



## GALACTICO CORPORATE SERVICES LIMITED

Our Company was incorporated as Amigos Trading and Commerce Private Limited on June 15, 2015 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration No. 265578. The name of the Company was changed to Galactico Corporate Services Private Limited and the name change certificate was issued on April 04, 2017. The status of the Company was changed to public limited and the name of our Company was changed to Galactico Corporate Services Limited vide Special Resolution dated October 09, 2018. The fresh certificate of incorporation consequent to conversion was issued on November 06, 2018 by the Registrar of Companies, Mumbai. The Company's Corporate Identity Number is U74110MH2015PLC265578. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter "History and Certain Corporate Matters" on page no. 97 of this Draft Prospectus.

**Registered Office:** 2nd Floor, Shree Gurudeo Tower, Above Shirpur Co-Op Bank Ltd, Canada Corner, Nashik - 422 005  
**Tel No.:** +91 – 253 – 231 9714; **Email:** info@galacticocorp.com; **Website:** www.galacticocorp.com  
**Contact Person:** Ms. Harshika Thakkar, Company Secretary and Compliance Officer.  
**Our Promoter:** Mr. Vipul Lathi

### THE OFFER

**PUBLIC OFFER OF UP TO 16,08,000 EQUITY SHARES OF ₹ 10 EACH ("EQUITY SHARES") OF GALACTICO CORPORATE SERVICES LIMITED ("GCSL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER SHARE (THE "OFFER PRICE"), AGGREGATING TO ₹ [●] LAKHS (THE "OFFER"), CONSISTING OF FRESH ISSUE OF UP TO 3,00,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS AND AN OFFER FOR SALE OF UP TO 13,08,000 EQUITY SHARES BY THE PROMOTER SELLING SHAREHOLDER AGGREGATING TO ₹ [●] LAKHS ("OFFER FOR SALE"), OF WHICH UP TO 84,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF UP TO 15,24,000 EQUITY SHARES OF ₹ 10 EACH IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE 28.06% AND 26.59%, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.**

### THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE OFFER PRICE IS [●]TIMES OF THE FACE VALUE

In terms of Rule 19(2)(b)(i) of the SCRR this Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. This Offer is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Offer is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NII and vice-versa subject to valid Applications being received from them at or above the Offer Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled "Offer Information" beginning on page no. 201 of this Draft Prospectus.

All potential RIs investors are required to mandatorily use the Unified Payment Interface ("UPI"), while NIIs and QIBs can use Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the irrespective bank accounts which will be blocked by the Self Certified Syndicate Banks ("SCSBs"). For details in this regard, specific attention is invited to "Offer Procedure" on page no. 208 of this Draft Prospectus.

### RISK IN RELATION TO THE FIRST OFFER

This being the first Public Offer of our Company, there has been no formal market for the Equity Shares of our Company. The Offer Price (determined and justified by our Company and the Selling Shareholder in consultation with the Lead Manager) as stated under "Basis for Offer Price" beginning on page no. 66 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 15 of this Draft Prospectus.

### COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholder assumes responsibility that this Draft Prospectus contains all information about himself as a Selling Shareholder in the context of the Offer for Sale and further assumes responsibility for statements in relation to him included in this Draft Prospectus

### LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited. Our Company has received an in-principle approval letter dated [●] from BSE for listing our shares on the SME Platform of the BSE. For the purpose of this Offer, the Designated Stock Exchange will be BSE Limited ("BSE"). A copy will be delivered for registration to the Registrar of Companies as required under Section 26 and 28 of the Companies Act, 2013.

#### LEAD MANAGER TO THE OFFER

#### REGISTRAR TO THE OFFER



**ARYAMAN**  
FINANCIAL SERVICES LTD

**ARYAMAN FINANCIAL SERVICES LIMITED**  
 60, Khatau Building, Ground Floor,  
 Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001  
**Tel No.:** +91 – 22 – 6216 6999  
**Email:** ipo@afsl.co.in  
**Website:** www.afsl.co.in  
**Investor Grievance Email:** feedback@afsl.co.in  
**Contact Person:** Mr. Vimal Maniyar/ Ms. Kruti Bhatt  
**SEBI Registration No.** INM000011344



**BIGSHARE SERVICES PRIVATE LIMITED**  
 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis,  
 Makwana Road, Marol, Andheri East, Mumbai – 400 059  
**Tel:** +91 – 22 – 6263 8200  
**Email:** ipo@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Investor Grievance Email:** investor@bigshareonline.com  
**Contact Person:** Mr. Babu Raphael  
**SEBI Registration No.:** INR000001385

#### OFFER OPENS ON

[●]

#### OFFER CLOSES ON

[●]

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Draft Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under

Notwithstanding the foregoing, terms used in “*Statement of Tax Benefits*”, “*Financial Information*”, “*Main Provisions of Articles of Association*”, “*Outstanding Litigation and Material Developments*” and “*Other Regulations and Statutory Disclosures*” beginning on page nos. 69, 121, 234, 182 and 192, respectively, shall have the meaning ascribed to such terms in these respective sections

#### General Terms

Term	Description
“Galactico Corporate Services Limited”, “GCSL” and “our Company”	Galactico Corporate Services Limited, a public limited company incorporated under the Companies Act, 2013 and having its registered office at 2 <sup>nd</sup> Floor, Shree Gurudeo Tower, Above Shirpur Co-Op Bank Ltd, Canada Corner, Nashik – 422 005, Maharashtra India
Promoter(s) / Core Promoter	<ul style="list-style-type: none"> <li>Mr. Vipul Lathi</li> </ul>
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <i>Our Promoter and Promoter Group</i> ” on page no. 115 of this Draft Prospectus
“We”, “our”, “us” or “Group”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries.

#### Company related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Galactico Corporate Services Limited.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company, being M/s. A. S. Bedmutha & Co., Chartered Accountants having their office at S6, Utility Centre, Opp. Rajiv Gandhi Bhawan, Sharanpur Road, Nashik- 422 002.
Audit Committee	The committee of the Board of Directors as described in the chapter “ <i>Our Management</i> ” on page no. 104 of this Draft Prospectus re-constituted on June 29, 2019 in accordance with Section 177 of the Companies Act, 2013 and SEBI Listing Regulations.
Board of Directors / Board	The Board of Directors of Galactico Corporate Services Limited, including all duly constituted Committees thereof.
Chief Financial Officer/ CFO	Mr. Vishal Sancheti.
CIN/ Corporate Identification Number	U74110MH2015PLC265578
Company Secretary and Compliance Officer	Ms. Harshika Thakkar.
Director(s)	Director(s) of Galactico Corporate Services Limited, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company



Term	Description
Group Company/Entities	Such companies as are included in the chapter titled “ <i>Our Group Company</i> ” beginning on page no. 119 of this Draft Prospectus.
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.
ISIN	INE906Y01010.
Key Management Personnel / KMP	Key Management Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and as identified in chapter titled “ <i>Our Management</i> ” on page no. 104 of this Draft Prospectus
Materiality Policy	The policy adopted by our Board for identification of Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.
MD or Managing Director	Mr. Vipul Lathi.
MOA / Memorandum of Association	Memorandum of Association of Galactico Corporate Services Limited
Nomination and Remuneration Committee	The committee of the Board of Directors re-constituted on June 29, 2019, as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013
Registered Office	The registered office of our Company situated at 2 <sup>nd</sup> Floor, Shree Gurudeo Tower, Above Shirpur Co-Op Bank Ltd, Canada Corner, Nashik – 422 005.
Registrar of Companies / RoC	Registrar of Companies, Mumbai situated at Everest, 100, Marine Drive, Mumbai – 400 002.
Selling Shareholder	Mr. Vipul Lathi
Stakeholders’ Relationship Committee	The committee of the Board of Directors re-constituted on June 29, 2019 as our Company’s Stakeholders’ Relationship Committee.
Subsidiaries/ Step Down Subsidiaries	<ul style="list-style-type: none"> <li>• Seven Hills Beverages Limited</li> <li>• Instant Finserve Private Limited</li> <li>• Palwe Pest Control Private Limited</li> </ul> For details please refer the chapter titled “ <i>Subsidiaries</i> ” page no. 99 of this Draft Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
“you”, “your” or “yours”	Prospective Investors in this Offer

#### Offer Related Term

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allotment	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Offer to the successful applicants, including transfer of the Equity Shares pursuant to the Offer to the successful applicants
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include amounts blocked by Retail Applicants using the UPI Mechanism



Term	Description
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by the Applicants which will be blocked by such SCSB or the account of the RIB blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism for blocking the Application Amount mentioned in the ASBA Form
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form.
ASBA Application / Application	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Prospectus
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “General Information” on page no. 45 of this Draft Prospectus
Banker(s) to the Offer	The banks which are Clearing Members and registered with SEBI as Banker to an Offer with whom the Escrow Agreement is entered and in this case being [●].
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Offer and which is described in the chapter titled “Offer Procedure” beginning on page no. 208 of this Draft Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an offer and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches	Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Offer and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, name of the Applicants father/ husband, investor status, PAN, Occupation, Bank Account details and UPI ID wherever applicable
Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL
Depositories Act	The Depositories Act, 1996, as amended from time to time
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Offer Account.
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Offer
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited) will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.



Term	Description
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated Branches	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
Designated Stock Exchange	BSE Limited
Draft Prospectus	This Draft Prospectus dated July 18, 2019 issued in accordance with the SEBI ICDR Regulations
Eligible NRI(s)	An NRI's from such a jurisdiction outside India where it is not unlawful to make an Offer or invitation under this Offer and in relation to whom the Application Form and the Prospectus will constitutes an invitation to purchase the equity shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Draft Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants and are deemed as FPIs under the SEBI FPI Regulations
Escrow Agreement	Agreement dated [●] entered into amongst the Company, the Selling Shareholder, Lead Manager, the Registrar and the Banker to the Offer to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Offer Account.
Foreign Institutional Investors/ FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Fresh Issue	The Fresh Issue of up to 3,00,000 Equity Shares by our Company of ₹ 10 each at a price of ₹ [●] per equity share aggregating to ₹ [●] lakhs, to be issued by our Company for subscription pursuant to the terms of this Draft Prospectus
Fresh Issue Proceeds	The proceeds of the Fresh Issue as stipulated by the Company. For further information about use of the Fresh Issue Proceeds please see the chapter titled " <i>Objects of the Offer</i> " beginning on page no. 62 of this Draft Prospectus
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 notified by SEBI.
LM / Lead Manager	Lead Manager to the Offer, in this case being Aryaman Financial Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and National Stock Exchange of India Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Market Maker Reservation Portion	The Reserved portion of up to up to 84,000 Equity shares of ₹ 10 each at an Offer Price of ₹ [●] aggregating to ₹ [●] lakhs for Designated Market Maker in the Public Offer of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated July 04, 2019
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Offer	The Net Offer of up to 15,24,000 Equity Shares of ₹ 10 each at ₹ [●] per Equity Share aggregating to ₹ [●] lakhs by our Company and the Selling Shareholder.
Non-Institutional Applicant	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)



Term	Description
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Offer
Offer for Sale	The offer for sales of up to 13,08,000 Equity Shares by selling shareholder of ₹ 10 each aggregating to ₹ [●] lakhs for subscription pursuant to the terms of this Draft Prospectus
Offer/ Offer Size / Public Offer / IPO	This Initial Public Offer of up to 16,08,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per equity share aggregating to ₹ [●] lakhs by our Company and the Selling Shareholder.
Offer Closing date	The date on which the Offer closes for subscription being [●]
Offer Opening date	The date on which the Offer opens for subscription being [●]
Offer Price	The price at which the Equity Shares are being Offered by our Company and the Selling Shareholder in consultation with the Lead Manager under this Draft Prospectus being ₹ [●] per share.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus, to be filed with the RoC containing, inter alia, the Offer opening and closing dates and other information.
Public Offer Account	Account opened with Bankers to the Offer for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI
Qualified Institutional Buyers / QIBs	Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Refunds through electronic transfer of funds	Refunds through NECS, NEFT, direct credit or RTGS, as applicable.
Registrar Agreement	The agreement dated July 04, 2019 among our Company and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI.
Registrar and Share Transfer Agents/RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar/ Registrar to the Offer	Registrar to the Offer being Bigshare Services Private Limited
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s)  QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their



Term	Description
	Applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Application during the Offer Period and withdraw their Applications until Offer Closing Date.
Self-Certified Syndicate Bank(s) / SCSBs	A Bank registered with SEBI under the SEBI (Bankers to an Offer) Regulations, 1994 and Offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
Sponsor Bank	The Banker(s) registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Applicants into the UPI, in this case being [●].
Share Escrow Agent	Share Escrow agent appointed pursuant to the Share Escrow Agreement, being [●]
Share Escrow Agreement	Agreement dated [●] entered into between the Selling Shareholder, our Company, the Escrow Agent and the Lead Manager in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees.
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
Standalone Restated Financial Information	Standalone Restated financial statements of assets and liabilities as at March 31, 2019, 2018 and 2017 and statement of profit and loss and cash flows at and for years ended March 31, 2019, 2018 and 2017 for our Company in accordance with SEBI ICDR Regulations and other applicable laws.
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	Aryaman Financial Services Limited and Aryaman Capital Markets Limited.
Underwriting Agreement	The Agreement among the Underwriters, the Selling Shareholder and our Company dated July 04, 2019
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

#### Technical / Industry related Terms

Term	Description
ACML	Aryaman Capital Markets Limited
AFSL	Aryaman Financial Services Limited
AI	Artificial Intelligence
AUM	Assets Under Management
BPs	Basis Points
BCG	Boston Consulting Group
CA Act	Chartered Accountants Act, 1949
CCEA	Cabinet Committee on Economic Affairs
CFT	Combating Financing of Terrorism
CG	Capital Goods
C.S. & C.O.	Company Secretary and Compliance Officer
CTCR	Counter Terrorism and Counter Radicalization
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DRs	Depository Receipts





Term	Description
DT	Debenture Trustees
EMDEs	Emerging Market and Developing Economies
ESOP	Employee Stock Options Plan
ESPS	Employee Stock Purchase Scheme
ETF	Exchange Traded Fund
ETCDs	Exchange Traded Commodity Derivatives
EU	European Union
FIU-IND	Financial Intelligence Unit-India
FPOs	Follow on Public Offerings
GFSR	Global Financial Stability Report
GIR	General Index Registration
GSTIN	Goods and Services Tax Identification Number
FMCG	Fast-Moving Consumer Goods
ICD	Inland Container Depots
IFPL	Instant Finserve Private Limited
IGP	Innovators Growth Platform
KVA	Kilo-Volt-Ampere
KW	Kilowatt
M&A	Merger & Amalgamation
MCA	Ministry of Corporate Affairs
ML	Machine Learning
MNC	Multinational Corporation
MSMEs	Micro Small and Medium Enterprises
NBFCs	Non- Banking Financial Companies
NPCI	National Payments Corporation of India
ODS	Offshore Derivative Instruments
OFS	Offer for Sale
PMEGP	Prime Minister's Employment Generation Programme
PMLA	Prevention of Money Laundering Act, 2002
PMS	Portfolio Management Services
PPCPL	Palwe Pest Control Private Limited
PPP	Purchasing Power Parity
PSU	Public Sector Undertaking
RTA	Registrar to an Offer and Share Transfer Agent
QIB	Qualified Institutional Buyer
QFIs	Qualified Foreign Investors
QIP	Qualified Institutional Placement
QRTAs	Qualified Registrar and Share Transfer Agents
SMEs	Small and Midsized Enterprises
SHBL	Seven Hills Beverages Limited
SEZ	Special Economic Zone
TAN	Tax Deduction Account Number
TRACES	TDS Reconciliation, Analysis and Correction Enabling System
UHNWI	Ultra High Net Worth Individual
VAR	Value-At-Risk

#### Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India



Term	Description
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
Category I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIBIL	Credit Information Bureau (India) Limited
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CY	Calendar Year
DIN	Director Identification Number
DP	Depository Participant, as defined under the Depositories Act
DP ID	Depository Participant’s identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM/ EOGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HNIs	High Networth Individuals
HUF	Hindu Undivided Family



Term	Description
IAS Rules	Indian Accounting Standards, Rules 2015
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IGST	Integrated Goods and Services Tax Act, 2017
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NRE Account	Non Resident External Account
NRIs	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Regulations	AIF Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI	FPI Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014



Term	Description
Regulations	
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI LODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SGST	State Goods and Services Tax Act, 2017
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UGST	Union Territory Goods and Services Tax Act, 2017
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	A company or a person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorized as such.



## CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

All references to “India” contained in this Draft Prospectus are to the Republic of India. In this Draft Prospectus, our Company has presented numerical information in “lakhs” units. One lakhs represents 1,00,000.

### Financial Data

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘*Financial Statements*’ beginning on page no. 121 of this Draft Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Draft Prospectus, any discrepancy in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 24, 83 and 169 of this Draft Prospectus, respectively, and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

Consequent to the introduction of Goods and Service Tax (“GST”) central excise and value added tax have been subsumed into GST. In accordance with Ind AS 18, GST is not considered a part of revenue unlike excise duties which used to be included in revenue prior to July 1, 2017. Accordingly, our results of operations and our EBITDA for Fiscal 2018 are not directly comparable with the previous Fiscals.

### Currency, Units of Presentation and Exchange Rates

All references to “Rupees”, “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

This Draft Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

### Definitions

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page no. 1 of this Draft Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page no. 234 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

### Industry and Market Data

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



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their reliability cannot be assured. Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.



## FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Financial Services Industry in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility 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 our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in Financial Services Industry.
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to manage risks that arise from above factors;
- Changes in government policies and regulatory actions that apply to or affect our business.
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks;
- Changes in consumer demand and
- Failure to successfully upgrade our products and service portfolio, from time to time.

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 24, 83 and 169 of this Draft Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Draft Prospectus. Our Company, the Selling Shareholder, our Directors, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect



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the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company, the Selling Shareholder and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.





## SUMMARY OF THE OFFER DOCUMENT

### A. Summary of Business

We are a diversified financial services company in India, carrying out the business of management of fund raising activities, investment advisory, underwriting of issues, manager, consultant or adviser to any issue including corporate advisory services and as consultant or adviser. We are registered as SEBI Category-I Merchant Banker having Registration Code INM000012519. Our motto is to achieve excellence across a range of financial services like: Advisory in IPO, Merger & Acquisitions, Debt Syndications, Takeovers, Valuations, Strategic & General Corporate Advice and Business Modeling, etc. We are primarily focused on providing such services to small and mid-sized enterprises (SMEs).

### Summary of Industry

During May 2019, Primary market mobilized funds through equity public issues of ₹106 crore as compared to ₹3,221 crore raised in April 2019. Further, there were two rights issue which mobilized ₹ 24,372 crore during May 2019 as compared to ₹ 25,012 crore mobilized in April 2019.

In addition, during May 2019, Primary market mobilized funds through Bonds public issues of ₹1,048 crore as compared to ₹2,191 crore raised in April 2019.

During May 2019, corporates mobilised of ₹19,851 crore through preferential allotments compared to ₹35,828 crore raised in April 2019. There was no QIP listed during May 2019.

### B. Our Promoter

Our Company is promoted by Mr. Vipul Lathi.

### C. Offer Size

<b>Equity Shares:</b> Present Issue of Equity Shares by our Company and the Selling Shareholders	Up to 16,08,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share, aggregating up to ₹ [●] lakhs
<i>of which:</i>	
<b>Fresh Issue</b>	Up to 3,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share, aggregating up to ₹ [●] lakhs
<b>Offer for Sale</b>	Up to 13,08,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share, aggregating up to ₹ [●] lakhs

### D. Objects of the Offer

The Offer for Sale

The Selling Shareholder will be entitled to the proceeds of the Offer for Sale. Our Company will not receive any proceeds from the Offer for Sale.

The Fresh Issue

Our Company intends to utilize the Net Proceeds from the Fresh Issue towards the following objects:

Sr. No.	Particulars	Amt. (₹ in lakhs)
1.	Repayment of Unsecured loans	50.00
2.	General Corporate Purposes <sup>(1)</sup>	[●]
	<b>Total</b>	[●]

<sup>(1)</sup> The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue



## E. Pre Offer Shareholding of Promoter, Promoter Group and Selling Shareholder

Sr. No.	Category of Shareholders	Pre Offer	
		No. of Equity Shares	% of paid up Equity capital
1.	Promoter <sup>(1)</sup>	53,63,649	98.76%
2.	Promoter Group	67,256	1.24%

<sup>(1)</sup>The Individual Selling Shareholder is also our Promoter.

## F. Summary of Financial Information

### Standalone Financial Information

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2018	2017	2016
Share capital	543.12	541.72	6.83
Net worth	1,229.80	1,155.71	707.26
Revenue (total income)	196.58	160.40	51.84
Profit after tax	74.09	85.48	31.73
Earnings per share (basic & diluted)	1.36	1.58	0.59
Net asset value per equity share	22.64	21.28	1035.18
Total borrowings	0.00	0.00	0.00

### Consolidated Financial Information

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Share capital	543.12	543.12
Net worth	1,522.58	1,406.19
Revenue (total income)	1,919.35	1,653.94
Profit after tax	141.82	137.07
Earnings per share (basic & diluted)	2.14	1.99
Net asset value per equity share	28.03	25.89
Total borrowings	407.57	515.48

## G. Qualifications of the Auditors

The Restated Financial Statements do not contain any qualification requiring adjustments by the Auditors.

## H. Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, our Promoter, our Directors, our Subsidiaries and our Group Company as on the date of this Draft Prospectus is provided below:

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (₹ in Lakhs)
1.	<b>Litigations against our Company</b>		
(a)	Tax	2	0.48
2.	<b>Litigations against our Directors</b>		
(a)	Tax	4	1.03
3.	<b>Litigations against our Subsidiaries</b>		
(a)	Tax	8	17.71

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” beginning on page no. 182 of this Draft Prospectus



## I. Risk Factors

Investors should read chapter titled “*Risk Factors*” beginning on page no. 24 of this Draft Prospectus to get a more informed view before making any investment decisions.

## J. Summary of Contingent Liabilities of our Company

The details of contingent liabilities as indicated in our Restated Financial Statements and also certified by our statutory auditors were as follows:

(₹ in Lakhs)

Particulars	Restated Consolidated		Restated Standalone	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2016
<b>Contingent Liabilities:</b>				
<b>- Taxation Matters</b>				
Disputed Income Tax demands	16.96	16.96	-	-
<b>Total</b>	<b>16.96</b>	<b>16.96</b>	<b>-</b>	<b>-</b>

For further information, please see Note in relation to “*Contingent Liabilities*” under Financial Information beginning on page no. 146 of this Draft Prospectus.

