccessful ASBAs.

In case of failure or withdrawal of the Issue, on receipt of appropriate instructions from the Lead Manager through the Registrar to the Issue, the SCSBs shall unblock the bank accounts latest by the next day of receipt of such information.

Underwriting

The Issue is not underwritten.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Issue Opening Date:		<input type="checkbox"/>
Last date for On Market Renunciation of Rights:		<input type="checkbox"/>
Last date for Off Market Renunciation of Rights:		<input type="checkbox"/>
Issue Closing Date:		<input type="checkbox"/>

The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not be kept open in excess of 30 (thirty) days from the Issue Opening Date and no withdrawal application by eligible equity shareholders will be allowed after issue closing date, in accordance with SEBI ICDR Regulations.

Basis of Allotment

For Eligible Equity Shareholders

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the CAF, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s), who has/ have applied for the Rights Equity Shares renounced in their favour, in full or in part. Allotment to Non-Resident Renouncees shall be subject to the permissible foreign investment limits applicable to our Company under FEMA.



- (b) For Rights Equity Shares being offered under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Rights Equity Shares or not in multiples of [●] as on Record Date, the fractional entitlement of such Eligible Equity Shareholders shall be ignored. Eligible Equity Shareholders whose fractional entitlements are being ignored would be considered for Allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares(s). Allotment under this head shall be considered if there are any un-subscribed Equity Shares after Allotment under (a) above. If the number of Rights Equity Shares required for Allotment under this head is more than number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.
- (c) Allotment to Eligible Equity Shareholders who having applied for the Rights Equity Shares in full and have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there is an under-subscribed portion after making Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of the Board/Committee of Directors of our Company in consultation with the Designated Stock Exchange.
- (d) Allotment to the Renounees, who having applied for the Rights Equity Shares renounced in their favour have also applied for additional Rights Equity Shares, provided there is an under-subscribed portion after making full Allotment in (a), (b) and (c) above. The Allotment of such additional Rights Equity Shares will be made on a proportionate basis at the sole discretion of our Board or any committee of our Board but in consultation with the Designated Stock Exchange.
- (e) Allotment to any other person as our Board may in its absolute discretion deem fit provided there is surplus available after making Allotment under (a), (b), (c), and (d) above, and if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Rights Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Our Company shall retain no oversubscription.

Allotment Advices

Our Company will issue and dispatch Allotment advice/demat credit and the company would credit the allotted Rights Equity Shares to the respective beneficiary accounts, within a period of 15 (fifteen) working days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

Advice regarding credit of the Rights Equity Shares shall be given separately to the Investors. Investors will be sent a letter through ordinary post intimating them about the unblocking of ASBA within 15 (fifteen) working days of the Issue Closing Date.

The letter of allotment would be sent by registered post/ speed post to the sole/ first Investor's registered address in India or the Indian address provided by the Eligible Equity Shareholders from time to time.

In the case of Non-resident Shareholders or Investors who remit their Application Money from funds held in NRE/FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF.



Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Rights Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

This Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer and the CAF shall be dispatched to only such Non-resident Shareholders who have a registered address in India or have provided an Indian address.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALISED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the electronic form is as under:

1. Open a beneficiary account with any DP (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as is registered in the records of our Company). In case of investors having various folios in our Company with different joint holders, the investors will have to open separate accounts for such holdings. **Those Eligible Equity Shareholders who have already opened such beneficiary account(s) need not adhere to this step.**
2. For Eligible Equity Shareholders already holding Equity Shares in dematerialized form as on the Record Date, their Rights Entitlement would be credited to the demat account of the respective Eligible Equity Shareholder. For those who open accounts later or those who change their accounts and wish to receive their Rights Equity Shares pursuant to this Issue by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF and shall be informed at least one day prior to the closure of the issue. It may be noted that the Allotment of Rights Equity Shares arising out of this Issue would be made in dematerialised form even if the original Equity Shares are not dematerialised. Nonetheless, it should be ensured that the depository account is in the name(s) of the Eligible Equity Shareholders and the names are in the same order as in the records of our Company.
3. Responsibility for correctness of information (including applicant's age and other details) filled in the CAF vis-à-vis such information with the applicant's DP, would rest with the Applicant. Applicants should ensure that the names of the applicants and the order in which they appear in CAF should be the same as registered with the applicant's DP.
4. If incomplete/ incorrect details are given under the heading 'Request for Shares in Electronic Form' in the CAF, if incomplete/ incorrect beneficiary account details are given in the CAF, then such shares will be credited to a demat suspense a/c which shall be opened by our Company as specified in SEBI circular no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009.
5. Allotment advice or letters of Allotment would be sent directly to the applicant by the Registrar to the Issue but the applicant's DP will provide to him the confirmation of the credit of such Rights Equity Shares to the applicant's depository account.
6. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of the Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, such applications by Renounees are liable to be rejected.
7. Non-transferable allotment advice will be directly sent to the Investors by the Registrar.
8. Dividend or other benefits with respect to the Rights Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.