## K. Summary of Related Party Transactions

### Standalone Financial Statements:

### Key Management Personnel

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Mr. Vipul Lathi</b>			
<b>1. Finance - Advance Given</b>			
Opening Outstanding	49.93	82.20	
Deposits against Immovable Property	-	-	82.20
Repayment of Deposits	49.93	32.27	-
Closing Balance	-	49.93	82.20
<b>2. Salary</b>	2.10	-	-
<b>3. Advance Against Salary</b>	2.00		
<b>Mr. Krishna Jhwar</b>	-	-	-
<b>1. Salary</b>	1.06	1.80	-
<b>2. Advance Against Salary</b>		1.06	
<b>Mr. Vishal Sancheti</b>			
Salary	3.18	-	-
<b>Miss Harshika Thakkar</b>			
Salary	2.64	-	-
<b>Mr. Suyash Chhajed</b>			
Salary	-	6.00	-
<b>Mr. Rohit Kasat</b>			
Salary	-	1.45	-
<b>Mr. Sandeep Plawe</b>			
Salary	-	-	0.69



Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Purchase of Shares of Seven Hills</b>			
Sandeep Palwe (11,69,050 Shares)	-	114.19	-

#### Relatives of Key Management Personnel

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Mrs Charushila Lathi</b>			
<b>1. Finance - Advance Given</b>			
Opening Outstanding	50.00	49.50	-
Deposits against Immovable Property	-	0.50	49.50
Repayment of Deposits	22.47	-	-
Closing Balance	27.53	50.00	49.50
<b>2. Sale of Shares of Seven Hills</b>	-	45.00	-
<b>3. Purchase of Shares of Seven Hills</b>			
Charushila Lathi ( 18,34,410 Shares)	-	179.18	-
<b>Mrs. Parushana Chhajed</b>			
Professional Fees	-	10.00	-
<b>Purchase of Shares of Seven Hills</b>			
Nayan Palwe (7,16,240 Shares)	-	69.96	-
Balasaheb Palwe (900 Shares)	-	0.09	-
Jayshree Palwe (900 Shares)	-	0.09	-

#### Associates / Enterprises over which directors and / or their relatives has significant influence

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Instant Finserve Private Limited</b>			
<b>1. Finance - Advance Given</b>			
Opening Outstandings	4.17	-	-
Advance Given	-	4.17	-
Repayment of Advance	4.17	-	-
Closing Outstanding	-	4.17	-
<b>2. Investments In Shares</b>			
Closing Balances			
Instant Finserve Private Limited	200.00	200.00	-
Seven Hills Beverages Limited	363.50	363.50	45.00

#### Consolidated Financial Statements:

##### Key Management Personnel

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr. Vipul Lathi</b>		
<b>1. Finance - Advance Given</b>		
Opening Outstanding	49.93	82.20
Refundable Deposit Given	-	-



Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Repayment of Deposit	49.93	32.27
Closing Balance	-	49.93
<b>2.Salary</b>	2.10	-
<b>3.Advance Against Salary</b>	2.00	-
<b>Mr. Krishna Jhawar</b>		
1.Salary	1.60	1.80
2.Advance Against Salary	-	1.06
<b>Mr. Vishal Sancheti</b>		
Salary	3.18	-
<b>Miss Harshika Thakkar</b>		
Salary	2.64	-
<b>Mr. Suyash Chhajed</b>		
Salary	-	6.00
<b>Mr. Rohit Kasat</b>		
Salary	-	1.45
<b>3. Purchase of Shares of Seven Hills</b>		
Sandeep Palwe (11,69,050 Shares)	-	114.19
Nayan Palwe (7,16,240 Shares)	-	69.96
Balasaheb Palwe (900 Shares)	-	0.09
Jayshree Palwe (900 Shares)	-	0.09

#### Relatives of Key Management Personnel

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mrs Charushila Lathi</b>		
<b>1. Finance - Advance Given</b>		
Opening Outstanding	50.00	49.50
Refundable Deposit Given		0.50
Repayment of Deposit	22.47	
Closing Balance	27.53	50.00
<b>2. Sale of Shares</b>		
(2,50,000 Shares at Rs 18/- per share)	-	45.00
<b>3. Purchase of Shares of Seven Hills</b>		
(18,34,410 Shares)	-	179.18
<b>Mrs. Parushana Chhajed</b>		
Professional Fees	-	10.00



**Associates / Enterprises over which directors and / or their relatives has significant influence**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Instant Finserve Private Limited</b>		
<b>1. Finance - Advance Given</b>		-
Opening Outstanding	4.17	-
Repayment of Advance	-	-
Advance Given	-	4.17
Repayment of Advance	4.17	-
Closing Outstanding	-	4.17
<b>2. Investments In Shares</b>		
Closing Balances		
Instant Finserve Private Limited	200.00	200.00
Seven Hills Beverages Limited	363.50	363.50

(i) Particulars of Transactions with Related Parties

**Instant Finserve Private Limited**

**Key Management Personnel**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr. Suyash Chhajed</b>		
Salary	-	1.00

**Holding Company/ Entities**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Galactico Corporate Services Limited</b>		
<b>1. Finance - Loan Taken</b>		
Opening Outstanding	4.17	-
Loan Received in PY	-	4.17
Repayment of Loan	4.17	-
Closing Outstanding	-	4.17

(ii) Particulars of Transactions with Related Parties

**Palwe Pest Control Private Limited**

**Key Management Personnel**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr Balasaheb Palwe</b>		
<b>1. Finance -Loan Taken</b>		
Opening Outstanding	7.30	-
Loan Taken in the year	16.10	31.25
Repayment of Loan	23.32	23.95
Closing Outstanding	0.08	7.30
<b>2. Finance –Refundable Deposit</b>		
Opening Outstanding	186.00	130.00



Refundable Deposit Given	-	56.00
Repayment of Advance	-	-
Closing Outstanding	186.00	186.00
<b>3. Salary</b>	12.00	12.00
<b>Mrs. Jayashree Palwe</b>		
<b>1. Finance -Loan Taken</b>		
Opening Outstanding	0.32	-
Loan Taken the year	1.50	6.30
Repayment of Loan	1.55	5.98
Closing Outstanding	0.28	0.32
<b>2. Salary</b>	10.20	10.20
<b>Mr. Sandeep Palwe</b>		
<b>1. Finance -Loan Taken</b>		
Opening Outstanding	3.12	-
Loan Taken In the Year	0.76	18.73
Repayment of Loan	3.51	15.61
Closing Outstanding	0.37	3.12
<b>2. Salary</b>	10.20	10.20

#### Relatives of Key Management Personnel

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr Nayan Palwe</b>		
<b>1. Finance - Loan Taken</b>		
Opening Outstanding	1.38	-
Loan Taken In the Year	6.80	6.20
Repayment of Advances	6.48	4.82
Closing Outstanding	1.70	1.38
<b>2. Salary</b>	8.40	8.00
<b>Mrs Vasanti Palwe</b>		
<b>1. Finance - Loan Taken</b>		
Opening Outstanding	11.31	-
Loan Taken In the Year	-	11.31
Repayment of Advances	-	-
Closing Outstanding	11.31	11.31
<b>2. Salary</b>	8.40	8.00

#### Associate Companies / Entities

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Seven Hills Beverages Limited</b>		
<b>1. Finance - Business Transactions</b>		
Opening Outstanding	13.12	0.05
Advance Given in PY	32.72	60.80
Repayment of Advance	45.84	47.73
Closing Outstanding	-	13.12



(iii) Particulars of Transactions with Related Parties

**Seven Hills Beverages Limited**

**Relatives of Key Management Personnel**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr Balasaheb Palwe</b>		
<b>1. Finance - Loan Taken</b>		
Opening Outstanding	-	45.00
Loan Taken In the Year	-	11.00
Repayment of Advances	-	56.00
Closing Outstanding	-	-

**Associate Companies / Entities**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Palwe Pest Control Private Ltd</b>		
<b>1. Finance - Business Transactions</b>		
Opening Outstanding	13.12	0.05
Advance Taken in PY	32.72	60.80
Repayment of Advance	45.84	47.73
Closing Outstanding	-	13.12

For details of the related party transactions and as reported in the Restated Standalone and Consolidated Financial Statements, see “Financial Information” beginning on page no. 121 of this Draft Prospectus.

**L. Financing Arrangements**

There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Prospectus.

**M. Weighted average price at which the Equity Shares were acquired by our Promoter and Selling Shareholder in the last one year:**

Our Promoter and Selling Shareholder has not acquired any shares in last one year

**N. Average Cost of Acquisition per Equity Share to our Promoter and Selling Shareholder is:**

Name	Number of Equity Shares	Weighted Average cost (₹)
<b>Promoter &amp; Selling Shareholder</b>		
Mr. Vipul Lathi	53,63,649	10.37

**O. Details of Pre Offer Placement**

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

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

Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Prospectus





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**Q. Split / Consolidation of Equity Shares in the last one year**

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



## SECTION II: RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations on page nos. 83 and 169 of this Draft Prospectus respectively as well as other financial and statistical information contained in this Draft Prospectus. 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 risks mentioned herein.*

*This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto.*

### Materiality

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

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

### INTERNAL RISK FACTORS

1. ***There are outstanding legal proceedings involving our Director and Subsidiary Companies. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition***

Our Director and Subsidiary Companies is party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums.

Mentioned below are the details of the proceedings pending against our Director and Subsidiary Companies as on the date of this Draft Prospectus along with the amount involved, to the extent ascertainable/quantifiable:

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (₹ in Lakhs)
1.	<b>Litigations against our Company</b>		
(b)	Tax	2	0.48
2.	<b>Litigations against our Directors</b>		
(b)	Tax	4	1.03
3.	<b>Litigations against our Subsidiaries</b>		
(b)	Tax	8	17.71



Any developments in the proceedings, such as a change in Indian law, or rulings against Our Director and Subsidiaries Company by appellate courts or tribunal may constrain us to make provision in our financial statements that could increase our expenses ad current liabilities and the same may result in an adverse material impact on our business, goodwill, results or operation and financial condition. For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page no. 182 of this Draft Prospectus.

**2. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of “GALACTICO CORPORATE SERVICES LIMITED” from “GALACTICO CORPORATE SERVICES PRIVATE LIMITED” pursuant to conversion and name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations**

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we may need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. We were a private limited company in the name of “GALACTICO CORPORATE SERVICES PRIVATE LIMITED”. After complying with the relevant and the applicable provisions and procedures of Companies Act, 2013, the Company was converted into a public limited Company followed by a change of name of the company to “GALACTICO CORPORATE SERVICES LIMITED”. We shall be taking necessary steps for transferring the approvals in the new name of our Company. In case we fail to transfer/ obtain the same in name of the Company, the same may adversely affect our business operations.


Any failure to apply for and obtain the required approvals, licenses, registrations or permits in a timely manner, or any suspension or revocation of any of the approvals, licenses, registrations and permits would result in a delay in our business operations which could otherwise adversely affect our financial condition, results of operations and future prospects of the Company. We cannot assure you that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business and results of operations.

For further details, please refer the Chapter “*Government and other Statutory Approvals*” on page no. 187 of this Draft Prospectus.

**3. Intellectual property rights are important to our business. Any inability to protect our intellectual property rights from being infringed by others, including our current and / or future competitors/employees may adversely affect our business and growth prospects**

All our patents, trademarks and copyrights are our material assets and are crucial to our business operations. As on the date of this Draft Prospectus, the wordmark trademark “GALACTICO” does not belong to us. The said trademark belongs to our promoter, Mr. Vipul Lathi and we make use of it through an informal arrangement with our promoter. If Mr. Vipul Lathi withdraws, refuses to renew or terminates this arrangement, we will not be able to make use of the said trademark, name or logo in connection with our business and consequently, we may be required to invest significant resources in changing our logo which may adversely affect our reputation and business

We have been conducting our business using our logo and our customers associate our logo with our Company and its

operations. Our Company has registered the logo of  in Class 36 under application no. 3767091. Further, pursuant to conversion from “Private Limited” to “Public Limited” our Company is in the process of making an application for the revision in the logo. We cannot be certain that on applying for registration of our logo as our trademark we would be able to obtain a registration of our logo as our trademark. Further, unauthorized parties may infringe upon or misappropriate our logo or other proprietary rights. The misappropriation or duplication of our intellectual property could disrupt our business, distract our management and employees, reduce our total income and increase our expenses. We may need to litigate to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome of any such litigation cannot be guaranteed.

**4. The IPO Proceeds will be used to repay a loan from our Directors / Promoters**

We intend to use the proceeds from the Issue to repay a loan from our Promoter / Director. As of July 15, 2019, we have availed an aggregate of ₹ 50.00 lakhs of unsecured loans from them and these loans were to utilized to fund



working capital, fund requirement of the subsidiary companies and investment in fixed deposit. We intend to repay an aggregate of ₹ 50.00 lakhs of the said outstanding loan. We believe that the proposed repayment will enable us to improve our debt-equity ratio. For details, refer the chapter “*Objects of the Issue*” on page no. 62 of this Draft Prospectus.

**5. *We have a limited operating history and investors may not be able to analyze our past performances or future prospects. Our inability to implement our business strategy or effectively manage our growth, could have an adverse effect on our business, results of operations and financial condition.***

Our company was incorporated on June 15, 2015 with Registrar of Companies, Maharashtra, Mumbai. Initially, we have commenced our operations as traders and subsequently diversified into advisory and consultancy business in December, 2016. With our limited operating history, potential investors may not be able to analyze our past performances or future prospects.

As per the restated financials, since the first year of beginning operations in the financial advisory space, our revenues have increased from ₹ 51.84 lakhs in FY 2016-17 to ₹ 162.10 lakhs in FY 2018-19 and Net Profit After Tax (PAT) for the above mentioned years increased from ₹ 38.16 lakhs to ₹ 74.09 lakhs respectively. For further details of our financial position and information please refer to section titled “*Financial Statements*” on page no. 121 of this Draft Prospectus.

Further, we cannot assure you that our growth strategies will be successful or that we will be able to continue to expand our operations. In order to manage our growth effectively, we must implement, upgrade and improve our operational systems and procedures on a timely basis. If we fail to do so or if there are weaknesses in our existing procedures, we may not be able to meet our customers’ needs effectively or operate our business effectively. Moreover, our ability to sustain our rate of growth depends significantly upon our ability to select and retain key managerial personnel, maintaining effective risk management policies and training managerial personnel to address emerging challenges.

We cannot assure you that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations, or establish or develop business relationships beneficial to future operations. Failure to manage growth effectively could have an adverse effect on our business and results of operations

**6. *We do not own the registered office and other premises from which we operate. Any dispute in relation to the lease of our premises would have a material adverse effect on our business and results of operations***

We do not own the premises on which our registered office and some other premises are situated. Our Company operates from rented and leased premises at various locations. All the agreements are executed on stamp papers and signed by authorised representatives; however; they are not registered with the relevant government bodies. If any of the owners of these premises do not renew the agreements or renews such agreements on terms and conditions that are unfavourable to our Company, it may suffer a disruption in our operations or we may have to pay increased rentals which could have a material adverse effect on our business, financial condition and results of operations. For more information, please refer chapter titled “*Our Business*” on page no. 83 of this Draft Prospectus

**7. *Substantial portion of our revenues are dependent on few customers and the loss of, or a significant reduction of one or more such customers could adversely affect our financial performance.***

We currently derive our entire operational revenues from providing financial services to our clients. We depend on a limited number of customers for a significant portion of our revenues. Revenue from our top 10 customers constituted 96.32% and 100.00% of our net proceeds for fiscal 2019 and fiscal 2018 respectively. Any perceived decline in our quality standards, growing competition and any change in demand may adversely affect our ability to retain or acquire customers and consequently affect our financials. We cannot assure that we shall generate the same quantum of business, or any business at all from our top customers, and any loss of business from one or more of them may adversely affect our revenues and results of operations. Also, the composition and revenue generated from each of the customers might change as we continue to add new customers in the normal course of business. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.



**8. Our subsidiary Company has incurred substantial indebtedness in form of borrowings with a fixed repayment schedule as well as borrowings which are repayable on demand. This could expose us to various risks which may have an adverse effect on our business and results of operations.**

As on March 31, 2019, we had ₹ 407.57 lakhs of outstanding debt as per our Consolidated Financial Statements. This indebtedness include unsecured loans of ₹ 13.73 lakhs which are repayable on demand. Sudden recall for the repayment may disrupt our operation and may force us to opt for funding at higher interest rates, resulting in higher financial burden

Further, in the event that we fail to meet our debt servicing obligations under our financing documents, the relevant lender(s) could declare us to be in default, accelerate the maturity of our obligations or even sell our Company's movable and immovable assets. We cannot assure investors that in the event of any such acceleration we will have sufficient resources to repay these borrowings. Failure to meet obligations under debt financing agreements may have an adverse effect on our cash flows, business and results of operations. Our ability to meet our debt service obligations and to repay our outstanding borrowings will depend primarily upon the cash flows generated by our business. We cannot assure you that we will generate sufficient cash to enable us to service existing or proposed borrowings. Incurring significant indebtedness may limit our flexibility in planning for or reacting to changes in our business & industry and limit our ability to borrow additional funds. Further, our level of indebtedness has important consequences to our Company, such as:

- Increasing our vulnerability to general adverse economic, industry and competitive conditions;
- Limiting our flexibility in planning for, or reacting to, changes in our business and the industry; affecting our credit rating;
- Limiting our ability to borrow more money both now and in the future; and
- Increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

If any of these risks were to materialize, our business and results of operations may be adversely affected.

**9. We have not made any provisions for decline in value of our Investments**

As on March 31, 2019, we hold investments in Unquoted Equity Instruments to ₹ 563.50 lakhs as per Restated Financial Statements. We have not made any provision for the decline in value of these investments and hence as and when these investments are liquidated, we may book losses based on the actual value we can recover for these investments and if lower than the cost, the same could adversely affect our results of operations.

**10. Contingent liabilities could adversely affect our financial condition. Crystallization of any of these contingent liabilities may adversely affect our financial condition.**

The details of contingent liabilities as indicated in our Restated Consolidated Financial Statements and also certified by our peer review auditors were as follows:

(₹ in Lakhs)

Particulars	As at March 31,	
	2019	2018
<b>Contingent Liabilities:</b>		
<b>- Taxation Matters</b>		
Disputed Income Tax demands	16.96	16.96
<b>Total</b>	16.96	16.96

In the event that our contingent liabilities materialize, our business, financial condition and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future. For further information, please refer "Annexure XXXI- Statement of Contingent Liabilities, As Restated" under "Financial Statement" Report starting on page no. 146 of this Draft Prospectus.



**11. We have experienced negative cash flows and any negative cash flows in the future could adversely affect our financial conditions and results of operations**

We have experienced negative cash flows in the recent past, the details of our standalone cash flows are given in the table below:

(₹ in lakhs)

Particulars	FY 2019	FY 2018	FY 2017
Cash Flow from Operating Activities	168.70	144.67	(127.21)
Cash Flow from Investing Activities	(84.17)	(529.37)	(518.13)
Cash Flow from Financing Activities	-	362.97	674.50

We have experienced negative cash flows in the recent past, the details of our consolidated cash flows are given in the table below:

(₹ in lakhs)

Particulars	FY 2019	FY 2018
Cash Flow from Operating Activities	438.44	146.94
Cash Flow from Investing Activities	(214.02)	(679.98)
Cash Flow from Financing Activities	(161.90)	681.77

Sustained negative cash flows, especially if their operational in nature, could adversely affect our future financial condition

**12. Downturns or disruptions in the financial and capital markets could reduce transaction volumes, and could cause a decline in the business and impact our profitability.**

As a financial advisory and merchant banking company, our business is materially affected by conditions in the domestic and global financial and capital markets and economic conditions in India and throughout the world. Our operational revenues are derived from fees from advisory services, consultancy income and issue management across the equity capital market. Our revenue, scale of operations and, consequently, our profitability are largely dependent on favourable market conditions and political environment, investor sentiment, price levels of equity shares and other securities as well as other factors that affect the financial and capital markets in India and abroad. Capital markets are exposed to additional risks, including liquidity, interest rate and foreign exchange related risks. Any downturn or disruption in the markets specifically would have a material adverse effect on our results of operations. Even in the absence of a market downturn, we are exposed to substantial risk of loss due to market volatility. A market downturn would likely lead to a decline in the volume of transactions that we execute for our customers as well as a decrease in prices. Any decline in transactions would lead to a decline in our revenues received from fees

**13. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoter) and Key Management Personnel may be interested in our Company to the extent of their shareholding and dividend entitlement in our Company.**

Some of our Directors (including our Promoter) and Key Management Personnel may be interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects

**14. We face intense competition in our businesses, which may limit our growth and prospects.**

Our Company faces significant competition in the businesses that we are involved in. In particular, we compete with other merchant bankers or financial advisory firms, both in India and abroad; and public and private sector funds operating in the markets in which we are present. In recent years, large international banks have also entered these markets. For further details, please refer to the paragraph titled “*Competition*”, as contained in the chapter titled “*Our Business*”, on page no. 83 of this Draft Prospectus. We compete on the basis of a number of factors, including



execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than us in certain of our businesses;
- Greater brand recognition among consumers;
- Larger customer bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability.

In addition, it is possible that certain large financial services groups may decide to begin offering services that we believe would be our differentiating factor. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

***15. We are dependent on a number of key personnel, including our senior management, and the loss of, or our inability to attract or retain, such persons could adversely affect our business, results of operations and financial condition.***

Our performance depends largely on the efforts and abilities of our senior management, key personnel and the performance and productivity of our employees. We believe that the expertise, experience and services of our Promoter Mr. Vipul Lathi, in particular and other key managerial personnel are valuable for the development of business and the strategic directions taken by our Company. For details in relation to the experience and other details of our senior management and key management personnel, see section titled “*Our Management*” on page no. 104 of this Draft Prospectus. There is no assurance, however, that these individuals or any other member of our senior management team will not leave our Company or join a competitor. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require considerable time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business and our results of operations.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel may adversely affect our business, results of operations and financial condition.

***16. Our Company along with our subsidiary companies in the past has entered into certain related party transactions and may continue to do so in the future***

Our Company along with our subsidiary companies in the past has entered into certain related party transactions with our Promoters, Directors, and their relatives in the past for For details, please refer to “*Related Party Transactions*” under section titled “*Financial Statements*” on page no. 121 of this Draft Prospectus. While our Company believes that all such transactions have been conducted on the arms length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation.

***17. Our Promoter and Managing Director, holds a certificate of practice from the Institute of Chartered Accountants of India (“ICAI”) and is also in whole-time employment in our Company.***

As per the Code of Ethics of the Institute of Chartered Accountants of India (ICAI) and the provisions of the CA Act read with the CA Regulations, a chartered accountant in practice shall not engage in any business or occupation other than the profession of accountancy, except with the permission granted by the Council. Mr. Vipul Lathi, Promoter & Managing Director of our Company also holds a certificate of practice as a chartered accountant from the ICAI and has not surrendered or otherwise applied for such permission from the Council of the ICAI. This may subject him to action (punitive or otherwise) from ICAI in the future which may affect profitability, reputation and business of the Company.



**18. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.**

We are insured for a number of the risks associated with our several businesses, such as insurance cover against loss or damage by fire, explosion, burglary, theft and robbery. We believe we have got our assets adequately insured; however there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected. For details of the insurance coverage taken by us see “*Business Overview - Insurance*” on page no. 90 of this Draft Prospectus

**19. Our Promoter and Director Mr. Vipul Lathi was a director in one of the Company which was disqualified in past due to non filing of Annual Returns / Balance Sheets.**

Our Promoter and Director Mr. Vipul Lathi was the director in one of the Company which was disqualified due to non filing of Annual Returns / Balance Sheets for a continuous period of 3 years. However, as on date of this Draft Prospectus the respective DIN of our Director has an ‘Approved’ status as per MCA.

**20. Our inability to manage growth could disrupt our business and reduce our profitability.**

We propose to expand our business activities in coming financial years. We expect our future growth to place significant demands on both our management and our resources. This will require us to continuously evolve and improve our operational, financial and internal controls across the organisation. In particular, continued expansion increases the challenges we face in:

- Our ability to acquire and retain clients for our services;
- Services, products or pricing policies introduced by our competitors;
- Capital expenditure and other costs relating to our operations;
- The timing and nature of, and expenses incurred in, our marketing efforts;
- Recruiting, training and retaining sufficient skilled technical and management personnel;
- Adhering to our high quality and process execution standards;
- Maintaining high levels of customer satisfaction;
- Developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems

You should not rely on yearly comparisons of our results of operations as indicators of future performance. It is possible that in some future periods our results of operations may be below the expectations of public, market analysts and investors. If we are unable to manage our growth it could have an adverse effect on our business, results of operations and financial condition.

**21. Our Company will not receive any proceeds from the Offer for Sale portion.**

This Issue comprises of Offer for sale of 13,08,000 Equity Shares by our Promoter. The proceeds from the Issue pertaining to the above sale shares will be paid to the Promoter in proportion of the Equity Shares offered by him in the Issue and we will not receive any proceeds from the same. For further details, please refer the chapter titled “*Objects of the Offer*” on page no. 62 of this Draft Prospectus

**22. Our Promoter and Promoter Group will continue to retain majority shareholding in us after the Offer, which will allow them to exercise significant influence over us and potentially create conflicts of interest.**

The current Offer includes fresh issue of Equity Shares and Offer for Sale by our Promoter. Our Promoter and Promoter Group may beneficially own approximately 71.94% of our post-offer equity share capital. As a result, the Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company’s best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.





**23. Any damages caused by fraud or other misconduct by our employees could adversely affect our business, results of operations and financial condition.**

We may be exposed to operational risk arising from inadequacy or failure of internal processes or systems or from fraud. We may be susceptible to fraud or misconduct or theft by employees or outsiders, unauthorized transactions by employees and operational errors. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and reputational or financial harm, including our brand. Our management information systems and internal control procedures are designed to monitor our operations and overall compliance. However, they may not be able to identify non-compliance and/or suspicious transactions and / or pilferage in a timely manner or at all. In addition, certain internal control processes are carried out manually, which may increase the risk of human error, tampering or manipulation which may result in losses that may be difficult to detect. As a result, we may suffer monetary losses which adversely affect our business, results of operations and financial condition.

**24. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.**

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. In the past, we have not made dividend payments to the Shareholders of our Company. The Company may decide to retain all future earnings, if any, for use in the operations and expansion of the business. In such situation, the Company may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot state with any certainty whether we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

**25. In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects / schedule of implementation of this Issue which would in turn affect our revenues and results of operations.**

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the Chapter "Objects of the Offer" on page no. 62 of the Draft Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

**26. The deployment of the Net Proceeds from the Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company's management will have flexibility in utilizing the Net Proceeds from the Issue.**

Our Company intends to primarily use the Net Proceeds from the Offer towards Repayment of Existing Unsecured Loans outstanding from the Directors as described in "Objects of the Offer" on page no. 62 of this Draft Prospectus. In terms of Regulation 262 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹ 10,000 lakhs. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Offer. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section "Risk Factors", may limit or delay our Company's efforts to use the Net Proceeds from the Issue to achieve profitable growth in its business.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue, at a price and manner as specified in Chapter VI-A of the SEBI ICDR Regulations pursuant to the SEBI ICDR (Second Amendment) Regulations, 2016 dated February 17, 2016. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the



proposed utilisation of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoters or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

***27. We are dependent on our Individual Promoter, Mr. Vipul Lathi for their expertise and market goodwill. Our separation, if any, from our Promoter may adversely affect our business.***

We are dependent on our Individual Promoter, Mr. Vipul Lathi for their expertise and market goodwill and our separation from our Promoter may adversely affect our business. We believe that our Promoter lends strength to the trust and reliability reposed in us and enables us to attract and retain fresh talent. Our separation, if any, with our Promoter for any reasons whatsoever shall adversely affect our business and results of operations.

## **RISK FACTORS RELATED TO EQUITY SHARES**

***28. Any further issuance of Equity Shares by our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the investors' shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

***29. There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Offer and, as a result, you could lose a significant portion or all of your investment.***

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Prior to the Offer, there has not been a public market for the Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Offer Price is not indicative of prices that will prevail in the open market following the Offer. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Offer Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us or our shareholders;
- Future sales of the Equity Shares;
- Variations in our quarterly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about our future performance or the performance of Financial Services Sector companies generally;
- Performance of our competitors in the Financial Services Sector and the perception in the market about investments in the gems and jewellery sector;
- Significant developments in the regulation of the Financial Services Sector in our key locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalisation and deregulation policies; and



- Significant developments in India's fiscal and environmental regulations. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

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

The price of the Equity Shares will be subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian 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 may be subject to capital gains tax in India if Securities Transaction Tax (STT) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. 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 recognised stock exchange and on which no STT has been paid, will be subject to long term 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 short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is 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 jurisdiction on a gain upon the sale of the Equity Shares. In addition, changes in the terms of tax treaties or in their interpretation, as a result of renegotiations or otherwise, may affect the tax treatment of capital gains arising from a sale of Equity Shares.

## **EXTERNAL RISK FACTORS**

***32. Any changes in the regulatory framework could adversely affect our operations and growth prospects.***

Our Company is subject to various regulations and policies. For details see section titled "Key Industry Regulations and Policies" beginning on page no. 92 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

***33. If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations***

The regulatory environment in which we operate is evolving and is subject to change. The Government of India may implement new laws or other regulations that could affect the jewellery industry, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations.

To the extent that we are entitled to certain tax benefits in India which are available for a limited period of time, our profitability will be affected if such benefits will no longer be available, or are reduced or withdrawn prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the conditions required to be complied with in order to avail ourselves of each of these benefits. Please see "Statement of Special Tax Benefits" on page no. 69 for details in relation to possible tax benefits available to our



Company. In the event that any adverse development in the law or the manner of its implementation affects our ability to benefit from these tax incentives, our business, results of operations, financial condition and prospects may be adversely affected.

***34. A decline in economic growth or political instability nationally or internationally or changes in the Government in India could adversely affect our business.***

Our performance and the growth of our business are necessarily dependent on the health and performance of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, the market price and liquidity of the Equity Shares may be affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

***35. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby



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resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

***37. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

***38. Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.



## SECTION III – INTRODUCTION

### THE OFFER

#### PRESENT OFFER IN TERMS OF THIS DRAFT PROSPECTUS

<b>Equity Shares Offered<sup>(1)</sup>:</b> Present Offer of Equity Shares by our Company and the Selling Shareholder <sup>(2)</sup> :	Up to 16,08,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs.
<b>Consisting of:</b>	
<b>Fresh Issue</b>	Up to 3,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs
<b>Offer for Sale</b>	Up to 13,08,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs
<b>Which Comprises:</b>	
<b>Offer Reserved for the Market Maker</b>	Up to 84,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs
<b>Net Offer to the Public</b>	Up to 15,24,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share aggregating ₹ [●] lakhs
	<b>Of which<sup>(3)</sup>:</b>
	Up to 7,62,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	Up to 7,62,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
<b>Equity Shares outstanding prior to the Offer</b>	54,31,205 Equity Shares
<b>Equity Shares outstanding after the Offer</b>	Up to 57,31,205 Equity Shares
<b>Objects of the Offer</b>	Please see the chapter titled “ <i>Objects of the Offer</i> ” beginning on page no. 62 of this Draft Prospectus

<sup>(1)</sup> This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “Offer Related Information” beginning on page no. 201 of this Draft Prospectus.

<sup>(2)</sup> The present Offer has been authorized pursuant to a resolution of our Board dated June 21, 2019 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on June 28, 2019.

The Offer for Sale has been authorised by the Selling Shareholder by their consent letter dated June 19, 2019 and the No. of Equity Shares offered are as follows:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1	Mr. Vipul Lathi	Up to 13,08,000
	<b>Total</b>	<b>Up to 13,08,000</b>

The Selling Shareholder has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholder has also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.



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<sup>(3)</sup> *The allocation' is the net Offer to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:*

*a) Minimum fifty percent to retail individual investors; and*

*b) Remaining to*

*(i) Individual applicants other than retail individual investors; and*

*(ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for*

*The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.*

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

*For further details please refer to the chapter titled "Offer Structure" beginning on page no. 206 of this Draft Prospectus.*



**SUMMARY OF FINANCIAL INFORMATION**

**Annexure I**

**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

*(₹ in lakhs)*

Particulars	As at March 31, 2019	As at March 31, 2018
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholder's fund</b>		
a) Equity Share Capital	543.12	543.12
b) Reserves and surplus(Excl. Revaluation Reserve)	979.46	863.07
<b>Total Shareholders Fund</b>	<b>1,522.58</b>	<b>1,406.19</b>
<b>Minority Interest</b>	257.14	231.71
<b>Non-current liabilities</b>		
a) Long-Term Borrowings	132.60	195.44
b) Deferred tax- liabilities	59.91	31.08
c) Other Long-Term Liabilities	10.00	-
d) Long-Term Provisions	9.41	8.23
<b>Total</b>	<b>211.92</b>	<b>234.75</b>
<b>Current liabilities</b>		
a) Short-term borrowings	176.27	221.11
b) Trade payables	232.63	204.55
c) Other Current Liabilities	164.85	132.74
c) Short-term provisions	35.97	52.97
<b>Total</b>	<b>609.71</b>	<b>611.38</b>
<b>TOTAL</b>	<b>2,601.35</b>	<b>2,484.03</b>
<b>ASSETS</b>		
<b>Non - Current Assets</b>		
a) Tangible Fixed Assets		
i.) Gross Block (Excl. Revaluation Reserve)	1,759.37	1,560.34
Less: Accumulated Depreciation	291.64	193.78
<b>Net Block</b> (Excl. Revaluation Reserve)	<b>1,467.73</b>	<b>1,366.57</b>
b) Non- Current Investments	85.90	15.00
c) Long term Loans & Advances	-	-
d) Other Non-Current Assets	15.60	21.54
<b>Total</b>	<b>1,569.23</b>	<b>1,403.10</b>
<b>Current Assets</b>		
a) Current Investments	-	-
b) Inventories	46.53	64.22
c) Trade Receivables	242.22	320.73
d) Cash and Cash equivalents	262.51	199.99
e) Short-term loans and advances	202.18	159.58
f) Other Current Assets	278.68	336.40
<b>Total</b>	<b>1,032.12</b>	<b>1,080.93</b>
<b>TOTAL</b>	<b>2,601.35</b>	<b>2,484.03</b>





**Annexure II**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED**

(₹ in lakhs)

Particulars	Year End March 31, 2019	Year End March 31, 2018
<b>INCOME:</b>		
Revenue from Operations	1,855.61	1,636.74
Other Income	63.73	17.20
<b>Total income</b>	<b>1,919.35</b>	<b>1,653.94</b>
<b>EXPENSES:</b>		
Cost of Materials Consumed	989.34	802.98
Direct Expenses	76.23	72.69
Changes in Inventories	17.69	26.83
Employee Benefits Expenses	340.83	309.55
Finance Costs	54.22	50.44
Depreciation and Amortization Expense	97.86	79.34
Other Expenses	140.51	119.77
<b>Total expenses</b>	<b>1,716.68</b>	<b>1,461.61</b>
<b>Net Profit / (Loss) before exceptional items and tax</b>	<b>202.67</b>	<b>192.34</b>
Exceptional items	-	-
<b>Net Profit / (Loss) before tax</b>	<b>202.67</b>	<b>192.34</b>
<b>Less: Tax expense</b>		
Current tax	32.03	29.78
Deferred tax (asset)/liability	28.82	27.42
<b>Total Tax Expense</b>	<b>60.85</b>	<b>57.21</b>
<b>Net Profit / (Loss) after tax</b>	<b>141.82</b>	<b>135.13</b>
Attributable to		
<b>Equity Shareholders of the Parent</b>	<b>116.39</b>	<b>107.73</b>
<b>Minority Interest</b>	<b>25.43</b>	<b>27.40</b>



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

(₹ in lakhs)

Particulars	Year End March 31, 2019	Year End March 31, 2018
<b>Cash Flow from Operating Activities</b>		
<b>Net Profit Before Tax</b>	202.67	192.34
Adjustments for :		
Depreciation/Amortisation	97.86	79.34
Interest & Finance Cost	54.22	50.44
Preliminary Expenses written off	(4.13)	(2.94)
Leave & License Fees received	(11.67)	-
Dividend Received	(0.09)	-
Interest Received	(30.83)	(14.53)
Subsidy Received for Machinery	(3.32)	
Profit / loss on Sale of Asset		(1.66)
<b>Operating Profit Before Working Capital Changes</b>	<b>304.72</b>	<b>302.99</b>
Adjusted for (Increase)/ Decrease:		
(Increase) / Decrease in Inventories	17.69	26.83
(Increase) / Decrease in Trade Receivables	78.51	(48.49)
(Increase) / Decrease in Short-Term Loans and Advances	(42.61)	(84.13)
(Increase) / Decrease in Other Current Assets	61.86	-
(Increase) / Decrease in Other Non-Current Assets	5.93	-
Increase / (Decrease) in Trade Payables	28.07	90.95
Increase / (Decrease) in Other Current Liabilities	32.11	(74.21)
Increase / (Decrease) in Long-Term Provisions	1.18	1.26
Increase / (Decrease) in Short-Term Provisions	(17.00)	(38.47)
<b>Cash Generated from Operations Before Exceptional Items</b>	<b>470.47</b>	<b>176.73</b>
Add: Exceptional Items	-	-
<b>Cash Generated from Operations</b>	<b>470.47</b>	<b>176.73</b>
Less: Direct Tax paid	(32.03)	(29.78)
<b>Net Cash flow from/(used in) Operating Activities (A)</b>	<b>438.44</b>	<b>146.94</b>
<b>Cash Flow from Investing Activities</b>		
(Increase) / Decrease in Fixed Assets	(199.03)	(113.70)
(Increase) / Decrease in Non-current Investment	(70.90)	(65.85)
(Increase) / Decrease in Current Investment		1.89
Dividend Received	0.09	-
Interest Received	30.83	14.53
Leave & License Fees received	11.67	-
Purchase of Shares /(Sales of Shares)	-	(518.50)
Security Deposit Received	10.00	
Subsidy Received For Machinery	3.32	
Profit/loss on sale of Fixed Asset		1.66
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(214.02)</b>	<b>(679.98)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Share Allotment	-	669.37
Increase / (Decrease) Long Term Borrowings	(62.83)	82.63
Increase / (Decrease) in Short Term Borrowings	(44.85)	(19.79)
Interest & Financial Charges paid	(54.22)	(50.44)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(161.90)</b>	<b>681.77</b>



<b>Particulars</b>	<b>Year End March 31, 2019</b>	<b>Year End March 31, 2018</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>62.51</b>	<b>148.73</b>
Cash & Cash equivalent at the beginning of the year	199.99	51.26
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>262.51</b>	<b>199.99</b>



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

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's fund</b>			
a) Equity Share Capital	543.12	543.12	6.83
b) Reserves and surplus	686.68	612.59	700.43
<b>Total Shareholders Fund</b>	<b>1,229.80</b>	<b>1,155.71</b>	<b>707.26</b>
<b>Share Application Money Pending Allotment</b>	-	-	-
<b>Non-current liabilities</b>			
a) Long Term Borrowings	-	-	-
b) Deferred tax- liabilities	25.66	16.84	6.58
c) Other Long Term Liabilities	10.00	-	-
d) Long Term Provisions	-	-	-
<b>Total</b>	<b>35.66</b>	<b>16.84</b>	<b>6.58</b>
<b>Current liabilities</b>			
a) Short-term borrowings	-	-	-
b) Trade payables	3.16	9.10	-
c) Other Current Liabilities	17.43	20.17	75.24
c) Short-term provisions	4.74	15.19	3.82
<b>Total</b>	<b>25.33</b>	<b>44.47</b>	<b>79.06</b>
<b>TOTAL</b>	<b>1,290.78</b>	<b>1,217.02</b>	<b>792.90</b>
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
a) Tangible Fixed Assets			
i.) Gross Block	607.22	494.83	473.13
Less: Accumulated Depreciation	30.65	10.74	2.54
<b>Net Block</b>	<b>576.56</b>	<b>484.09</b>	<b>470.59</b>
b) Non- Current Investments	563.50	563.50	-
c) Long term Loans & Advances	-	-	-
d) Deferred Tax Assets	-	-	-
<b>Total</b>	<b>1,140.06</b>	<b>1,047.59</b>	<b>470.59</b>
<b>Current Assets</b>			
a) Current Investment	-	-	45.00
b) Trade Receivables	5.08	45.35	47.25
c) Cash and Cash equivalents	93.08	8.56	30.29
d) Short-term loans and advances	2.00	4.56	-
e) Other Current Assets	50.56	110.96	199.47
<b>Total</b>	<b>150.72</b>	<b>169.43</b>	<b>322.31</b>
<b>TOTAL</b>	<b>1,290.78</b>	<b>1,217.02</b>	<b>792.90</b>



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

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>INCOME:</b>			
Revenue from Operations	162.10	149.54	51.84
Other Income	34.48	10.86	-
<b>Total income</b>	<b>196.58</b>	<b>160.40</b>	<b>51.84</b>
<b>EXPENSES:</b>			
Direct Expenses	-	-	-
Employee Benefits Expenses	22.70	11.95	0.69
Finance Costs	-	-	0.01
Depreciation and Amortization Expense	19.92	8.20	2.54
Other Expenses	53.53	25.12	3.37
<b>Total expenses</b>	<b>96.14</b>	<b>45.28</b>	<b>6.60</b>
<b>Net Profit / (Loss) before exceptional items and tax</b>	<b>100.44</b>	<b>115.12</b>	<b>45.24</b>
Exceptional items		-	-
<b>Net Profit / (Loss) before tax</b>	<b>100.44</b>	<b>115.12</b>	<b>45.24</b>
<b>Less: Tax expense</b>			
Current tax	17.53	19.38	6.93
Deferred tax (asset)/liability	8.82	10.26	6.58
<b>Total Tax Expense</b>	<b>26.35</b>	<b>29.64</b>	<b>13.51</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>74.09</b>	<b>85.48</b>	<b>31.73</b>



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

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Cash Flow From Operating Activities</b>			
<b>Net Profit Before Tax</b>	<b>100.44</b>	<b>115.12</b>	<b>45.24</b>
Adjustments for :			
Depreciation/Amortisation	19.92	8.20	2.54
Interest & Finance Cost	-	-	0.01
Interest Received	(6.55)	(10.83)	-
Leave and License Fees	(11.67)	-	-
Other Income	(16.22)	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>85.92</b>	<b>112.50</b>	<b>47.79</b>
Adjusted for (Increase)/ Decrease:			
(Increase) / Decrease in Trade Receivables	40.27	1.90	(47.25)
Increase / (Decrease) in Short-Term Loans and Advances	2.56	(4.56)	-
(Increase) / Decrease in Other Current Assets	60.40	88.81	(199.77)
Increase / (Decrease) in Trade Payables	(5.94)	9.10	(0.10)
Increase / (Decrease) in Other Current Liabilities	13.47	(55.06)	75.23
Increase / (Decrease) in Short-Term Provisions	(10.45)	11.37	3.82
<b>Cash Generated From Operations Before Exceptional Items</b>	<b>186.23</b>	<b>164.05</b>	<b>(120.27)</b>
Add:- Exceptional Items	-	-	-
<b>Cash Generated From Operations</b>	<b>186.23</b>	<b>164.05</b>	<b>(120.27)</b>
Less: Direct Tax paid	17.53	19.38	6.93
<b>Net Cash flow from/(used in) Operating Activities (A)</b>	<b>168.70</b>	<b>144.67</b>	<b>(127.21)</b>
<b>Cash Flow From Investing Activities</b>			
(Increase) / Decrease in Fixed Assets	(112.39)	(21.70)	(473.13)
Leave and License Fees Received	11.67	10.83	-
Interest Received	6.55	-	-
Securities Deposit Received	10.00	-	-
(Increase) / Decrease in Non-current Investment	-	(563.50)	-
(Increase) / Decrease in Current Investment	-	45.00	(45.00)
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(84.17)</b>	<b>(529.37)</b>	<b>(518.13)</b>
<b>Cash Flow From Financing Activities</b>			
Proceeds from Share Allotment	-	362.97	674.51
Interest & Financial Charges paid	-	-	(0.01)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>-</b>	<b>362.97</b>	<b>674.50</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C )</b>	<b>84.52</b>	<b>(21.73)</b>	<b>29.16</b>
Cash & Cash equivalent at the beginning of the year	<b>8.56</b>	<b>30.29</b>	<b>1.13</b>
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>93.08</b>	<b>8.56</b>	<b>30.29</b>



## GENERAL INFORMATION

Our Company was incorporated as Amigos Trading and Commerce Private Limited on June 15, 2015 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration No. 265578. The name of the Company was changed to Galactico Corporate Services Private Limited and the name change certificate was issued on April 04, 2017. The status of the Company was changed to public limited and the name of our Company was changed to Galactico Corporate Services Limited vide Special Resolution dated October 09, 2018. The fresh certificate of incorporation consequent to conversion was issued on November 06, 2018 by the Registrar of Companies, Mumbai. The Company's Corporate Identity Number is U74110MH2015PLC265578.

For further details, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page no. 97 of this Draft Prospectus.