Procedure for Application by Mutual Funds

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 application clearly indicates the scheme concerned for which the application has been made. Applications made by asset management companies or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made.

Procedure for Application by Systematically Important Non-banking Financial Companies (NBFCs)

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45-IA of the RBI Act, 1934 and (ii) networth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Procedure for Application by FPIs

In terms of the FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our Company's post-Issue equity share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of our Company. Further, Category II FPIs under the FPI Regulations which are unregulated broad based funds and Category III FPIs under the FPI Regulations shall not issue, subscribe or otherwise deal in such offshore derivative instruments directly or indirectly. In addition, FPIs are required to ensure that further issue or transfer of any offshore derivative instruments by or on behalf of it is made only to person regulated by an appropriate foreign regulatory authority.

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. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in our Company, holding of all registered FPIs shall be included.

Procedure for Applications by AIFs, FVCIs and VCFs

The VCF Regulations and the FVCI Regulations prescribe, amongst other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the AIF Regulations prescribe, amongst other things, the investment restrictions on AIFs.

As per the VCF Regulations and FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as category I AIFs, as defined in the AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Investment by NRIs

Investments by NRIs are governed by the Portfolio Investment Scheme under Regulation 5(2) of the FEMA Regulations & FEMA Rules. Applications will not be accepted from NRIs in restricted jurisdictions.

Impersonation

As a matter of abundant caution, attention of the investors is specifically drawn to the provisions of subsection 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 Bank to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 1.00 million or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹1.00 million or 1.00% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 2.00 million or with both.

Payment by Stock invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the stockinvest scheme has been withdrawn with immediate effect. Hence, payment through stock invest would not be accepted in this Issue.

Utilisation of Issue Proceeds

Our Board of Directors declares that:

- (a) All monies received out of the Issue shall be transferred to a separate bank account;
- (b) Details of all monies utilized out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- (c) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- (d) Our Company may utilise the funds collected in the Issue only after the Basis of Allotment is finalised.

Undertakings by our Company

Our Company undertakes as follows:

- (a) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- (b) All steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Rights Equity Shares are proposed to be listed will be taken within 7 (seven) Working Days of finalization of Basis of Allotment.
- (c) Details with respect to unblocking of ASBA shall be dispatched to the applicants within 15 (fifteen) days of the Issue Closing Date.
- (d) The letters of Allotment/ Allotment advice to the NRs shall be dispatched within the specified time.
- (e) No further issue of securities affecting equity capital of our Company shall be made till the securities issued/ offered through this Draft Letter of Offer are listed and fully paid up.
- (f) At any given time there shall be only one denomination of Equity Shares of our Company.



- (g) As on the date of this draft letter of offer, our company has not issued any SR equity shares and there are no outstanding SR equity shares
- (h) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Important

- Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the accompanying CAF is an integral part of the conditions and must be carefully followed; otherwise the Application is liable to be rejected.
- It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in the section titled “*Risk Factors*” on page 14.
- All enquiries in connection with this Draft Letter of Offer, the Letter of Offer or accompanying CAF must be addressed to the Registrar to the Issue at the following address:

MAS Services Limited

T-34, 2nd Floor Okhla Industrial Area, Phase II,
New Delhi – 110020 India

Tel. No: +91 11 2638 7281-83

E-mail: info@masserv.com

Website: www.masserv.com

Contact Person: Mr. Sharwan Mangla

SEBI Registration No: INR 000000049

- This Issue will be kept open for a minimum period of 15 (fifteen) days in accordance with the Articles of Association of our Company. However, the Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date.
- No withdrawal of application shall be permitted after the issue closing date.