## BRIEF COMPANY AND OFFER INFORMATION

<b>Registered Office</b>	<b>Address:</b> 2 <sup>nd</sup> Floor, Shree Gurudeo Tower, Above Shirpur Co-Op Bank Ltd, Canada Corner, Nashik - 422 005. <b>Tel No:</b> +91 – 253 – 231 9714 <b>Email:</b> <a href="mailto:info@galacticocorp.com">info@galacticocorp.com</a> <b>Website:</b> <a href="http://www.galacticocorp.com">www.galacticocorp.com</a>
<b>Date of Incorporation</b>	June 15, 2015
<b>Company Registration No.</b>	265578
<b>Company Identification No.</b>	U74110MH2015PLC265578
<b>Address of Registrar of Companies</b>	<b>Address:</b> Everest, 100, Marine Drive, Mumbai – 400 002. <b>Tel No.:</b> +91 –22 - 2281 7259 / 2281 1493 <b>Fax No.:</b> +91 – 22 – 2281 2389
<b>Offer Programme</b>	Offer Opens on: [●] Offer Closes on: [●]
<b>Designated Stock Exchange</b>	BSE Limited
<b>Company Secretary &amp; Compliance Officer</b>	<b>Ms. Harshika Thakkar</b> <b>Address:</b> 2 <sup>nd</sup> Floor, Shree Gurudeo Tower, Above Shirpur Co-Op Bank Ltd, Canada Corner, Nashik - 422 005. <b>Tel No:</b> +91 – 253 – 231 9714 <b>Email:</b> <a href="mailto:harshika@galacticocorp.com">harshika@galacticocorp.com</a>

## BOARD OF DIRECTORS OF OUR COMPANY

The following table sets forth the Board of Directors of our Company:

Name	Designation	DIN	Residential Address
Mr. Vipul Lathi	Managing Director	05173313	B-701, Raturang Archit Apartment, Near Madhur Sweets, Pipeline Road, Anandwalli, Nashik – 422 006
Mr. Suyash Chhajed	Non Executive Non Independent Director	01204087	Row House.6, Suyojit Garden Near Sahadeo Nagar, Gangapur Road Nashik 422 005
Mr. Krishna Rathi	Non Executive Independent Director	03578448	A-1 Bindu Apartment, Tilak Road, Santacruz West, Mumbai 400 054
Mrs. Nilam Ghundiyaal	Non Executive Independent Director	08196604	01, Asmita, Vidhyavardhini Housing Society, Sakri Road, Dhule 424 001

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled "Our Management" beginning on page no. 104 of this Draft Prospectus.

*Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre or post-offer related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and unblocking of funds. All grievances relating to the Application process may be addressed to the Registrar to the offer with a copy to the SCSBs, giving full details such as name, address of Applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSB where the Application Form was submitted by the Applicants.*



## DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS OFFER AND OUR COMPANY

### LEAD MANAGER TO THE OFFER



**ARYAMAN FINANCIAL SERVICES LIMITED<sup>(1)</sup>**  
60, Khatau Building, Gr. Floor,  
Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.),  
Fort, Mumbai – 400 001  
**Tel. No.:** +91 – 22 – 6216 6999  
**Website:** [www.afsl.co.in](http://www.afsl.co.in)  
**Email:** [ipo@afsl.co.in](mailto:ipo@afsl.co.in)  
**Investor Grievance Email:** [feedback@afsl.co.in](mailto:feedback@afsl.co.in)  
**Contact Person:** Mr. Vimal Maniyar/ Ms. Kruti Bhatt  
**SEBI Registration No.:** INM000011344

<sup>(1)</sup> AFSL being a merchant banker has business relations with the Issuer Company on arm's length basis in certain fund raising transaction. However there is no relation/ associates between the Merchant Banker and the Issuer Company covered under 21A of SEBI (Merchant Bankers) Regulation, 1992 as amended from time to time.

### REGISTRAR TO THE OFFER



**BIGSHARE SERVICES PRIVATE LIMITED**  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai – 400 059  
**Tel:** +91 – 22 – 6263 8200  
**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com);  
**Contact Person:** Mr. Babu Raphael  
**SEBI Registration No.:** INR000001385

### LEGAL COUNSEL TO THE OFFER

**ZASTRIYA**  
810, 8<sup>th</sup> floor, Embassy Centre Premises,  
Next to Status Restaurant, Jamnalal Bajaj Marg,  
Nariman Point, Mumbai - 400 021  
**Tel:** +91 - 99201 20018  
**Email:** [nishant.rana@zastriya.in](mailto:nishant.rana@zastriya.in)  
**Contact Person:** Mr. Nishant Rana

### STATUTORY AUDITOR OF THE COMPANY

**A S BEDMUTHA & CO.**  
S6, Utility Centre, Opp. Rajiv Gandhi Bhawan,  
Sharanpur Road, Nashik - 422 002.  
**Tel:** +91 - 253 - 2317191  
**Email:** [smruti@asbedmutha.com](mailto:smruti@asbedmutha.com)  
**Contact Person:** Mrs. Smruti Dungarwal  
**Firm Registration No.:** 101067W  
**Peer Review No.:** 010218

### CHANGES IN THE AUDITORS

Except as disclosed below, there has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Prospectus:





Sr. No.	Date	From	To	Reason for change
1.	October 02, 2016	<b>M/s. Kiran Nayak &amp; Associates, Chartered Accountants.</b> Shop No.3, Heramb Bldg, Behind ICICI ATM, Nr. Swami Vivekanand School, Dattanagar, Dombivali - East, Thane - 421 201 <b>Tel:</b> +91- 88793 34484 <b>Email:</b> <a href="mailto:taxplus1917@gmail.com">taxplus1917@gmail.com</a> <b>Contact Person:</b> Kiran Nayak <b>Peer Review No.:</b> N. A. <b>Membership No.:</b> 169903 <b>Firm Registration No.:</b> 142083W	<b>M/s. Bedmutha &amp; Associates, Chartered Accountants.</b> Plot No-1 P 37A, Vaishakh, Datta Mandir, Trimurti Chowk, New Nashik - 422 008. <b>Tel:</b> +91- 94206 94173 <b>Email:</b> <a href="mailto:bedmuthassociates@gmail.com">bedmuthassociates@gmail.com</a> <b>Contact Person:</b> Jiwan Bedmutha <b>Peer Review No.:</b> N. A. <b>Membership No.:</b> 42719 <b>Firm Registration No.:</b> 114816W	Resignation
2.	September 29, 2018	<b>M/s. BKSK &amp; Associates, Chartered Accountants.</b> <i>(Formerly known as M/s. Bedmutha &amp; Associates)</i> 412 Gateway Plaza, Central Avenue, Hiranandani Gardens, Powai, Mumbai – 400 076 <b>Tel:</b> +91- 94206 94173 <b>Email:</b> <a href="mailto:bedmuthassociates@gmail.com">bedmuthassociates@gmail.com</a> <b>Website:</b> <a href="http://www.bksk.in">www.bksk.in</a> <b>Contact Person:</b> Jiwan Bedmutha <b>Peer Review No.:</b> N. A. <b>Membership No.:</b> 42719 <b>Firm Registration No.:</b> 114816W	<b>M/s. A. S. Bedmutha &amp; Co., Chartered Accountants.</b> S-6, Utility Center, Opp. Rajeev Gandhi Bhavan, Sharanpur Road, Nashik - 422 002 <b>Tel:</b> +91- 253 – 231 7191 <b>Email:</b> <a href="mailto:asbedmutha@yahoo.co.in">asbedmutha@yahoo.co.in</a> <b>Contact Person:</b> Smruti Dungarwal <b>Peer Review No.:</b> 010218 <b>Membership No.:</b> 144801 <b>Firm Registration No.:</b> 101067W	Resignation

#### BANKER(S) TO OUR COMPANY

[•]

#### BANKER(S) TO THE OFFER AND SPONSOR BANK TO THE OFFER

[•]

#### SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

#### BROKERS TO THIS OFFER

Applicants can submit Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

#### REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.



## **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

## **INTER-SE ALLOCATION OF RESPONSIBILITIES**

Aryaman Financial Services Limited is the Sole Lead Manager to this Offer, and hence is responsible for all the Offer management related activities.

## **MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 the requirement of Monitoring Agency is not mandatory if the Offer size is below ₹ 10,000 lakhs and hence our Company has not appointed a monitoring agency for this Offer. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Offer.

## **IPO GRADING**

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

## **TRUSTEES**

This being an Offer of Equity Shares, the appointment of trustees is not required.

## **DETAILS OF THE APPRAISING AUTHORITY**

The objects of the Offer and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

## **CREDIT RATING**

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

## **EXPERT OPINION**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, M/s. A. S. Bedmutha & Co., Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated July 15, 2019 and the Statement of Tax Benefits dated July 15, 2019, issued by them and included in this Draft Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

## **FILING OF OFFER DOCUMENT**

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Company, Mumbai, situated at 100, Everest, Marine Drive, Mumbai – 400 002



## OFFER PROGRAMME

An indicative time table in respect of the Offer is set out below:

Event	Indicative Date
Offer Opening Date	[●]
Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Offer Period (except for the Offer Closing Date). On the Offer Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Offer Closing Date, the Applicants are advised to submit their Applications one day prior to the Offer Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Offer Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Offer Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Offer. Applications will be accepted only on Business Days. Neither our Company, nor the Selling Shareholder, nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Offer Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## UNDERWRITING

This Offer is 100% Underwritten. The Underwriting agreement is dated July 04, 2019. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Offer:



Details of the Underwriter	No. of Shares Underwritten	Amt Underwritten (₹ in lakhs)	% of the Total Offer Size Underwritten
<b>Aryaman Financial Services Limited</b> 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 <b>Tel. No.:</b> +91 – 22 – 6216 6999 <b>Email:</b> <a href="mailto:ipo@afsl.co.in">ipo@afsl.co.in</a>	Up to 15,24,000	[●]	94.78%
<b>Aryaman Capital Markets Limited</b> 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 <b>Tel. No.:</b> +91 – 22 – 6216 6999 <b>Email:</b> <a href="mailto:aryacapm@gmail.com">aryacapm@gmail.com</a>	Up to 84,000	[●]	5.22%
<b>Total</b>	<b>Up to 16,08,000</b>	<b>[●]</b>	<b>100.00%</b>

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Offer out of its own account.

In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above – mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

#### WITHDRAWAL OF THE OFFER

Our Company and the Selling Shareholder, in consultation with the Lead Manager, reserves the right not to proceed with the Offer at any time after the Offer Opening Date but before the Board meeting for Allotment. In such an event our Company would Offer a public notice in the newspapers, in which the pre- Offer advertisements were published, within two days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Lead Manager, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company and the Selling Shareholder withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

#### MARKET MAKER



#### ARYAMAN CAPITAL MARKETS LIMITED

60, Khatau Building, Gr. Floor,  
Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.),  
Fort, Mumbai – 400 001  
**Tel. No.:** +91 – 22 – 6216 6999  
**Email:** [aryacapm@gmail.com](mailto:aryacapm@gmail.com)  
**Contact Person:** Mr. Harshad Dhanawade  
**SEBI Registration No.:** INZ000004739

#### Details of the Market Making Arrangement for this Offer

Our Company and the Lead Manager, have entered into an agreement July 04, 2019 with Aryaman Capital Markets Limited (“ACML”), a Market Maker registered with SME Platform of BSE in order to fulfil the obligations of Market Making

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



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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and Market Maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
8. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
9. The Market Maker shall have the right to terminate the said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time.

10. **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** SME Platform of BSE will monitor the obligations on a real-time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.



12. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the Offer size and as follows:

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

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



## CAPITAL STRUCTURE

The share capital of the Company as on the date of this Draft Prospectus is set forth below:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Offer Price
<b>A</b>	<b>Authorised Share Capital</b>		
	80,00,000 Equity Shares of face value of ₹ 10 each	800.00	-
<b>B</b>	<b>Issued, Subscribed and Paid-up Share Capital before the Offer</b>		
	54,31,205 Equity Shares of face value of ₹ 10 each	543.12	-
<b>C</b>	<b>Present Offer in terms of this Draft Prospectus<sup>(1)</sup></b>		
	Offer of up to 16,08,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per equity Share	160.08	[●]
	<b>Consisting of:</b>		
	Fresh Issue of up to 3,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share	30.00	[●]
	Offer for Sale of 13,08,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share	130.08	[●]
	<b>Which comprises:</b>		
	Up to 84,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	8.40	[●]
	Net Offer to Public of up to 15,24,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share to the Public	152.40	[●]
	<b>Of which<sup>(2)</sup>:</b>		
	Up to 7,62,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	76.20	[●]
	Up to 7,62,000 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	76.20	[●]
<b>D</b>	<b>Equity Share Capital after the Offer</b>		
	Up to 57,31,205 Equity Shares of ₹ 10 each	573.12	
<b>E</b>	<b>Securities Premium Account</b>		
	Before the Offer (as on date of this Draft Prospectus)	495.36	
	After the Offer		[●]

<sup>(1)</sup> The present Offer has been authorized pursuant to a resolution of our Board dated June 21, 2019 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on June 28, 2019.

<sup>(2)</sup> The Offer for Sale has been authorised by the Selling Shareholder by their consent letter dated June 19, 2019 and the No. of Equity Shares offered are as follows:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1	Mr. Vipul Lathi	Up to 13,08,000
	<b>Total</b>	<b>Up to 13,08,000</b>

The Selling Shareholder has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholder has also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.



<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

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

### Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

1. The initial authorised share capital of ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each was increased to ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on August 16, 2016.
2. Increase in authorised capital from ₹ 5,00,000 divided into 50,000 shares of ₹ 10 each to ₹ 10,00,000 divided into 1,00,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on August 30, 2016.
3. Increase in authorised capital from ₹ 10,00,000 divided into 1,00,000 equity shares of ₹ 10 each to ₹ 12,50,000 divided into 1,25,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on January 06, 2017.
4. Increase in authorised capital from ₹ 12,50,000 divided into 1,25,000 equity shares of ₹ 10 each to ₹ 8,00,00,000 divided into 80,00,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on February 27, 2018

### NOTES TO THE CAPITAL STRUCTURE

#### 1) Share Capital History of our Company:

##### Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. The following is the Equity Share Capital Build-up of our Company:

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation	10,000	10	10	Subscription to MoA <sup>(1)</sup>	Cash	10,000	1,00,000	Nil
August 27, 2016	30,000	10	10	Further Allotment <sup>(2)</sup>	Cash	40,000	4,00,000	Nil
September 26, 2016	12,631	10	2,375	Further Allotment <sup>(3)</sup>	Cash	52,631	5,26,310	2,98,72,315
March 30, 2017	15,643	10	2,375	Further Allotment <sup>(4)</sup>	Cash	68,274	6,82,740	6,68,68,010
March 28, 2018	15,283	10	2,375	Further Allotment <sup>(5)</sup>	Cash	83,557	8,35,570	10,30,12,305
March 31, 2018	53,47,648	10	Nil	Further Allotment <sup>(6)</sup>	Other than Cash	54,31,205	5,43,12,050	4,95,35,825

<sup>(1)</sup> Initial Subscription to the MOA by Mr. Mayank Arora and Mrs. Niru Vandur 5,000 equity shares each.

<sup>(2)</sup> Pursuant to Board Meeting held on August 27, 2016 our Company has allotted 30,000 equity shares out of which 20,000 equity shares to Mr. Vipul Lathi and 10,000 equity shares to Mrs. Charushila Lathi on rights basis.





<sup>(3)</sup> Pursuant to Board Meeting held on September 26, 2016, our Company has issued 12,631 equity shares to Prakash Constrowell Limited on right basis.

<sup>(4)</sup> Pursuant to Board Meeting held on March 30, 2017, our Company has issued 15,643 equity shares out of which 4,547 equity shares to Mr. Vipul Lathi; 3,755 equity shares to Prakash Constrowell Limited; 2,916 equity shares to Mrs. Charushila Lathi; 2,657 equity shares to Unique Vastu Developers Private Limited; 800 equity shares to Univastu India Private Limited; 547 equity shares to Mr. Abhijit Patil and 421 equity shares to Mr. Hitendra Patil on right basis.

<sup>(5)</sup> Pursuant to Board Meeting held on March 28, 2018, our Company has issued 15,283 equity shares to Mr. Vipul Lathi on right basis.

<sup>(6)</sup> Pursuant to Board Meeting held on March 31, 2018 our Company has allotted 53,47,648 bonus shares to all the shareholders of the Company in the ratio of 64:1 i.e. 64 new equity shares for every 1 equity share held to the shareholders, by way of capitalization of free reserve of the Company.

2) Our Company has not issued any Equity Shares for consideration other than cash except for the Equity Shares as mentioned under:

Date of Allotment	No. of Equity Shares	FV (₹)	Issue Price (₹)	Nature of Allotment	Allotted Person	Benefits Accrued to the Company
March 31, 2018	53,47,648	10	Nil	Bonus Allotment	Allotted to all the Shareholders of the Company as on the date of allotment	Expansion of capital

3) No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

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

5) No bonus shares have been issued out of Revaluation Reserves.

6) No shares have been issued at a price lower than the Offer Price within the last one year from the date of this Draft Prospectus



## 7) Shareholding pattern of our Company

The following is the shareholding pattern of the Company as on the date of this Draft Prospectus

Category (I)	Category of Share-holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares Underlying Depository Receipts (VI)	Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of Underlying Outstanding Convertible securities (incl. Warrants) (X)	Share Holding as a % assuming Full convertible securities (as a% of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise encumbered (XIII)		No. of Equity shares held in De-mat form (XIV)
								No of voting Right			Total As a %of(A+B+C)			No (a)	As a %of total shares held (b)	No (a)	As a % of total shares held (b)	
								Class-Equity	Classes	Total								
(A)	Promoter & Promoter Group	4	54,30,905	-	-	54,30,905	100.00%	54,30,905	-	54,30,905	100.00%	-	100.00%	-	-	-	-	54,30,905
(B)	Public	3	300	-	-	300	0.00%	300	-	300	0.00%	-	0.00%	-	-	-	-	300
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>54,31,205</b>	<b>-</b>	<b>-</b>	<b>54,31,205</b>	<b>100.00%</b>	<b>54,31,205</b>	<b>-</b>	<b>54,31,205</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,31,205</b>



- i. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Offer Share Capital
1	Mr. Vipul Lathi	53,63,649	98.76%
2	Mrs Charushila Lathi	67,056	1.23%
<b>Total</b>		<b>54,30,705</b>	<b>99.99%</b>

- ii. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior to date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Offer Share Capital
1	Mr. Vipul Lathi	53,63,649	98.76%
2	Mrs Charushila Lathi	67,056	1.23%
<b>Total</b>		<b>54,30,705</b>	<b>99.99%</b>

- iii. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior to date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares of then Paid-up Capital
1	Mr. Vipul Lathi	53,61,785	98.72%
2	Mr. Vikas Lathi	69,420	1.28%
<b>Total</b>		<b>54,31,205</b>	<b>100.00%</b>

- iv. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two years prior to date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares of then Paid-up Capital
1	Mr. Vipul Lathi	67,206	98.44%
2	Mr. Vikas Lathi	1,068	1.56%
<b>Total</b>		<b>68,274</b>	<b>100.00%</b>

- 8) Except as disclosed in the Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Offer, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.

- 9) Shareholding of our Promoter

Set forth below are the details of the build-up of shareholding of our Promoter:

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% of Pre- Offer Paid Up Capital	% of Post- Offer Paid Up Capital	Lock in Period
<b>Mr. Vipul Lathi</b>									
July 01, 2016	Transfer	Cash	9,900	10	10	9,900	-	-	NA
August 27, 2016	Further Allotment <sup>(2)</sup>	Cash	20,000	10	10	29,900	-	-	NA
December 06, 2016	Transfer (Gift)	Other than Cash	289	10	Nil	30,189	-	-	NA
March 30, 2017	Further Allotment <sup>(3)</sup>	Cash	4,547	10	2,375	34,736	-	-	NA
March 31, 2017	Transfer (Gift)	Other than Cash	12,727	10	Nil	47,463	-	-	NA



Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% of Pre- Offer Paid Up Capital	% of Post- Offer Paid Up Capital	Lock in Period
April 08, 2017	Transfer	Cash	3457	10	2,375	50,920	-	-	NA
April 28, 2017	Transfer (Gift)	Other than Cash	16,286	10	Nil	67,206	-	-	NA
May 04, 2017	Transfer (Gift)	Other than Cash	817	10	Nil	68,273	-	-	NA
			250				0.00%		NA <sup>(1)</sup>
August 10, 2017	Transfer (Gift)	Other than Cash	(1,067)	10	Nil	67,206	-	-	-
March 28, 2018	Further Allotment <sup>(4)</sup>	Cash	15,283	10	2,375	82,489	0.28%	-	NA <sup>(1)</sup>
March 31, 2018	Bonus Allotment <sup>(5)</sup>	Other than Cash	12,92,467	10	Nil	53,61,785	97.20%	-	NA <sup>(1)</sup>
			11,63,000					20.29%	3 Years
			28,23,829					49.27%	1 Year
September 15, 2018	Transfer	Other than Cash	68,820	10	Nil	54,30,605	1.27%	1.20%	1 Year
July 09, 2019	Transfer (Gift)	Other than Cash	(66,956)	10	Nil	53,63,649	-	-	-

<sup>(1)</sup> Out of total holding of Mr. Vipul Lathi, shares aggregating to 13,08,000 Equity Shares are offered for Sale through this Draft Prospectus

<sup>(2)</sup> Pursuant to Board Meeting held on August 27, 2016 our Company has allotted 30,000 equity shares out of which 20,000 equity shares to Mr. Vipul Lathi and 10,000 equity shares to Mrs. Charushila Lathi on rights basis

<sup>(3)</sup> Pursuant to Board Meeting held on March 30, 2017, our Company has issued 15,643 equity shares out of which 4,547 equity shares to Mr. Vipul Lathi; 3,755 equity shares to Prakash Constrowell Limited; 2,916 equity shares to Mrs. Charushila Lathi; 2,657 equity shares to Unique Vastu Developers Private Limited; 800 equity shares to Univastu India Private Limited; 547 equity shares to Mr. Abhijit Patil and 421 equity shares to Mr. Hitendra Patil on right basis.

<sup>(4)</sup> Pursuant to Board Meeting held on March 28, 2018, our Company has issued 15,283 equity shares to Mr. Vipul Lathi on right basis.

<sup>(5)</sup> Pursuant to Board Meeting held on March 31, 2018 our Company has allotted 53,47,648 bonus shares to all the shareholders of the Company in the ratio of 64:1 i.e. 64 new equity shares for every 1 equity share held to the shareholders, by way of capitalization of free reserve of the Company.