Restrictions on Foreign Ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Consolidated FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries / departments of the Government of India and the RBI. The Union Cabinet has recently approved phasing out the FIPB, as provided in the press release dated May 24, 2017. Accordingly, pursuant to the office memorandum dated June 5, 2017, issued by the Department of Economic Affairs, Ministry of Finance, approval of foreign investment under the FDI policy has been entrusted to concerned ministries/ departments.

Subsequently, the DIPP issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the “**SOP**”). The SOP provides a list of the competent authorities for granting approval for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned administrative ministry/department shall act as the competent authority (the “**Competent Authority**”) for the grant of post facto approval of foreign investment. In circumstances where there is a doubt as to which department shall act as the **Competent Authority**, the DIPP shall identify the **Competent Authority**.

The GoI has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails. The Consolidated FDI Policy, issued by the DIPP, consolidates the policy framework in place as on August 27, 2017, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.



SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The contracts referred to in para (A) below (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material have been entered into by our Company.

The contracts together with the documents referred to in para (B) below may be inspected at the Registered Office of our Company between 11.00 a.m. to 2.00 p.m. on any Working Day from the date of the Letter of Offer until the closure of the subscription list.

(A) MATERIAL CONTRACTS

1. Issue Agreement dated March 19, 2020 between our Company and Keynote Financial Services Limited, Lead Manager to the Issue;
2. Agreement dated November 25, 2019 between our Company and M/s. MAS Services Limited, Registrar to the Issue.
3. Banker(s) to the Issue Agreement dated [●] amongst our Company, the Lead Manager and the Registrar to the Issue and the Escrow Collection Bank(s).
4. Tripartite Agreement dated February 3, 2014 between our Company, National Securities Depository Ltd. (NSDL) and M/s. MAS Services Limited;
5. Tripartite Agreement dated February 13, 2014 between our Company, Central Depository Services (India) Limited (CDSL) and M/s. MAS Services Limited;

(B) DOCUMENTS FOR INSPECTION

1. Memorandum & Articles of Association of our Company;
2. Copy of the resolution of the Board of Directors under Section 62 of the Companies Act passed in its meeting dated March 8, 2019 authorising the Issue;
3. Copy of the Resolution passed by the members of our Company under Section 62(1)(a) and other provision of the Companies Act, at their meeting held on April 8, 2019
4. Consents of the Directors, Company Secretary and Compliance Officer, Legal Advisors to the Issue, Statutory Auditor, Lead Manager to the Issue, Banker to our Company, Banker to the Issue and Registrar to the Issue to include their names in the Offer Document to act in their respective capacities;
5. Annual reports of our Company for the financial years ended March 31, 2017 2018 and 2019;
6. Limited review report for the nine (9) months period ended December 31, 2019.
7. The Report of the Statutory Auditors being, M/s K. Singh & Associates, Chartered Accountants, as set out herein dated December 21, 2019 relating to the audited financial information of our Company.
8. A statement of tax benefits dated February 11, 2020 received from M/s K. Singh & Associates., Chartered Accountants, Statutory Auditor regarding tax benefits available to our Company and its shareholders;
9. Certificate dated March 03, 2020 from K. Singh & Associates, Chartered Accountants, Statutory Auditors regarding “Sources & deployment of funds”.
10. Due Diligence Certificate dated March 30, 2020 by Keynote Financial Services Ltd., Lead Manager to the Issue;
11. Letter of Offer dated January 16, 2017 made by the Acquirers and the PACs to Shareholders pursuant to, and in accordance with the provisions of Regulations 12 of the SEBI (SAST) Regulations, 1997.
12. Letter of Offer dated December 19, 2018 made by the Company for rights issue of Equity Shares.
13. In-principle listing approval(s) dated [●] from BSE Limited;

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.



DECLARATION

We hereby certify that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Offer Document is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules made thereunder or guidelines or regulations issued, as the case may be. We further certify that all the disclosures and statements in this Offer Document are true and correct.

Name	Signature
Sanjay Aggarwal <i>Managing Director</i>	Sd/-
Anubha Aggarwal <i>Director</i>	Sd/-
Raman Aggarwal <i>Independent & Non-Executive Director</i>	Sd/-
Deepak Gaur <i>Independent & Non-Executive Director</i>	Sd/-
Sheetal Kapoor <i>Chief Financial Officer</i>	Sd/-
Anju Sharma <i>Company Secretary & Compliance Officer</i>	Sd/-

Place: Chandigarh

Date: March 30, 2020