#### Notes:

- None of the shares belonging to our Promoter have been pledged till date.
- The entire Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 2 of "Capital Structure" on page no. 53 of this Draft Prospectus.
- Our Promoter has confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from his personal funds and no loans or financial assistance from any bank or financial institution has been availed by him for this purpose.
- All the shares held by our Promoter, were fully paid-up on the respective dates of acquisition of such shares.



## 10) Details of Offer for Sale

The following are the details of the Equity Shares being offered as part of the Offer for Sale:

Sr. No.	Name of Selling Shareholder	Total Number of Equity Shares currently held	Number of Equity Shares offered for the Offer for Sale
1	Mr. Vipul Lathi	53,63,649	13,08,000

For details of Build up of Mr. Vipul Lathi, please see the build-up of shareholding of our Promoter under point 1(i) of the Notes to Capital Structure on page no. 54 of this Draft Prospectus.

11) Our Company has seven (7) shareholders, as on the date of this Draft Prospectus.

## 12) Pre Offer and Post Offer Shareholding of our Promoter and Promoter' Group

i. Set forth is the shareholding of our Promoter and Promoter Group before and after the proposed Offer:

Category of Promoter	Pre Offer		Post Offer	
	No. of Shares	% of Pre- Offer Paid Up Capital	No. of Shares	% of Post- Offer Paid Up Capital
<b>1. Promoter</b>				
Mr. Vipul Lathi	53,63,649	98.76%	40,55,649	70.76%
<b>2. Promoter Group (as defined by SEBI (ICDR) Regulations)</b>				
Mrs. Charushila Lathi	67,056	1.23%	67,056	1.17%
Mr. Vikas Lathi	100	Negligible	100	Negligible
Mrs. Saroj Lathi	100	Negligible	100	Negligible
<b>3. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Draft Prospectus under the heading "Shareholding of the Promoter Group".</b>				
	-	-	-	-
<b>Total Promoter &amp; Promoter Group Holding</b>	<b>54,30,905</b>	<b>100.00%</b>	<b>41,22,905</b>	<b>71.94%</b>
<b>Total Paid up Capital</b>	<b>54,31,205</b>	<b>100.00%</b>	<b>57,31,205</b>	<b>100.00%</b>

ii. Except as disclosed below, none of the members of the Promoter, Promoter Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of the Draft Prospectus.

Date of Transfer	Name of Transferor	Name of Transferee	No. of Shares (F.V. ₹ 10)	Price (₹)	Nature of Transaction	Nature of Consideration
July 09, 2019	Mr. Vipul Lathi	Mrs Charushila Lathi	66,956	Nil	Transfer (Gift)	Other Than Cash

iii. None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Prospectus.

## 13) Promoter' Contribution and other Lock-In details:

i. *Details of Promoter' Contribution locked-in for 3 years*

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Offer Equity Share Capital held by our Promoter shall be considered as promoter' contribution ("**Promoter' Contribution**") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.



The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of Promoter	No. of Shares locked in <sup>(1)</sup>	As a % of Post Offer Share Capital
Mr. Vipul Lathi	Up to 11,63,000	20.29%
<b>Total</b>	<b>Up to 11,63,000</b>	<b>20.29%</b>

<sup>(1)</sup>For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 1(h) under "Notes to Capital Structure" on page no. 54 of this Draft Prospectus.

We confirm that in compliance with regulation 237 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Offer.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoter and offered for minimum 20% Promoter' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter' Contribution subject to lock-in.

**We further confirm that our Promoter' Contribution of 20% of the Post Offer Equity does not include any contribution from Alternative Investment Funds.**

ii. *Details of Shares locked-in for one year*

- a) Pursuant to Regulation 238(b) of the SEBI (ICDR) Regulations, in addition to the Promoter' Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre Offer Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Offer, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.
  - b) Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoter can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Draft Prospectus, none of the Equity Shares held by our Promoter have been pledged to any person, including banks and financial institutions.
  - c) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoter, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoter/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
  - d) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoter, which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- 14) Neither the Company, nor it's Promoter, Directors or the Lead Managers have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.



- 15) None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled "*Our Management*" beginning on page no. 104 of this Draft Prospectus.
- 16) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "*Basis of Allotment*" in the chapter titled "*Offer Procedure*" beginning on page no. 208 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
- 17) An investor cannot make an application for more than the number of Equity Shares offered in this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 18) An over-subscription to the extent of 10% of the Offer can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Offer, as a result of which, the post Offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.
- 19) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
- 20) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Offer.
- 21) As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Offer.
- 22) As on date of this Draft Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares issued through this Public Offer will be fully paid up.
- 23) There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- 24) Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of this Draft Prospectus the entire pre-Offer share capital of the Company has been made fully paid up.
- 25) We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Draft Prospectus.
- 26) As on date of this Draft Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
- 27) Our Company shall ensure that transactions in the Equity Shares by our Promoter and our Promoter Group between the date of this Draft Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
- 28) Our Promoter and Promoter Group will not participate in the Offer.
- 29) The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
- 30) Our Company has not revalued its assets and we do not have any revaluation reserves till date.
- 31) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.



## SECTION IV – PARTICULARS OF THE OFFER

### OBJECTS OF THE OFFER

The Issue comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

#### *The Offer for Sale*

Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders

#### *The Fresh Issue*

The objectives of the issue are to raise funds for

- (a) Repayment of Unsecured loans
- (b) Funding expenditure for General Corporate Purposes

Further, our Company expects that the listing of the Equity Shares on the stock exchange will enhance our visibility and our brand image among our existing and potential stakeholders.

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Present Issue. Further, we confirm that the activities that we have been conducting until now are in accordance with the objects clause of our Memorandum of Association.

#### **Fresh Issue Proceeds & Net Fresh Issue Proceeds**

Particulars	Amt. (₹ in lakhs) <sup>(1)</sup>
Gross Proceeds from the Fresh Issue	[●]
Less: Offer related expenses to be borne by our Company <sup>(2)</sup>	[●]
<b>Net Proceeds from the Fresh Issue</b>	<b>[●]</b>

<sup>(1)</sup>To be determined on finalisation of the Offer Price and updated in the Prospectus prior to filing it with the Registrar of Companies.

<sup>(2)</sup> Except for the Listing fees and Market making fees, which will be borne by our Company, all other expenses relating to the Offer as mentioned above will be borne by our Company and the Selling Shareholder in proportion to the Equity Shares contributed / issued in the offer

#### **Requirement of Funds and utilization of Issue proceeds**

The fund requirements described below are based on internal management estimates and our Company's current business plan and have not been appraised by any bank, financial institution.

We intend to utilize the Net Proceeds of the Fresh Issue ("Net Proceeds") of ₹ [●] lakhs for financing the objects as set forth below:

Sr. No.	Particulars	Amt. (₹ in lakhs)
1.	Repayment of Unsecured loans	50.00
2.	General Corporate Purposes <sup>(1)</sup>	[●]
	<b>Total</b>	<b>[●]</b>

<sup>(1)</sup> The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue

#### **Means of Finance**

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and





interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing

The entire fund requirements are to be financed from the Net Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled “*Risk Factors*” beginning on page no. 24 of this Draft Prospectus.

## **DETAILS OF FUND REQUIREMENTS**

### **1) Repayment Of Unsecured Loans**

We have from time to time availed unsecured loan from our directors, who also form part of our Promoter – Mr. Vipul Lathi. As on date, our Company had total outstanding unsecured loans amounting to ₹ 50.00 lakhs from Mr. Vipul Lathi as confirmed by the Statutory Auditors M/s. A. S. Bedmutha & Co., Chartered Accountants, vide Certificate dated July 15, 2019. These loans carry an interest rate of 12%. p.a. They have further confirmed that these loans were received from director who also form part of our Promoter & Promoter Group, and were utilized for purpose of working capital, fund requirement of the subsidiary companies and investment in fixed deposit. For further details, see “*Financial Indebtedness*” beginning on page no. 179 of this Draft Prospectus. Our Company proposes to utilize an amount of ₹ 50.00 lakhs out of the Net Proceeds towards repayment of the borrowings obtained from Mr. Vipul Lathi – our Promoter Director. We believe that such repayment / prepayment will help reduce our outstanding indebtedness and improve our debt-equity ratio. We believe that reducing our indebtedness will result in enhanced equity base, reduce our financial costs, improve our profitability and improve our leverage capacity

As of the date of this Draft Prospectus, Our Company has not repaid any of these loans. However, we may repay the above loans, before we obtain proceeds from the Issue, through other means and source of financing, including bridge loan or other financial arrangements, which then will be repaid from the proceeds of the Issue.

### **2) General Corporate Purposes**

Our management will have flexibility to deploy ₹ [●] lakhs, aggregating to [●]% of the Net Proceeds of the Issue towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that in terms of Regulation 230 (2) of the SEBI ICDR Regulations, the extent of the Net Proceeds according to this Draft Prospectus, proposed to be used for general corporate purposes, shall not exceed 25% of the amount raised by our Company through the Issue of Equity Shares.



## ISSUE RELATED EXPENSES

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

Sr. No.	Particulars	Amount (₹ in lakhs) <sup>(1)</sup>	% of Total Expenses <sup>(1)</sup>	% of Total Issue size <sup>(1)</sup>
1	Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	[●]	[●]%	[●]%
2	Brokerage and selling commission <sup>(2)(3)(4)</sup>	[●]	[●]%	[●]%
3	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]%	[●]%
4	Advertisement and Marketing Expenses	[●]	[●]%	[●]%
5	Stock Exchange Fees, Regulatory and other Expenses	[●]	[●]%	[●]%
<b>Total</b>		[●]	[●]%	[●]%

<sup>(1)</sup> Will be incorporated at the time of filing of the Prospectus and on determination of Issue Price and other details.

<sup>(2)</sup> The SCSBs and other intermediaries will be entitled to a commission of ₹ 10/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(3)</sup> The SCSBs would be entitled to processing fees of ₹ 10/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

<sup>(4)</sup> Further the SCSBs and other intermediaries will be entitled to selling commission of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

The Issue expenses are estimated expenses and subject to change. The Issue expenses shall be payable within 30 working days post the date of receipt of the final invoice from the respective Intermediaries by our Company.

### Appraisal and Bridge Loans

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds of the Issue.

### Year wise Deployment of Funds / Schedule of Implementation

As on the date of this Draft Prospectus, no funds have been deployed on these objects. The entire Issue size is proposed to be deployed in the Financial Year 2019 – 20.

### Monitoring of Utilization of Funds

Since the proceeds from the Fresh Issue do not exceed ₹ 10,000 lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above. This information will also be published in



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newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

### **Working Capital Requirement**

Our Company currently funds its working capital needs through a mix of its internal accruals, unsecured loan & banking facilities and they intend to continue to do so in the future. Hence no amount is proposed to be utilised for Working Capital from the Net Proceeds of this Fresh Issue.

### **Interim Use of Funds**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

### **Other Confirmations / Payment to Directors, Promoters and Promoter's Group from the Net Proceeds**

Except as mentioned under the section 'Details of Funds Requirement' in this Chapter above, no part of the Net Proceeds will be paid by our Company as consideration to our Promoter, our board of Directors, our Key Management Personnel or Group Companies except in the normal course of business in compliance with applicable law.



## BASIS FOR OFFER PRICE

The Offer Price has been determined by our Company in consultation with the Selling Shareholder and the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Offer Price is ₹ [●] per Equity Shares and is [●] times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page nos. 24, 121 and 83 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

### Qualitative Factors

We believe that the following strengths help differentiate us from our competitors and enable us to compete successfully in our industry:

- ✓ *Qualified and Experienced Promoter & Management Team*
- ✓ *Strong professional and execution team allows the Company to develop a strong business*
- ✓ *Diversified Portfolio of Services offered*
- ✓ *Providing Client Centric Solutions and Quality Assurance*
- ✓ *Low dependency on Debt and Controlled Overheads*
- ✓ *Long-term relationships*

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see “Business Overview – Our Strengths” on page no. 84 of this Draft Prospectus.

### Quantitative Factors

Information presented in this chapter is derived from restated financial statements prepared in accordance with Indian GAAP.

#### 1) Earnings per Share (EPS)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) <sup>(1)</sup>	Weight
2019	1.36	3
2018	1.58	2
2017	0.59	1
<b>Weighted Average</b>	<b>1.31</b>	

<sup>(1)</sup> Based on Standalone Restated Financials of our Company

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) <sup>(1)</sup>	Weight
2019	2.14	2
2018	1.99	1
<b>Weighted Average</b>	<b>2.09</b>	

<sup>(1)</sup> Based on Consolidated Restated Financials of our Company

#### Notes:

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year /period}}$$

- b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year /period}}$$



c. Earnings per share calculations are in accordance with Accounting Standard 20 “Earnings per Share” prescribed by the Companies (Accounting Standard) Rules, 2006

## 2) Price Earnings Ratio (P/E) in relation to the Issue price of ₹ [●] per share of ₹ 10 each

Particulars	Standalone	Consolidated
P/E ratio based on Basic and Diluted EPS as at March 31, 2019	[●]	[●]
P/E ratio based weighted average EPS	[●]	[●]

Industry P/E	
Highest – Weizmann Forex limited	328.90
Lowest – Williamson Magar and Co Ltd	1.00
Industry Average	26.10

(Source: Capital Market, Vol. XXXIV/09, June 17 – 30, 2019; Segment: Finance and investments)

## 3) Return on Net Worth (RoNW)

### Standalone<sup>(1)</sup>

Year ended March 31,	RoNW (%)	Weight
2019	6.02%	3
2018	7.40%	2
2017	4.49%	1
<b>Weighted Average</b>	<b>6.23%</b>	

<sup>(1)</sup> Based on Standalone Restated Financials of our Company

### Consolidated<sup>(1)</sup>

Year ended March 31,	RoNW (%)	Weight
2019	7.64%	2
2018	7.66%	1
<b>Weighted Average</b>	<b>7.65%</b>	

<sup>(1)</sup> Based on Consolidated Restated Financials of our Company

**Note:** Return on Net worth has been calculated as per the following formula:

$$\text{RoNW} = \frac{\text{Net profit /loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

4) Minimum Return on Net Worth (RoNW) after the Offer needed to maintain the Pre–Offer Basic & Diluted EPS (Standalone) of ₹ [●] and Pre–Offer Basic & Diluted EPS (Consolidated) of ₹ [●] for the FY 2018-19 (based on Restated Financials) at the Offer Price of ₹ [●] is [●]% and ₹ [●] is [●]% respectively.

## 5) Net Asset Value (NAV)<sup>(1)</sup>

Financial Year	Standalone	Consolidated
NAV as at March 31, 2019 (₹)	22.64	28.03
NAV after Offer (₹)	[●]	[●]
Offer Price (₹)	[●]	[●]

<sup>(1)</sup> NAV has been calculated on the basis of Restated Financials as on March 31, 2019.

**Note:** Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year / period}}$$



## 6) Comparison with Industry peers

Particulars	Face Value (₹)	EPS (₹)	P/E Ratio <sup>(2)</sup>	RONW (%)	NAV (₹)
Keynote Financial Services Limited <sup>(1)</sup>	10.00	3.05	13.08	3.96%	77.01
Navigant Corporate Advisors Limited <sup>(1)</sup>	10.00	1.78	9.75	8.63%	20.65
<i>Source: Company Financial Results for the F.Y. 2018-19 on BSE Ltd.</i>					
Galactico Corporate Services Limited <sup>(1)</sup>	10.00	1.36	[●]	6.02%	22.64

*Source: Restated Financials for March 31, 2019*

<sup>(1)</sup> All Peer Comparison is for Financials on Standalone Basis.

<sup>(2)</sup> Based on Closing Prices as on March 31, 2019

7) The Company and the Selling Shareholder in consultation with the Lead Manager believes that the Offer price of ₹ [●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Offer Price is [●] times of the face value i.e. ₹ [●] per share.



## STATEMENT OF SPECIAL TAX BENEFITS

To,  
The Board of Directors,  
Galactico Corporate Services Limited,  
2<sup>nd</sup> Floor, Shree Gurudeo Tower,  
Above Shirpur Co-op. Bank Ltd.,  
Canada Corner, Nashik (MH) – 422 005

Dear Sir,

**Sub: Statement of tax benefits (“the statement”) available to Galactico Corporate Services Limited (“the Company”), its Material Subsidiaries and the shareholders prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018 and the Companies Act, 2013, as amended (the ‘Act’).**

Ref.: Initial Public Offer of Equity Shares by Galactico Corporate Services Limited

### Management’s Responsibility

The preparation of this Statement as of the date of our report which is to be included in the Draft Prospectus (the “Offer Document”) is the responsibility of Management of the Company and has been approved by the Board of Directors of the Company. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

### Auditor’s Responsibility

Our work has been carried out in accordance with Standards on Auditing, as per the ‘Guidance Note on Audit Reports or Certificates for Special Purposes’ (Revised 2019) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the ‘ICAI’).

Pursuant to the SEBI Regulations and the Act, it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the special tax benefits available to the Group and its shareholders, in accordance with the Income Tax Regulations and GST Regime as at the date of our report.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Offering.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, ‘Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,’ issued by the ICAI.

### Inherent Limitations

We hereby report that the enclosed annexure for the special tax benefits available to the Company, its Material Subsidiaries and the shareholders of the Company under the Income Tax Act, 1961 (“Act”) as amended by the Finance Act, 2019 (i.e. applicable to Financial Year 2019-20 relevant to Assessment Year 2020-21), presently in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure cover special tax benefits only available to the Company, its Material Subsidiaries and the Shareholders and do not cover any general tax benefits available to the Company, its Material Subsidiaries or its Shareholders. 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. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India.



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

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

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

No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.

We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We are not liable to any other person in respect of this statement.

### **Restriction on Use**

This report is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Prospectus/ Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

For and on behalf of  
A. S. Bedmutha & Co.  
Chartered Accountants  
Firm's Registration No. 101067W

CA Smruti Dungarwal  
Partner  
Membership No. 144801  
Place : Nashik  
Date : July 15, 2019





## ANNEXURE TO THE STATEMENT OF TAX BENEFITS

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

You should consult your own tax advisors concerning the Indian tax implications and consequences of purchasing, owning and disposing of equity shares in your particular situation:

### 1. DIRECT TAXATION

**Statement of special tax benefits available to Galactico Corporate Services Limited (the ‘Company’), Material Subsidiaries (together referred to as ‘Group’) and its shareholders under the Income Tax Act, 1961 (the ‘Act’) (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2018 (hereinafter referred to as the ‘Income Tax Regulations’)**

#### A. Special tax benefits to the Company under the Income Tax Regulations

The Company is not entitled to any special tax benefits under the Act

#### B. Special tax benefits to its Material Subsidiaries under the Income Tax Regulations

The Material Subsidiaries of the Company are not entitled to any special tax benefits under the Act

#### C. Special tax benefits to the Shareholders under the Income Tax Regulations

The Shareholders of the Company are not entitled to any special tax benefits under the Act

### 2. INDIRECT TAXATION

**Statement of special tax benefits available to Galactico Corporate Services Limited (the ‘Company’), its Material Subsidiaries (together referred to as ‘Group’) and its shareholders under the Goods and Services Tax Act, 2017 (‘GST Act’) read with Rules, circulars and notifications under the GST Act (hereinafter referred to as the ‘GST Regime’)**

#### A. Special tax benefits to the Company under the GST Regime

The Company is not entitled to any special tax benefits under the GST regime.

#### B. Special tax benefits to its Material Subsidiaries under the GST Regime

The Material Subsidiaries are not entitled to any special tax benefits under the under the GST regime.

#### C. Special tax benefits to the Shareholders under the GST Regime

The Shareholders of the Company are not entitled to any special tax benefits under the under the GST regime.



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**Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above Statement of special tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Equity Shares.
4. The special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfill.
5. The tax benefits discussed in the statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences 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.
6. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
  - Company or its shareholders will continue to obtain these benefits in future;
  - Conditions prescribed for availing the benefits have been/ would be met with;
  - The revenue authorities/courts will concur with the view expressed herein; and
  - The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document.



## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page no. 24 and 121 of this Draft Prospectus.*

Our Company falls under the Financial Sector and further under the Financial Service Industry. The analysis of the Sector and Industry may be approached by analyzing both, the domestic as well as the global markets. The broad view of our Industry shall consist of analysis of the Financial Sector at the preface followed by the Financial Service Industry.

### OVERVIEW OF THE WORLD ECONOMY

The April 2019 Global Financial Stability Report (GFSR) finds that despite significant variability over the past two quarters, financial conditions remain accommodative. As a result, financial vulnerabilities have continued to build in the sovereign, corporate, and nonbank financial sectors in several systemically important countries, leading to elevated medium-term risks. The report attempts to provide a comprehensive assessment of these vulnerabilities while focusing specifically on corporate sector debt in advanced economies, the sovereign-financial sector nexus in the euro area, China's financial imbalances, volatile portfolio flows to emerging markets, and downside risks to the housing market. These vulnerabilities require action by policymakers, including through the clear communication of any changes in their monetary policy outlook, the deployment and expansion of macroprudential tools, the stepping up of measures to repair public and private sector balance sheets, and the strengthening of emerging market resilience to foreign portfolio outflows.

(Source: <https://www.imf.org/en/Publications/GFSR/Issues/2019/03/27/Global-Financial-Stability-Report-April-2019>)

### OVERVIEW OF THE GLOBAL FINANCIAL MARKETS

The World Bank in its June 2019 Global Economic Prospects has downgraded the global growth for 2019 to 2.6 per cent, (which is 30 basis points (bps) below the previous forecasts) considering the weaker than expected international trade and investment at the start of 2019. The World Bank observed that several downside risks to growth are becoming predominate, including rising trade barriers, a build-up of government debt, and deeper than expected slowdowns in several major economies. However, as the headwinds dissipate, the global growth is projected to edge up to 2.7 per cent in 2020 and to 2.8 per cent in 2021. The growth forecasts for advanced economies have also been lowered by 30 bps from the previous estimates to 2.8 per cent in 2019. Parts of the Euro Area have recorded slowing down of activities due to weakening exports and investment. Meanwhile, major central banks have signaled a more dovish stance amid subdued inflation and decelerating activity. Although the US economy is performing well with government spending and corporate tax cuts and unemployment figures reaching its lowest level in nearly five decades, the effects of recent fiscal stimulus are waning. On a negative note, amid rising trade tensions, exports have slowed, especially those to Europe and Asia. The Euro Area has witnessed rapid economic slowdown since mid-2018 undermined by decline in exports and domestic demand. Growth is projected to slow from 1.8 per cent in 2018 to 1.2 per cent in 2019 and to edge up to an average of 1.4 per cent in 2020-21. A no-deal Brexit from the EU could have a severe impact on the United Kingdom and, to a lesser extent, on its European trading partners. Activities in Japan, on the other hand has marginally improved backed by government support in the first half of 2019. However, trade, especially with China remained weak. On a positive note, the unemployment is low and labour force participation continues to go up. The World Bank has expressed its concern for emerging market and developing economies (EMDEs) in particular. According to the said report, investment growth in EMDEs over the next three years is expected to be subdued and below historical averages. The restraining factors against investment growth are weak global growth, limited fiscal space against the backdrop of elevated debt, and the presence of several structural constraints. EMDE growth is expected to slow from 4.3 per cent in 2018 to 4 per cent in 2019, indicating a 30 bps fall from the previously projected rate with notable heterogeneity across regions. In China, growth appears to be stabilizing following a weak start at the beginning of the year. However, trade with the external world remains weak and equity prices and the currency have faced downward pressures amid the recent re-escalation of the trade tension. The World Bank has projected that growth



in India would be at 7.5 per cent in 2019-20, unchanged from the previous forecast, and to stay at this pace through the next two fiscal years. The inflation has fallen below the target rate of Reserve Bank of India. Private consumption and investment are going to benefit from strengthening credit growth amid more accommodative monetary policy.

(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))

## OVERVIEW OF INDIAN ECONOMY

The Economic Survey 2018-19 was announced on July 4, 2019, by Ms Nirmala Sitharaman, Union Minister for Finance and Corporate Affairs, Government of India. The Survey forecasts a growth rate of 7 per cent for FY20, as compared to the growth rate of 6.8 per cent in FY19. Focus on enabling Micro Small and Medium Enterprises (MSMEs) to grow for achieving greater profits, job creation and enhanced productivity. To be an economy of US\$ 5 trillion by 2024-2025, the sustainable real GDP growth rate of 8 per cent needed.

(Source: <https://www.ibef.org/economy/economic-survey-2018-19>)

## STATE OF THE ECONOMY IN 2018-19: A MACRO VIEW

1. India still the fastest growing major economy in 2018-19.
2. Growth of GDP moderated to 6.8 per cent in 2018-19 from 7.2 per cent in 2017-18.
3. Inflation contained at 3.4 per cent in 2018-19.
4. Non-Performing Assets as percentage of Gross Advances reduced to 10.1 per cent at end December 2018 from 11.5 per cent at end March 2018.
5. Investment growth recovering since 2017-18:
6. Growth in fixed investment picked up from 8.3 per cent in 2016-17 to 9.3 per cent next year and further to 10.0 per cent in 2018-19.
7. Current account deficit manageable at 2.1 percent of GDP.
8. Fiscal deficit of Central Government declined from 3.5 percent of GDP in 2017-18 to 3.4 percent in 2018-19.
9. Prospects of pickup in growth in 2019-20 on the back of further increase in private investment and acceleration in consumption.

(Source: <http://pib.nic.in/newsite/PrintRelease.aspx?relid=191213>)

## FINANCIAL SERVICES IN INDIA

The country's financial services sector consists of the capital markets, insurance sector and non-banking financial companies (NBFCs). India's gross national savings (GDS) as a percentage of Gross Domestic Product (GDP) stood at 30.50 per cent in 2019. The total amount of Initial Public Offerings increased to Rs 84,357 crore (US\$ 13,089 million) by the end of FY18. IPO's reached to US\$ 1.94 billion in FY19 (up to Feb 2019). Ultra High Net Worth Individual (UHNWI) increased to 2,697 in 2018 and the population of UHNWI has grew by 118 per cent from 2013 to 2018.

The asset management industry in India is among the fastest growing in the world. In March 2019, corporate investors Assets Under Management AUM stood at US\$ 136.59 billion, while HNWI's and retail investors reached US\$ 107.55 billion and US\$ 90.12 billion, respectively. In the Asia-Pacific, India is among the top five countries in terms of HNWI's.

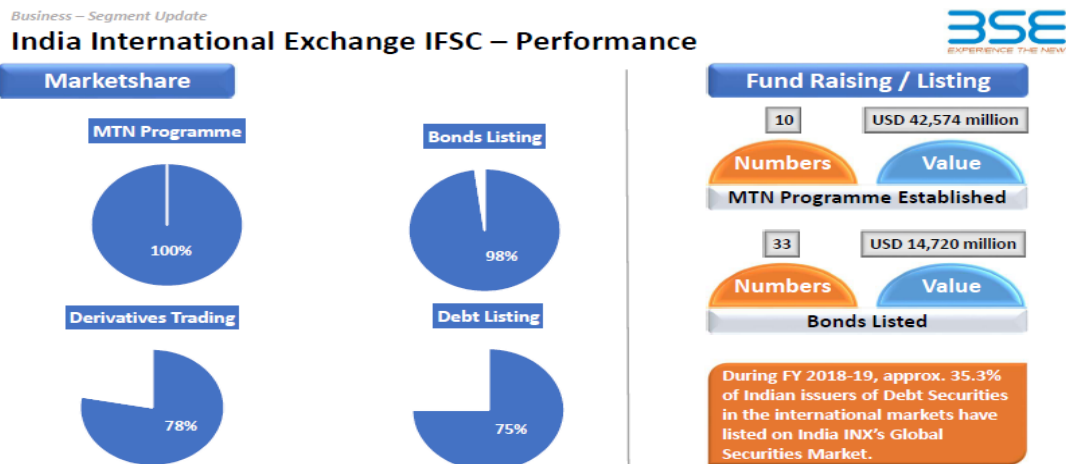
Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE) attained permission from the Securities and Exchange Board of India (SEBI), to launch commodity derivatives trading from October 1, 2018.

In FY19, equity mutual funds have registered a record net inflow of Rs 990.87 billion (US\$ 14.18 billion). Total equity funding's of microfinance sector grew at the rate of 39.88 to Rs 96.31 billion (Rs 4.49 billion) in 2017-18 from Rs 68.85 billion (US\$ 1.03 billion) in 2016-17. The public deposit of NBFCs increased from US\$ 293.78 million in FY09 to Rs 319.05 billion (US\$ 4.95 billion) in FY18, registering a compound annual growth rate (CAGR) of 36.86 per cent.

In November 2018, Bombay Stock Exchange (BSE) has enabled offering live status of applications filed by listed companies on its online portal and also introduced weekly futures and options contracts on Sensex 50 index from October 26, 2018. The Government of India is planning to launch a global exchange traded fund (ETF) in FY20 to raise long term investments from overseas pension funds.

The Government of India has taken various steps to deepen the reforms in the capital markets, including simplification of the Initial Public Offer (IPO) process which allows qualified foreign investors (QFIs) to access the Indian bond markets.

(Source: <https://www.ibef.org/archives/industry/financial-services-reports/indian-financial-services-industry-analysis-may-2019>)

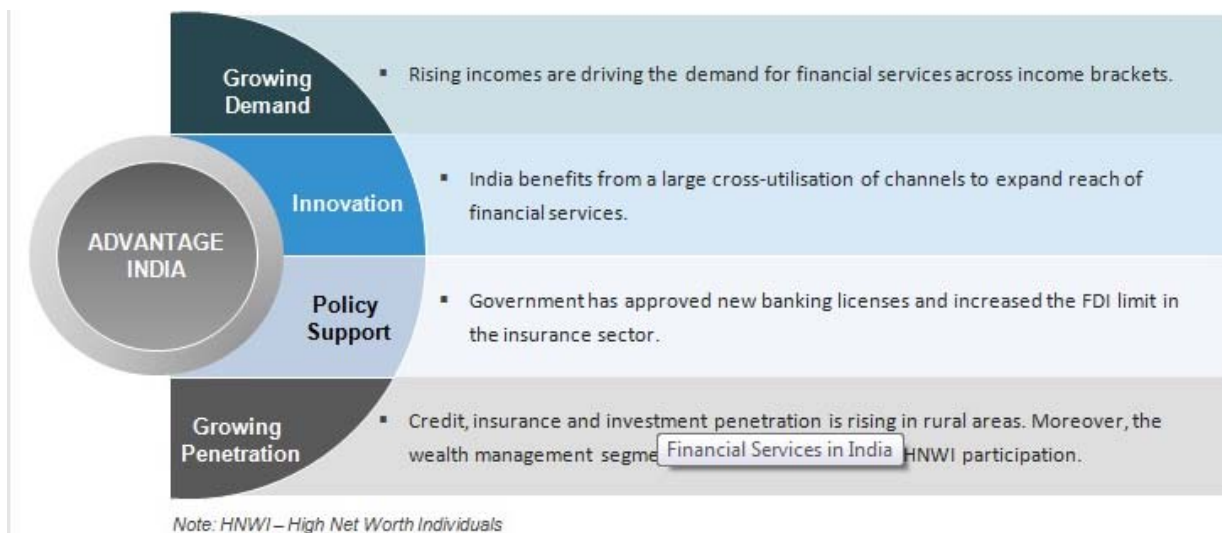


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(Source: [https://www.bseindia.com/downloads/Investor\\_Presentation\\_Q4\\_FY19.pdf](https://www.bseindia.com/downloads/Investor_Presentation_Q4_FY19.pdf))

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payments banks to be created recently thereby adding to the types of entities operating in the sector. However, the financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64 per cent of the total assets held by the financial system.

(Source: <https://www.ibef.org/industry/financial-services-india.asp>)



(Source: <https://www.ibef.org/industry/financial-services-india.aspx>)

## TRENDS IN RESOURCE MOBILISATION BY CORPORATES

During May 2019, Primary market mobilized funds through equity public issues of ₹106 crore as compared to ₹3,221 crore raised in April 2019. Further, there were two rights issue which mobilized ₹ 24,372 crore during May 2019 as compared to ₹ 25,012 crore mobilized in April 2019.

In addition, during May 2019, Primary market mobilized funds through Bonds public issues of ₹1,048 crore as compared to ₹2,191 crore raised in April 2019.

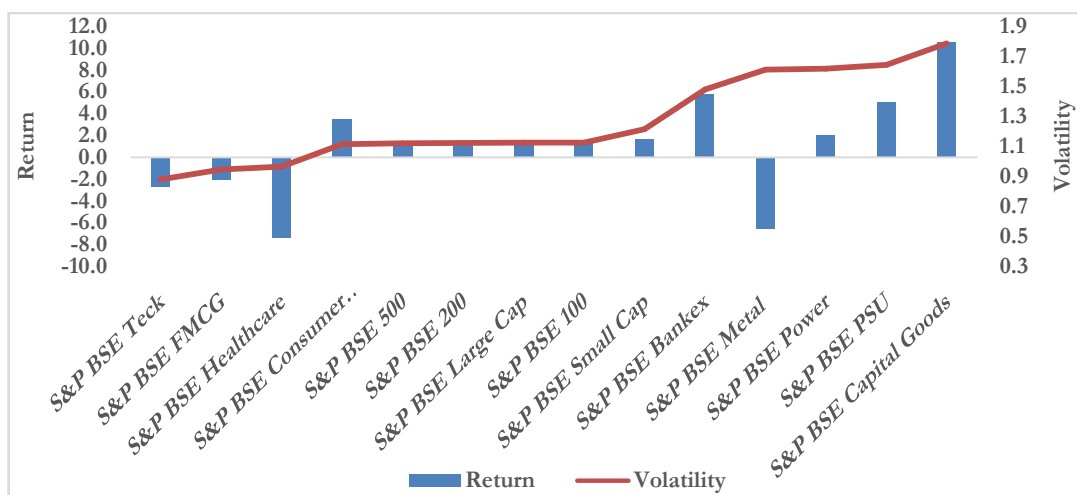


During May 2019, corporates mobilised of ₹19,851 crore through preferential allotments compared to ₹35,828 crore raised in April 2019. There was no QIP listed during May 2019. Corporate sector mobilised resources by way of private placements of corporate bonds. The companies mobilised ₹43,577 crore in May 2019 as compared to ₹70,064 in April 2019.

(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))

## I. Performance of BSE Indices during May 2019

In the month of May 2019 the performance of the sectoral indices witnessed mixed picture. Among BSE indices, S&P BSE Capital Goods (CG) increased by 10.6 per cent, followed by S&P BSE Bankex (5.8 per cent), S&P BSE PSU (5.1), S&P BSE Consumer Durables (3.5 per cent), S&P BSE Power (2.1 per cent), S&P BSE Small Cap (1.7 per cent) and S&P BSE 100 (1.5 per cent). On the other side, S&P BSE Healthcare decreased by 7.4 per cent, followed by S&P BSE Metal (6.6 per cent), S&P BSE Teck (2.7 per cent) and S&P BSE FMCG (2.1 per cent) during the month. Further, among BSE indices, S&P BSE Capital Goods recorded the highest daily volatility 1.8 per cent, followed by S&P BSE PSU (1.6 per cent), S&P BSE Power (1.6 per cent), S&P BSE Metal (1.6 per cent), S&P BSE Bankex (1.5 per cent), S&P BSE Small Cap (1.2 per cent) and S&P BSE 100 (1.1 per cent). S&P BSE Teck and S&P BSE FMCG witnessed the least volatile indices for the month of May 2019.

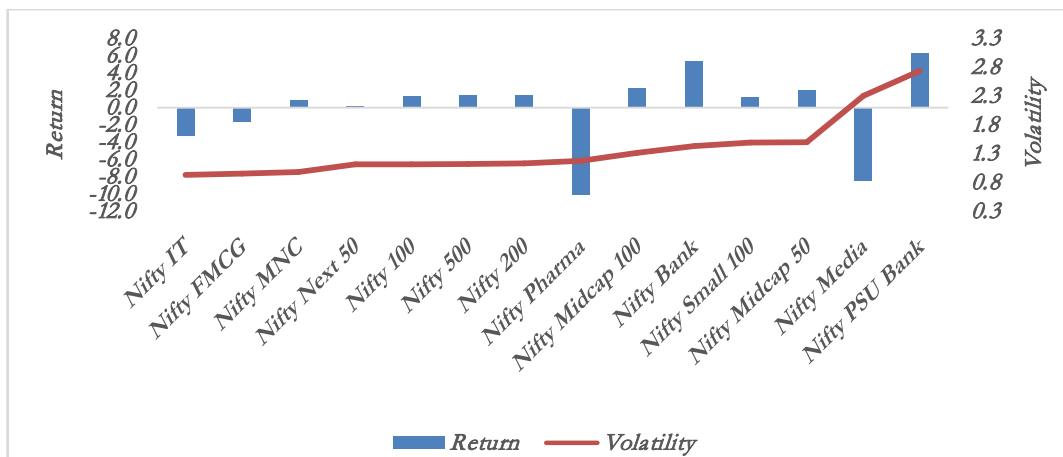


(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))

## II. Performance of NSE Indices during May 2019

As regards NSE indices, the largest increase was registered by Nifty PSU Bank (6.3 per cent) followed by Nifty Bank (5.4 per cent), Nifty Midcap 100 (2.2 per cent), Nifty Midcap 50 (2.1 per cent), Nifty 500 (1.5 per cent), Nifty 200 (1.4 per cent), Nifty 100 (1.3 per cent) and Nifty Small 100 (1.2 per cent) during May 2019. However, on the hand, Nifty Pharma decreased by 10.1 per cent, followed by Nifty Media (8.5 per cent), Nifty IT (3.3 per cent) and Nifty FMCG (1.6 per cent) during the month.

Further, among NSE indices, Nifty PSU Bank recorded highest daily volatility of 2.7 per cent followed by Nifty Media (2.3 per cent), Nifty Midcap 50 (1.5 per cent), Nifty Small 100 (1.5 per cent) and Nifty Bank (1.4 per cent). However, Nifty IT, Nifty FMCG and Nifty MNC were the least volatile for the month under consideration



(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))

## TRENDS IN INITIAL PUBLIC OFFERS AND RIGHT ISSUES

1. In the financial year 2018-19, the total number of public issues including right issues were 133 amounting to ₹18,235 crore whereas, the total public issues including right issues in the financial year 2019-20 (upto May 31, 2019) were 17 amounting to ₹52,711 crore. The capital raised through IPOs and Right Issues was ₹28,233 crore in the month of April 2019. However, it was decreased to ₹24,478 crore in May 2019. The net issues including IPOs and rights issues were 10 in April 2019 whereas it was reduced to 7 in May 2019.

Size-wise Classification of Capital Raised through Public and Rights Issues (Equity)

Year / Month	Total		< 5 crore		≥ 5 crore - < 10 crore		≥ 10 crore - < 50 crore		≥ 50 crore - < 100 crore		≥ 100 crore - < 500 crore		≥ 500 crore	
	No. of issue	Amount (₹ crore)	No. of issue	Amount (₹ crore)	No. of issue	Amount (₹ crore)	No. of issue	Amount (₹ crore)	No. of issue	Amount (₹ crore)	No. of issue	Amount (₹ crore)	No. of issue	Amount (₹ crore)
2018-19	133	18,235	20	68	29	213	61	1,355	6	438	8	2,896	9	13,266
2019-20 <sup>§</sup>	17	52,711	3	4	2	15	6	161	0	0	2	609	4	51,922
Apr-19	10	28,233	1	2	1	7	3	65	0	0	2	609	3	27,549
May-19	7	24,478	2	2	1	9	3	95	0	0	0	0	1	24,372

<sup>§</sup> indicates as on May 31, 2019

(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))

2. The companies belonging to the private sector mobilized ₹16,753 crore through 129 issues in F.Y. 2018-19 and ₹52,711 crore through 16 issues in F.Y. 2019-20 until May 31, 2019. On the other hand, the public sector mobilized ₹1,482 crore with 4 issues in F.Y. 2018-19 and ₹477 crore through a single issue in F.Y. 2019-20 (until May 2019). The private sector had mobilized ₹27,756 crore in April 2019 through 9 public issues which was reduced considerably to ₹24,478 crore through 7 public issues. The capital mobilized in F.Y. 2019-20 in public sector was raised entirely in April 2019. A single public issue was made in April 2019 and Nil in May 2019. The northern region in F.Y. 2018-19 mobilized ₹3,345 crore through IPOs and right issues whereas the amount mobilized in the eastern region was ₹700 crore. The western region had mobilized ₹12,172 crore, ₹61,895 in the southern region and ₹123 crore in the central region in F.Y. 2018-19. In F.Y. 2019-20 (upto 31 May 2019), the northern region had captured a capital market through IPOs and right issues amounting to ₹26,207 crore, whereas amount mobilized in the eastern, southern and central region was Nil. The western region had raised ₹26,504 through IPOs and right issues was ₹26,504 crore in western region. In April 2019, northern region mobilized ₹1,835 crore and Nil in eastern, southern and central region and ₹26,398 crore in western region. In May 2019, IPOs and right issues helped mobilize ₹24,372 crore in the northern region, Nil in eastern, southern and central region and ₹106 crore.



### Sector-wise and Region-wise Distribution of Capital Mobilised through Public and Rights Issues (Equity)

Year / Month	Total		Sector-wise				Region-wise									
			Private		Public		Northern		Eastern		Western		Southern		Central	
	No. of Issue	Amount (₹ Crores)	No. of Issue	Amount (₹ Crores)	No. of Issue	Amount (₹ Crores)	No. of Issue	Amount (₹ Crores)	No. of Issue	Amount (₹ Crores)	No. of Issue	Amount (₹ Crores)	No. of Issue	Amount (₹ Crores)	No. of Issue	Amount (₹ Crores)
2018-19	133	18,235	129	16,753	4	1,482	27	3,345	9	700	82	12,172	10	61,895	5	123
2019-20§	17	52,711	16	52,234	1	477	5	26,207	0	0	12	26,504	0	0	0	0
Apr-19	10	28,233	9	27,756	1	477	3	1,835	0	0	7	26,398	0	0	0	0
May-19	7	24,478	7	24,478	0	0	2	24,372	0	0	5	106	0	0	0	0

§ indicates as on May 31, 2019

(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))

3. The total number of IPOs that were launched in the primary market in the financial year 2018-19 were 123 which amounted to ₹16,087 crore whereas the number of right issues were 10 amounting to ₹2,149 crore. In the financial year 2019-20 (upto May 31, 2019), a total of 13 IPOs and 4 right issues were recorded resulting in the issue of ₹3,326.8 crore and ₹49,384.5 crore respectively. In April 2019, 8 IPOs and 2 right issues were recorded on the stock exchange. The amount raised through IPOs was ₹3,321.0 crore and ₹25,012.0 crore in April 2019. The total number of IPOs was reduced to 5 which had amounted to ₹105.8 crore. However, the number of right issues remained constant i.e. 2 which amounted to ₹24,372.5 crore.

### Capital Raised from the Primary Market through Public and Rights Issues (Equity)

Year / Month	Total		Category-Wise				Issue-Type				Instrument-Wise			
			Public		Rights		Listed		IPOs		Equities			
	No. of issues	Amount (₹ crore)	No. of issues	Amount (₹ crore)	No. of issues	Amount (₹ crore)	No. of issues	Amount (₹ crore)	No. of issues	Amount (₹ crore)	No. of issues	Amount (₹ crore)	No. of issues	Amount (₹ crore)
2018-19	133	18,235	123	16,087	10	2,149	10	2,149	123	16,087	6	513	127	17,723
2019-20§	17	52,711.3	13	3,326.8	4	49,384.5	4	49,384.5	13	3,326.8	0	0.0	17	52,711.3
Apr-19	10	28,233.0	8	3,221.0	2	25,012.0	2	25,012.0	8	3,221.0	0	0.0	10	28,233.0
May-19	7	24,478.3	5	105.8	2	24,372.5	2	24,372.5	5	105.8	0	0.0	7	24,478.3

Notes:

- Equity public issues also includes issues listed on SME platform.
- Since April 2018, the equity issue is categorised based on their respective closing dates. Prior to April 2018, it was classified based on opening date of the issue.

§ indicates as on May 31, 2019

(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))

4. SME listing not only provides benefits to the companies but also benefits its investors, both existing and proposed, such as providing an exit route to private equity investors as well as liquidity to the ESOP holding employees. Thus, considering the benefits of listing on SME Exchange, the total number of companies listed on SME in F.Y. 2018-19 was 110 which amounted to ₹1,844 crore and 8 in F.Y. 2019-20 (Upto 31 May, 2019) amounting to ₹168 crore. Public issues were increased from 3 in April 2019 to 5 in May 2019. The amount of capital mobilised through such issues was recorded at ₹62 crore in April 2019 and ₹106 crore in May 2019.

### Issues Listed on SME Platform

	No. of issue	Amount (₹ crore)
2018-19	110	1,844
2019-20§	8	168
Apr-19	3	62
May-19	5	106

§ indicates as on April 30, 2019

Source: SEBI

(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))



## TRENDS IN INSTITUTIONAL INVESTMENT

### A. Trends in Investment by Mutual Funds

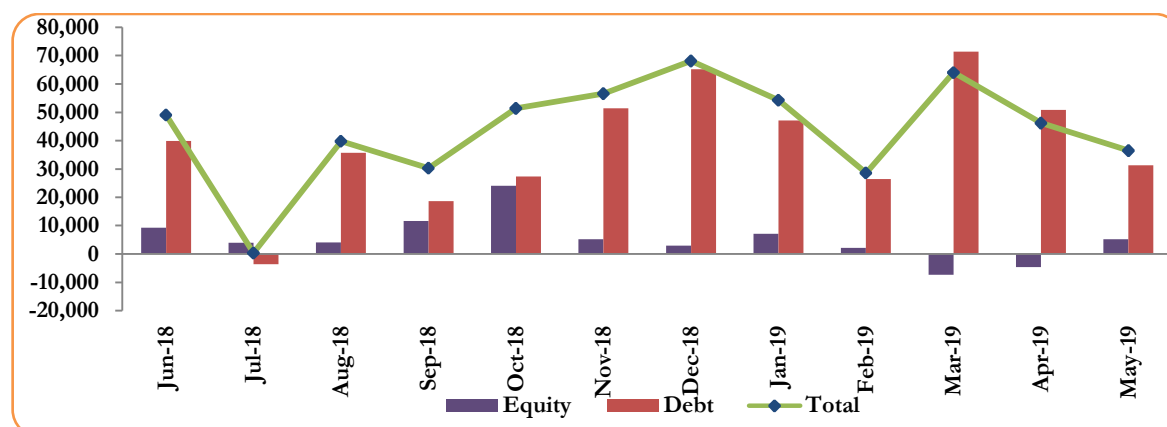
The total net investment in the secondary market by mutual funds was ₹36,504 crore in May 2019, compared to the total net investment of ₹ 46,220 crore in April 2019. During May 2019, mutual funds invested ₹ 5,164 crore in equity as compared ₹ 4,600 crore liquidation from equity in April 2019. In addition, mutual funds net invested ₹ 31,340 crore in debt securities as compared to ₹ 50,820 crore net investment during the same period.

During May 2019, there was a net inflow of ₹ 79,619 crore in open ended mutual fund schemes. Of these total open ended schemes inflow, income / debt oriented schemes mobilised ₹ 70,119 crore followed by Growth/Equity Oriented (₹ 5,408 crore), Other Schemes (₹ 2,651 crore), Hybrid Schemes (₹ 1,266 crore) and Solution Oriented Schemes (₹ 175 crore). On the other hand, in the Close Ended Schemes, there was a net outflow of ₹ 2,440 crore in May 2019. Of these outflows, income / debt oriented closed ended schemes liquidated of ₹ 2,001 crore, followed by Growth/Equity Oriented closed ended Schemes (₹ 439 crore). In aggregating (open ended, closed ended and interval schemes), there was a net inflow of ₹ 76,990 crore during May 2019 in the Mutual Fund Industry.

The cumulative net assets under management of all mutual funds increased to ₹ 25,93,560 crore at the end of May 2019 from ₹ 24,78,757 crore at the end of April 2019, indicating an increase of 4.6 per cent during the month.

As on April 30, 2019, there were a total of 1954 mutual fund schemes in the market, of which 1,204 were income / debt oriented schemes, 435 were growth / equity oriented schemes, 126 were Hybrid schemes, 133 were Others (exchange traded funds & FoF investing overseas) 30 were Solution Oriented Schemes and 26 were interval schemes.

#### Trends in Mutual Funds Investment (₹ crore)



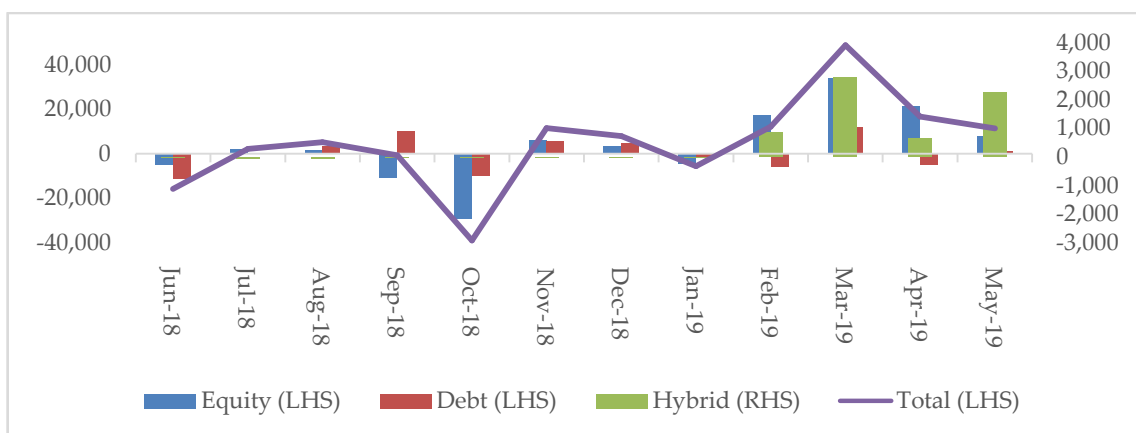
(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))

### B. Trends in Investment by the Foreign Portfolio Investors (FPIs)

Foreign portfolio investors (FPIs) also a net buyer for May 2019. FPIs invested ₹ 11,370 crore in Indian securities market during May 2019 compared to an investment of ₹ 16,728 crore in April 2019. FPIs invested ₹ 7,920 crore worth of equity securities in May 2019 compared to an investment of ₹ 21,193 crore in April 2019. In addition, FPI invested ₹ 2,264 crore during May 2019 in hybrid securities compared to ₹ 634 crore in April 2019. Further, FPIs invested ₹ 1,187 crore in debt securities during May 2019 as compared to an outflow of ₹ 5,009 crore in April 2019.

The assets of the FPIs in India, as reported by the custodians, at the end of May 2019 was ₹ 34,17,679 crore, out of which the notional value of offshore derivative instruments (including ODIs on derivatives) was ₹ 82,426 crore.

### Trends in FPIs Investment (₹ crore)



(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))

### TRENDS IN PORTFOLIO MANAGEMENT SERVICES

During May 2019, the total AUM of the portfolio management industry stood at ₹16,08,234 crore compared to ₹16,23,331 crore as at end April 2019, indicating a decrease of 0.9 per cent during the period. As on May 31 2019, the AUM of non-discretionary and Advisory services were ₹1,11,284 crore and 1,86,442 crore respectively, an increase by 0.5 per cent and 1 per cent respectively from April 2019. However, the AUM of Discretionary services decreased by 1.3 per cent and stood at ₹13,10,508 crore from its previous month.

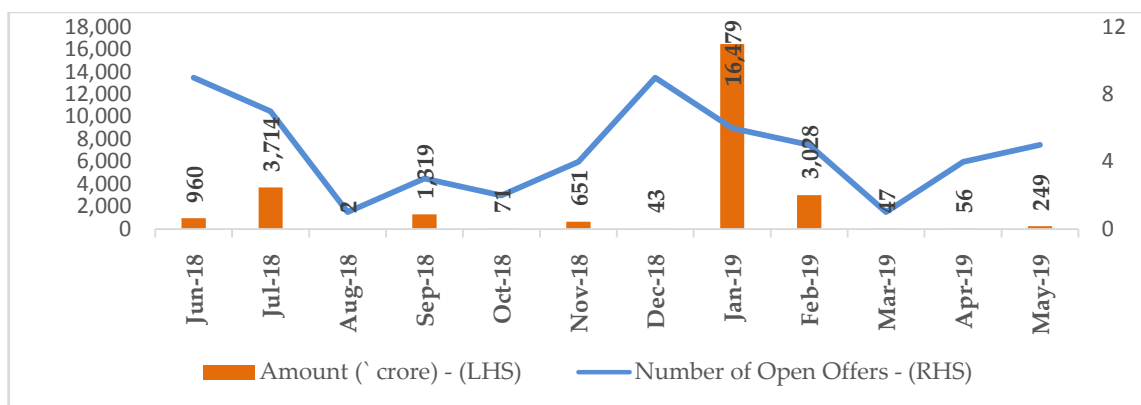
In terms of number of clients in PMS industry at the end of May 2019, discretionary services category topped with 1,43,065 clients, followed by non-discretionary category with 7,242 clients and advisory category with 3,973 clients.

(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))

### TRENDS IN SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS

During May 2019, five open offers with offer value of ₹249 crore was made to the shareholders as against four open offer with offer value of ₹56 crore made in April 2019. Of these five offers, all of them were come for change in control of management.

#### Details of Open Offers Made under the SEBI (SAST) Regulations



(Source: [https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi\\_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240](https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jul2019/1562138459435.pdf#page=22&zoom=auto,-15,240))



## **POLICY DEVELOPMENTS**

### **1. Permitting Foreign Portfolio Investors (FPI) to invest in Municipal Bonds**

RBI vide A.P. (DIR Series) Circular No. 33 dated April 25, 2019 has permitted FPIs to invest in municipal bonds. It is decided that in accordance with the provisions of Regulation 21(1)(p) of SEBI (Foreign Portfolio Investors) Regulations, 2014, FPIs are, henceforth, permitted to invest in municipal bonds.

*(Source: IMD/FPIC/CIR/P/2019/62, Dated: 08 May 2019)*

### **2. Reporting for Artificial Intelligence (AI) and Machine Learning (ML) applications and systems offered and used by Mutual Funds**

All registered Mutual Funds offering or using applications or systems as defined in **Annexure B** (available with online version of circular), should participate in the reporting process by completing the AI / ML reporting form (see **Annexure A**) (available with online version of circular). With effect from quarter ending June 2019, registered Mutual Funds using AI / ML based application or system as defined in **Annexure B**, are required to fill in the form (**Annexure A**) and make submissions on quarterly basis within 15 calendar days of the expiry of the quarter to AMFI.

*(Source: SEBI/HO/IMD/DF5/CIR/P/2019/63 dated 09 May 2019)*

### **3. Framework for Innovation Sandbox**

SEBI is proposed an “Innovation Sandbox”, which would be a testing environment where FinTech firms and entities not regulated by SEBI including individuals (hereinafterwards referred to as participants/applicants) may use the environment for offline testing of their proposed solutions in isolation from the live market, subject to fulfillment of the eligibility criteria, based on market related data made available by Stock Exchanges, Depositories and Qualified Registrar and Share Transfer Agents (QRTAs).

*(Source: SEBI/MRD/CSC/CIR/P/2019/64 Dated 20 May 2019)*

### **4. Participation of Mutual Funds in Commodity Derivatives Market in India**

In order to promote institutional participation in Exchange Traded Commodity Derivatives (ETCDs). In furtherance to this objective, it has been decided to permit mutual funds to participate in ETCDs.

*(Source: SEBI/HO/IMD/DF2/CIR/P/2019/65 Dated 21 May 2019)*

### **5. Framework for the process of accreditation of investors for the purpose of Innovators Growth Platform**

SEBI provided detailed framework for Accredited Investors (AIs) for the limited purpose of Innovators Growth Platform (“IGP”). The framework detailed Eligibility, Procedure for accreditation, Validity of Accreditation and Responsibility of Merchant Bankers at the time of listing on IGP with regard to AIs.

*(Source: SEBI/HO/CFD/DIL2/CIR/P/2019/67 Dated 22 May 2019)*

### **6. Participation of Portfolio Managers in Commodity Derivatives Market in India**

In order to promote institutional participation in the Exchange Traded Commodity Derivatives, SEBI permitted Portfolio Managers to participate in Exchange Traded Commodity Derivatives on behalf of their clients.

*(Source: SEBI/HO/IMD/DF1/CIR/P/2019/066 Dated 22 May 2019)*

### **7. Enhanced disclosure in case of listed debt securities**

With a view to further secure the interests of investors in listed debt securities, enhance transparency and to enable Debenture Trustees (DTs) to perform their duties effectively and promptly, pursuant to public consultation, amendments to the existing regulatory framework for governing Debenture Trustees (DTs), vide Gazette notifications no. 150, 151, 152 dated May 7, 2019 were carried out. Taking into consideration the comments received from the public, certain guidelines for enhanced disclosure by DT on their websites were issued.

*(Source: SEBI/ HO/ MIRSD/ DOS3/CIR/P/2019/68 Dated 27 May 2019)*



## **8. Combating Financing of Terrorism (CFT) under Unlawful Activities (Prevention) Act, 1967 –Directions to stock exchanges, depositories and all registered intermediaries**

In view of the reorganization of Divisions in the Ministry of Home Affairs and allocation of work relating to countering of terror financing to the Counter Terrorism and Counter Radicalization (CTCR) Division, the Government has modified the earlier order dated 27 August 2009 by the order dated 14 March 2019 for strict compliance.

*(Source: SEBI/HO/MIRSD/DOP/CIR/P/2019/69 Dated 28 May 2019)*

### **GOVERNMENT INITIATIVES**

Total expenditure for 2019-20 is budgeted at Rs 2,784,200 crore (US\$ 391.53 billion), an increase of 13.30 per cent from 2018-19 (revised estimates).

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

Some of the recent initiatives and developments undertaken by the government are listed below:

In February 2019, the Government of India approved the National Policy on Software Products – 2019, to develop the country as a software hub.

The National Mineral Policy 2019, National Electronics Policy 2019 and Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles (FAME II) have also been approved by the Government of India in 2019.

Village electrification in India was completed in April 2018. Universal household electrification is expected to be achieved by March 2019 end.

The Government of India released the maiden Agriculture Export Policy, 2018 which seeks to double agricultural exports from the country to US\$ 60 billion by 2022.

Around 1.29 million houses have been constructed up to December 24, 2018, under Government of India's housing scheme named Pradhan Mantri Awas Yojana (Urban).

Prime Minister's Employment Generation Programme (PMEGP) will be continued with an outlay of Rs 5,500 crore (US\$ 755.36 million) for three years from 2017-18 to 2019-20, according to the Cabinet Committee on Economic Affairs (CCEA).

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

### **ROAD AHEAD**

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.

India's revenue receipts are estimated to touch Rs 28-30 trillion (US\$ 385-412 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST).

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from to 175 GW by 2022.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

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



## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page no. 13 of this Draft Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” beginning on page 24 of this Draft Prospectus, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.*

*The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI ICDR Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on page nos. 24 and 121, respectively. In this section, unless otherwise stated, references to “Galactico” or “Company” or to “we”, “us” and “our” refers to Galactico Corporate Services Limited.*

### BUSINESS OVERVIEW

We are a diversified financial services company in India, carrying out the business of management of fund raising activities, investment advisory, underwriting of issues, manager, consultant or adviser to any issue including corporate advisory services and as consultant or adviser. We are registered as SEBI Category-I Merchant Banker having Registration Code INM000012519. Our motto is to achieve excellence across a range of financial services like: Advisory in IPO, Merger & Acquisitions, Debt Syndications, Takeovers, Valuations, Strategic & General Corporate Advice and Business Modeling, etc. We are primarily focused on providing such services to small and mid-sized enterprises (SMEs). Our Registered Office and Head Office situated at Nasik, we also provide services from our branch offices situated in Jalgaon, Jaipur and Mumbai.

Our Company was originally incorporated as “Amigos Trading and Commerce Private Limited” on June 15, 2015 under the provisions of Companies Act, 2013. Pursuant to a Special Resolution of our Shareholders passed at Extra-Ordinary General Meeting dated December 30, 2016, our Company’s main object was altered and consequently CIN was changed to U74110MH2015PTC265578. Subsequently, a fresh certificate of incorporation consequent upon change of name of our Company to “Galactico Corporate Services Private Limited” dated April 04, 2017 was issued by ROC, Mumbai. Further, pursuant to conversion of our Company to a Public Limited Company, a fresh certificate of incorporation was issued by ROC, Mumbai on November 06, 2018 for “Galactico Corporate Services Limited” bearing CIN U74110MH2015PLC265578.

Currently in our Company, we have a team of competent individuals and qualified professionals having relevant industry experience. We aim to set up an extensive employee platform to accomplish our vision: “*To be the most preferred financial services company trusted by customers for providing customized and structured solutions with innovation and integrity*”. To achieve this vision, the optimum combination of knowledge and experience of our management team and dedication of our employees, shall enable us to continue to take advantage of both current and future market opportunities, thus expanding our business horizons.

Our Company as on the date of Draft Prospectus has two wholly owned subsidiaries – namely- Seven Hills Beverages Limited (“Seven Hills”) and Instant Finserve Private Limited (“Instant Finserve”) and we also have one indirect subsidiary Palwe Pest Control Private Limited (“Palwe Pest Control”) which is a subsidiary of Seven Hills Beverages Limited. Seven Hills is presently engaged in the business of manufacturing of packaged drinking water. Instant Finserve is presently engaged in financial consultancy and debt finance related businesses. Palwe Pest Control is engaged in the business of providing pest control related products and services.

Our Company is managed by our Promoter Director Mr. Vipul Lathi, a Chartered Accountant by profession, having vast experience in financial services and infrastructure financing. For further details, see “*Our Promoter and Promoter Group*” and “*Our Management*” on page nos. 115 and 104, respectively of this Draft Prospectus.

Our Company’s objective is to meet the need of professional advice and consultancy primarily to SMEs and Startups looking to access growth capital and expand their business horizons. The Investment Banking arm helps small and mid-size enterprises raise equity and structured debt (domestic as well as foreign) funding. Our team at Galactico aims to



provide solutions to our clients with a vision to maximize their growth by placing the highest importance on quality, professionalism, integrity and confidentiality with management team of the highest caliber.

In the Restated Consolidated Financial Statement, our total income was ₹ 1,919.35 Lakhs and ₹ 1,653.94 Lakhs for the financial year 2019 and 2018. Our Profit after Tax (PAT) for the similar fiscal years mentioned above were ₹ 141.82 Lakhs and ₹ 135.13 Lakhs respectively.

For the Financial year ended 2019, 2018 and 2017, our total income in the Restated Standalone Financials was ₹ 196.58 Lakhs, ₹160.40 Lakhs and ₹ 51.84 Lakhs. Our Profit after Tax (PAT) for the similar fiscal years mentioned above were ₹ 74.09 Lakhs, ₹ 85.48 Lakhs and ₹ 31.73 Lakhs respectively.

## **OUR COMPETITIVE STRENGTHS**

We believe that the following strengths contribute to our success and position us well for future growth:

### ***1. Qualified and Experienced Promoter & Management Team***

Our Company is led by Mr. Vipul Lathi who is a Chartered Accountant by profession and has a varied experience in financial services and infrastructure financing. For further details, see “*Our Promoter and Promoter Group*” and “*Our Management*” on page no. 115 and 104, respectively of this Draft Prospectus. Further, our management team exhibits a synergy of both, qualified professionals as well as experienced personnel having diversified experience in the fields of Corporate Advisory, Corporate Funding, Issue Management, Investment Banking, Private Equity, Due Diligence and the like. We believe that since our Management have been actively involved in the Financial Services Industry and has gained requisite domain knowledge, experience and industry networks, going forward they would be able to adequately exploit opportunities in the Investment/ Merchant Banking space thereby improving our operational performance and brand value. For further relevant details of our management, please see “*Our Management*” beginning on page no. 104 of this Draft Prospectus.

### ***2. Strong professional and execution team allows the Company to develop a strong business***

Our Company has a team of able and experienced professionals with ability to actively manage funding operations. This coupled with proven promoter track record allows the Company to rapidly grow its client portfolio and business. We are a professionally managed firm having team of distinguished Chartered Accountants, Company Secretaries, Merchant Bankers, Corporate Financial Advisors and Tax Consultants. Today’s Business World demands quality professional services that are provided in a timely and a cost-effective manner. We facilitate the integration of our workforce, processes and technology. Our key business processes are actively managed by our senior management.

### ***3. Diversified Portfolio of Services offered***

Our company provides one- stop solutions to our clients with respect to diverse financial services through a team of well competent practiced professionals who responsibly handle the process right from its inception to its conclusion. We are well equipped with the experience and knowledge for implementation to complex situations, allowing us to target clients in the industry. Our team of professionals comprehend the complication of the industries we serve. We believe that our diversified service portfolio and our ability to handle the complete diverse requirements of our clients, supported by our qualified and experienced team, will significantly contribute to our growth in this financial services space.

### ***4. Providing Client Centric Solutions and Quality Assurance***

The array of services is managed by our team which is dedicated to cater to the client’s needs and requirements. Client satisfaction is of utmost importance to us. We believe that channelizing our processes enables us to offer consistently high levels of service to our clients. The high involvement of senior management, as well as hands-on culture of our team leads to speed, flexibility and commitment that ensure satisfaction for our client’s requirements.

### ***5. Low dependency on Debt and Controlled Overheads***

Since our incorporation, we have always been well capitalized through equity from our Promoters and now through this issue we further propose to improve our equity capitalizations. We believe that this is a unique balance sheet situation in such uncertain times and hence would help us raise debt and when required in the future as well as ensure our long



term sustainability. Further, being based out of Nashik, we are able to manage our staff costs better than our competitors in others cities.

## **6. Long-term relationships**

To realize a potential in most companies, a long perspective is necessary, especially when the ambition is to achieve sustainable growth. We work on the basis of creating long-term relationship with our clients and our team works closely with them to understand their short-term and long-term goals. We help our clients in their entire growth trajectory.

### **OUR STRATEGIES:**

Our objective is to achieve a leading market position in India in the range of businesses that we operate in, compete in the financial sector, and continue delivering superior financial performance. In order to achieve this objective, we plan to pursue the following strategies:

#### **1. Expand our Merchant Banking Activities**

Currently our business has revenue verticals, which are professional fees for advisory services, and interest income. We have recently been registered with SEBI as category I Merchant Banker to venture in to Merchant Banking Activities as a SEBI Registered Merchant Banker. Opening up of new listing platform in the form of SME segment can be taken as a great opportunity for merchant bankers and underwrites. It is great platform for small and medium enterprises to raise funds from market and enhance their business. As the number of enterprises will show their interest for raising fund through this platform, we see huge scope in undertaking merchant banking and underwriting activities for all types of public issues.

#### **2. Expansion of our Service Portfolio**

With the requisite knowledge and experience in the industry, we already offer various services across the financial sector. However, this being a fragmented industry with large number of players specializing in different verticals of services, there lies an opportunity to expand our service portfolio. We continue our aim to provide increased service offerings to our clients which will help us retain them through better relationship and service and increase our client base. With the strengths of our team, we believe we will be in a comfortable position to take strategic decisions relating to betterment of our company and as and when the opportunity presents, consolidate our range of services and our presence.

#### **3. Increase the number of client relationships**

Our strategy is to increase the number of client relationships and then leverage those client relationships into offering in a whole suite of financial products. During downturn of the markets we believe that increased number of client relationships will add stability to our earnings. As a part of this we also plan to strengthen our team to bring in new client relationships to leverage our offerings. We expect to continue to focus on acquiring and retaining customers, providing innovative solutions to clients' needs, leveraging our past experience to acquire clients through our network, scoping out potential growing businesses seeking to raise capital, for analyzing customer recommendations and tailoring recommendations.

#### **4. To strengthen our Financial Advisory businesses**

We intend to maintain our position in the financial market in terms of Issue Management operations by acquiring new clients who will also strengthen our advisory business and increase the number of advisory transactions. We believe that our business provides us with various advantages which we can leverage to improve our ranking in our financial advisory business. For example, our execution capabilities, existing corporate relationships and our corporate access services are all complementary to our financial advisory business. With the goal of strengthening our position, we aim to enhance our market position in the growing IPO/ Issue Management services space while continuing to focus on increasing our market position in the financial and corporate advisory space.

#### **5. Strengthen the brand name**

We intend to further increase the brand recognition through brand building efforts, communication and various initiatives, like participation in industry events, public relations and investor relations efforts. The same would enhance



the visibility of our brand name and enhance our position and image in the industry. This is also in line with the fact that once we are a listed company on the SME Platform our visibility will further improve.

**6. Minimize concentration risk by diversifying the portfolio of services and expanding our customer base**

We intend to further improve the diversity of our service portfolio to cater to the various financial needs of our customers and increase the share of income derived from sale of financial services. We intend to leverage our branch and office network to develop complementary business segments and become the preferred provider of financial services - a one-stop shop for our customers' financial needs. We expect that our diverse revenue stream will reduce our dependence on any particular service which will enable us to spread and mitigate our risk exposure to any particular industry, business, and geography or customer segment. Offering a wide range of service helps us to attract more customers and to increase our scale of operations.

**7. Continue to attract and retain talented employees and ensure a low attrition rate among senior management:**

As part of our business strategy, we are focused on attracting and retaining high quality talent. We recognise that the success of our business depends on our employees, in particular, as we continue to expand our operations. We have recruited and retained talented employees from a variety of backgrounds. We expect to continue to attract talented employees through our retention initiatives and recruitment from local graduate colleges. We intend to invest a significant amount of time and resources for training our employees, which we believe would foster mutual trust, improve the quality of our customer service and place further emphasis on our continued retention.

**DETAILS OF OUR BUSINESS**

**LOCATION:**

Type of Facility	Location
Registered Office	2 <sup>nd</sup> Floor, Shree Gurudeo Tower, Above Shirpur Co-Op Bank Ltd, Canada Corner, Nashik - 422 005
Branch Office	2 <sup>nd</sup> Floor, Deep Plaza, Town Planning Scheme No. II, Jalgaon- 425001
Branch Office	Office No. 201-A, 2nd Floor, Shyam Anukampa, Ashok Marg, C-Scheme, Jaipur
Branch Office	Office No. 713, 7 <sup>th</sup> Floor, Gold Crest Business Centre, L.T. Road, Borivali West, Mumbai 400 092

**OUR BUSINESS OPERATIONS AND SERVICES:**

**Our Financial Advisory and Consultancy Services are briefly described below:**

**1. Corporate Finance & Investment Advisory Services**

Our corporate financial advice, strategic advice and execution services are focused at value enhancing solutions that complement our clients' growth strategies. We work with lenders and other investors to arrange financing and complete transactions for our esteemed clients. Our services assist companies to take on right option for growth and involves strategic business decisions such as expansion, acquisition, merger, demerger, business restructuring, joint venture, diversification, sale of undertaking, etc. We strive to understand each client's investment goals, risk profile and other related issues to provide the best possible services with highest result possible. Our Corporate Finance and investment advisory services include:

- **Corporate Valuation/ Fairness Opinion-** Corporate valuation or business valuation is the process of determining the "Economic Worth/ Economic Value" of a Company based on its business model, standard and premise of valuation, industry performance together supported with reasons and evaluating all aspects of the business. It determines a company's standing based on its assets and debts. Corporate valuations form the basis of corporate finance activity including merger & amalgamation (M&A), fund raising, sale of businesses and also to meet regulatory and accounting requirements. Justifying the value of businesses has grown more complex and challenging in trade world. Our management team have in the past been involved in providing Transaction Advisory and valuations for M&A, Corporate Valuation Advisory and Consulting.
- **Debt Syndication-** We undertake funding activities for diverse business requirements of corporates and provides support services such as structuring and critical evaluation of the term financial requirement, preparation of





financial plans as well as identification of size and type of the debt, arranging sanction of long term loan, facilitating execution of requisite documents and due disbursement of loans, placement of debentures and/or preference shares with investment institutions, banks, mutual funds and other investors. While providing these comprehensive services, we examine and take into consideration, factors relating to the industry, economy and business. Our relationships with commercial banks, alternate asset managers, as well as structuring capabilities guide our clients to success in securing debt for their company. We continue to build a strong franchise in structuring appropriate financing solutions for client-specific situations and identifying appropriate institutional investors. Our debt syndication services provide for a wide range of offerings, including structured and mezzanine finance, project finance and acquisition finance.

- **Corporate Advisory-** An aggressive and dynamic economic environment has compelled companies to re-evaluate their capital structures to maintain financial competitiveness and enhance operating efficiencies. The economy is also faced with the inherent challenge of "stressed financial assets", where large funding exposures - both debt and equity need to be recovered or restructured in ways that benefit all stakeholders - lenders, investors and the business. We understand the dynamic flows that shape the needs and policies of the corporate world in their efforts at optimizing risks and returns of capital investments. As part of our advisory services, we help the corporates to raise funds, simplify reporting and to comply with Government rules and regulations by identifying strategic issues to be addressed, prioritize business targets, and formulate a business strategy that meets the taxation, accounting, regulatory, and financial goals of clients.
- **Private Equity Advisory-** We assist companies access the pool of capital in the form of private placement of equity/ debt to raise funds, assist in valuation and negotiation of terms that may be mutually beneficial to both the parties. Our qualified personnel have an understanding of various businesses, enjoy strong relationships with investors to ensure optimum distribution and are grounded in research driven tracking of investment environment. Leveraging our team's transactional experience and network of private equity investors to generate pragmatic solutions for the complex financing needs of our clients enables us to serve our clients better by gauging sector interest, market developments and change in investment philosophy.
- **Amalgamation, Demergers or Corporate Restructuring-** Corporate restructuring could be in the form of either amalgamation or demerger. Amalgamation is the process of combining or uniting multiple entities, engaged in the same line of business or having some similarity in operations, under a common management. It includes (i) joining two or more companies to form a new company, or (ii) absorption or blending of company by the other. Whereas, demerger is a process wherein a company splits off its existing business activities into several components, with the intent to form a new company that operates on its own or sell or dissolve the unit so separated. The reasons of amalgamation and demerger could vary from reducing complexity of the business structure to spinning off of vertical to make it an independent entity so that it can run independently.

Our advisory team engages with clients on an ongoing basis, building an understanding of the clients' business and strategic aspirations. With independent advice based on sector knowledge and relationships with corporate clients, our advisors are continually ideating and investigating opportunities in the best interests of our clients. We have a dedicated team to facilitate ongoing interaction with listed as well as unlisted companies across sectors.

## 2. Capital Market Services

Capital Market Services cater to listed entities or corporates proposing to become one, the proposed transactions need to be carried out in a systematic manner and following the applicable guidelines issued by the market regulator. We assist companies of all sizes in accessing the equity capital market and raising funds for their business through Initial Public Offerings (IPOs), Rights Issue, Private Placements and restructuring through Open Offers, Buyback Offers, Delisting, amongst others services. We also provide professional and financial advice to SMEs and start-ups looking to expand business horizons and assist corporates and businesses of all sizes that are seeking to mobilize capital from investors. Within the practice, we render services related to Issue Management, planning of a transaction, advisory, meeting with SEBI registered intermediaries, execution of chain of transactions, other SEBI regulated activities and provide opportunities for clients to raise funds through:

- **IPOs & Follow on Public Offerings (FPOs)-** India, being a developing nation, sees small and medium enterprises (SMEs) playing a large role in enhancing the economy. This sector has emerged as a vibrant and dynamic catalyst for growth of our economy. Thus, we intend to concentrate on the Midcap and SME segment corporate base for providing Issue management and corporate advisory services for IPOs and FPOs. We render our services for listing of securities of companies having growth potential on the Main Boards of BSE and NSE as well as the emerging SME Platforms of said stock exchanges, i.e. BSE SME and the EMERGE Platform of NSE.



- **Rights Issue / Buy-Back / ESOP-** The focus of the Company on this activity is more with a view to serve our existing clientele in the listed space. We aim to provide services to all our clients under one roof. A rights issue or rights offer is a pre-emptive subscription rights to buy additional securities in a company made to the company's existing security holders in the ratio of their existing shareholding. With the issued rights, existing security-holders have the privilege to buy a specified number of new securities from the issuer at a specified price within a subscription period.

The recognition of human capital as the prime resource of business organization, has led to fierce competition for attracting, retaining and motivating talent. ESOPs in different forms are the most effective form of synergizing the interests of the employees and corporate entity they work for. It is this synergy which motivates employees to give that indefinable extra bringing sustained growth and profitability.

- **Private Placements-** Over the years, our promoters and experienced employees have established contacts with several Domestic Financial Institutions, Banks, Mutual Funds and Foreign Institutional Investors (FIIs) which will help in sourcing opportunities for execution of mandates as well as transaction closure.
- **Open Offer / Delisting/ Mergers & Acquisitions (M&A)-** A purpose of a Takeover is to gain management control of a Target Company. Plans of horizontal diversification, elimination of competition, backward and forward integration are a few of the motives behind any Takeover bid/ Open Offer. At Galactico, our services for this activity is more with a view to serve our existing clientele in the listed space and aims to provide all related services under one roof. We intend to enable aspiring corporates to explore such activities to have a ring side view of the deal flow, opportunities available on both buy as well as sell side by conducting accurate due diligence and valuation.

#### OUR MAJOR CUSTOMERS:

Our Company is primarily engaged in the financial advisory services. The percentage of income derived from our top customers in the last financial year is given below:

Sr. No.	Particular	Revenue (₹ in lakhs)	Percentage (%)
1	Income from Top 5 Customers (%)	140.15	86.46%
2	Income from Top 10 Customers (%)	156.13	96.32%

#### UTILITIES AND INFRASTRUCTURE FACILITIES:

Our registered office as well as head office is situated at Nasik and the branch office is situated at Jalgaon. The offices are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities which are required for our business operations to function smoothly. Our offices are well equipped with requisite utilities and facilities including the following:

**Power-** Our Company meets its basic power requirements by procuring electricity from Maharashtra State Electricity Distribution Co. Ltd. with a sanctioned load of 42.00 KVA at its registered office. Electricity supply at our branch office is also through Maharashtra State Electricity Distribution Co. Ltd. with a sanctioned load of 4 KW.

**Water-** Adequate arrangements with respect to water requirements for drinking purpose are made at the offices of the Company.

#### HUMAN RESOURCE:

Human resource is the key element for developing a company's growth strategy and handling the day to day activities within the organization. We focus on attracting and retaining the best possible talent. Our team is a blend of experienced, professional and a strategically organized group of personnel. Our employees capture the clients' specific needs and requirements and provide to the point solutions which gives us the advantage of stability and growth. Our Company does not have any Employee Unions.

As on date of this Draft Prospectus, we have 9 employees on our rolls, who look after the day to day business operations, administrative, secretarial, legal and accounting functions in accordance with their respective designated duties.



## COMPETITION:

In particular, we compete with other Financial advisory and Investment companies, both in India and abroad; and other Merchant Banks and public and private sector funds operating in the markets in which we are present. In recent years, large international banks have also entered these markets. Our client mix consists of both small and medium size businesses, which are based upon a local or regional relationship with our presence in each market, and large national/multinational client relationships. We compete with a large number of registered merchant bankers like Keynote Corporate Services Limited and Navigant Corporate Advisors Limited

We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. In addition, it is possible that certain large financial services groups may decide to begin offering services that we currently provide and new players might enter the market, thereby further intensifying the competition. Our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.


## MARKETING:

The efficiency of the marketing and service network is critical to the success of our Company. We strive to provide various services to our client under one basket and continuously set-up meetings with clients, pitching our range of services and track record. Our team through their experience and good rapport with the clients owing to timely and qualitative service plays an instrumental role in creating and expanding the work platform for our Company. Our management team is actively involved in establishing client relationships and business development through interaction with various professionals, advisors and company representatives which has been instrumental in getting business. We intend to expand our existing customer base by reaching out to professionals and entities across other geographical regions.

Our Company has been focusing on acquiring new customers through direct and indirect channels. Going forward we intend to continue to leverage contacts with existing clients and strengthen our Marketing & Sales team, who would be solely focused on enhancing our business goals and revenues.

## INTELLECTUAL PROPERTY RIGHTS:

We have registered the following Trademark with the Trademarks Registry, Government of India under the Trademarks Act, 1999. The details of the same are as follows:

Sr. No.	Particulars of the mark	Word/Label mark	Applicant	Trademark/ Application Number	Issuing Authority	Certificate Detail	Class	Period of validity
1.	GALACTICO	Word	Mr. Vipul Lathi	3526647	Trade Marks Registry, Mumbai	Certificate bearing No. 1687464 dated October 26, 2017	36	Valid upto 10 years from April 16, 2027
2		Device	Galactico Corporate Services Pvt Ltd	3767091	Trade Marks Registry, Mumbai	Certificate bearing No. 1962068 dated August 20, 2018	36	Valid upto 10 years from – February 29, 2028

## OUR PROPERTIES:

Details of our properties are as follows:-

### Freehold Property

Sr. No.	Schedule of property and area	Area	Date of Agreement	Seller		Purpose
1.	2nd Floor, Deep Plaza, Town Planning Scheme No. II, Jalgaon-425001 <sup>(1)</sup>	325.1 Sq. meter	September 30, 2017	Vijay Lodha	Champalal	Branch Office



Sr. No.	Schedule of property and area	Area	Date of Agreement	Seller	Purpose
2.	Unit No. 321, 3rd Floor, Kanakia Zillion, BKC Annexe, Kurla West, Mumbai- 400070 <sup>(2)</sup>	184.97 Sq. meter	December 05, 2016	Kanakia Realty Limited Spaces Private	Investment & Future Use
3.	Flat no. C-13, Tower A3 (C-wing), The Imperial Apartment, Tal-Makhmalabad, Nashik- 422003 <sup>(3)</sup>	295.52 Sq. meter	October 26, 2018	Suyash Realtors	Investment & Future Use

<sup>(1)</sup>This property is owned jointly along with Mr. Harshal Govind Jethale (16.67%), Mr. Aashish Dhondu Patil (16.67%) and Mr. Rakesh Gopal Jhambare (16.66%). Our Company owns 50% of the property.

<sup>(2)</sup>This property is rented out to third party for commercial purpose.

<sup>(3)</sup> This property is owned jointly along with Instant Finserve Private Limited and Seven Hills Beverages Limited

### Leave and License Property

Sr. No.	Location of the Property and Area	Purpose	Document and Date	Lessor / Licensor	Key terms of the Agreement	Consideration
1.	2 <sup>nd</sup> Floor, Shree Gurudeo Tower, Above Shirpur Co- Op. Bank Ltd. Canada Corner, Nashik-422 005  Area: 400 Sq. feet.	Registered Office	Lease Agreement dated September 25, 2018	Suyash Rajendra Chhajed	<ul style="list-style-type: none"> <li>The tenure of the agreement is from September 25, 2018 to August 24, 2019.</li> <li>Our Company to bear the electricity, water supply and sanitary.</li> </ul>	Yearly rentals of ₹ 5,000
2.	Location: Office No. 201-A, 2 <sup>nd</sup> Floor, Shyam Anukampa, Ashok Marg, C-Scheme, Jaipur  Area: 100 sq. ft.	Branch Office	Lease Agreement dated May 01, 2019	Licensor: Manoj Goyal	<ul style="list-style-type: none"> <li>The tenure of the agreement is from May 01, 2019 to April 30, 2022.</li> <li>Our Company to bear the electricity, water charges, etc.</li> </ul>	Monthly rentals of ₹ 4,000 for the first year of the Lease Term, thereafter rent will be increased by 7% every year
3.	Location: Office No. 713, 7 <sup>th</sup> Floor, Gold Crest Business Centre, L.T. Road, Borivali West, Mumbai 400 092  Area: 100 sq. ft.	Branch Office	Lease Agreement dated July 05, 2019	Licensor: Shankarlal Satyanarayan Ramuka	<ul style="list-style-type: none"> <li>The tenure of the agreement is from July 01, 2019 to June 31, 2020</li> <li>Our Company to bear the electricity charges.</li> </ul>	Monthly rentals of ₹ 8,000

### INSURANCE:

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. We have taken insurance policies with different schemes and benefits covering our employees. Our policies are subject to customary exclusions and



customary deductibles. We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage is maintained.

<b>Acknowledgement No*</b>	<b>Risk Covered</b>	<b>Sum Assured</b>	<b>Name of the Insurer</b>	<b>Policy Period</b>	
10200108489414	Standard fire and perils policy. STFI and Earthquake covered	₹ 5,00,00,000	Tata AIG	December 17, 2018	December 16, 2019

\*The Insurer has confirmed payment receipt from the Company. Generation of policy no. is in process.



## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India, Government of Maharashtra and the respective bye laws framed by the local bodies in Nashik, Maharashtra and others incorporated under the laws of India.*

*The information detailed in this chapter has been obtained from the various legislations and the bye laws of the respective local authorities that are available in the public domain. The regulations and policies set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice.*

*The following is an overview of some of the important laws and regulations, which are relevant to our industry.*

### INDUSTRY RELATED LAWS

#### Merchant Banking Regulations

The SEBI (Merchant Banker) Regulations, 1992 provide the eligibility criteria, procedure for obtaining the certificate of registration to carry on business as a Merchant Banker. Based on the satisfaction of the specified capital adequacy requirements, SEBI grants registration under categories ranging from Category I to Category IV.

According to the category identified, the Merchant Bankers are permitted to carry out certain activities as are prescribed in the Merchant Banker Regulations. Further, the Merchant Bankers are required to adhere to a code of conduct prescribed under the Merchant Banker Regulations.

A merchant banking company has been exempted from the provisions of Section 45-IA [Requirement of registration and net owned fund], Section 45-IB [Maintenance of liquid assets] and 45-IC [Creation of Reserve Fund] of the RBI Act, 1934, Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 and Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 subject to compliance with the following conditions:

It is registered with the Securities and Exchange Board of India as a Merchant Banker under Section 12 of the Securities and Exchange Board of India Act, 1992 and is carrying on the business of merchant Banker in accordance with the Securities and Exchange Board of India Merchant Banking (Rules) 1992 and Securities and Exchange Board of India Merchant Banking (Regulations) 1992;

- acquires securities only as a part of its merchant banking business;
- does not carry on any other financial activity referred to in Section 45I(c) of the RBI Act, 1934; and
- does not accept or hold public deposits as defined in paragraph 2(1)(xii) of the Notification No. DFC 118/DG(SPT)-98 dated January 31, 1998.

#### The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise” , where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “ Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

**The Securities Contracts (Regulation) Act, 1956**, which provides for regulation of transactions in securities through control over stock exchanges.

**The Depositories Act, 1996** which provide for electronic maintenance and transfer of ownership of demat securities.



**The SEBI (Issue of Capital & Disclosure Requirements) Regulation, 2018**, provides for eligibility, disclosure and procedure for Public Issues, Further Public Offer, Preferential Allotment, Rights Issue, and other fund raising activities.

## **TAX RELATED LEGISLATIONS:**

### **INCOME TAX**

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

### **Goods and Service Tax (GST)**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise– goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products.

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

### **Professional Tax**

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



liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

### **Service Tax**

Service tax was charged on taxable services as defined in Chapter V of Finance Act, 1994, which required a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. There are other indirect taxes which are now subsumed under GST and these are Additional Duties of Excise, Cess, Purchase Tax, Taxes on advertisements.

### **GENERAL:**

#### **Indian Contract Act**

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

#### **Registrations under the applicable Shops & Commercial Establishments Acts of the respective States in which our Company has an established place of business/office (“Shops Act”)**

The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn functions under the supervision of Labour Commissioner. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

#### **The Companies Act, 1956 & 2013**

The Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between the set of competing factors, namely, management autonomy and investor protection.

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

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

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

The Maternity Benefit Act, 1961, as amended (Maternity Benefit Act) regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. Now, The maximum period for which any woman shall be entitled to maternity benefit shall be 26 weeks of which not more than eight weeks shall precede the date of her expected delivery





which was earlier 12 weeks and not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

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

The Equal Remuneration Act, 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The Act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

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

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

### **The Specific Relief Act, 1963**

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. “Specific performance” means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### **The Registration Act, 1908**

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

## **LAWS REGULATING TRANSFER OF PROPERTY:**

### **Transfer of Property Act, 1882**

The Transfer of Property Act, 1882 (the “**TP Act**”) establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The TP Act also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

### **Registration Act, 1908**

The Registration Act, 1908 (the “**Registration Act**”) has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract



in a suit for specific performance or as evidence of part performance under the T.P. Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

### **The Indian Stamp Act, 1899**

Under the Indian Stamp Act, 1899 (the “**Stamp Act**”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### **Maharashtra Stamp Act, 1958**

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

### **Intellectual Property Legislations:**

The Trademarks Act, 1999, The Patents Act 1970 and the Copyright Act, 1957 inter alia govern the law in relation to intellectual property, including patents, copyrights, trademarks, service marks, brand names, trade names and research works.

### **FOREIGN OWNERSHIP LEGISLATIONS:**

#### **Investment by Foreign Institutional Investors**

Foreign Institutional Investors including institutions such as pension funds, mutual funds, investment trusts, insurance and reinsurance companies, international or multilateral organizations or their agencies, foreign governmental agencies, foreign central banks, asset management companies, investment managers or advisors, nominee companies and institutional portfolio managers can invest in all the securities traded on the primary and secondary markets in India. FIIs are required to obtain an initial registration from the SEBI and a general permission from the RBI to engage in transactions regulated under FEMA. FIIs must also comply with the provisions of the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended. The initial registration and the RBI's general permission together enable the registered FII to buy (subject to the ownership restrictions discussed below) and sell freely securities issued by Indian companies, to realize capital gains or investments made through the initial amount invested in India, to subscribe or renounce rights issues for shares, to appoint a domestic custodian for custody of investments held and to repatriate the capital, capital gains, dividends, income received by way of interest and any compensation received towards sale or renunciation of rights issues of shares.

#### **Ownership restrictions of FIIs**

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account, should not exceed 10% of the total paid-up capital of a company.



## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as Amigos Trading and Commerce Private Limited on June 15, 2015 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration No. 265578. The name of the Company was changed to Galactico Corporate Services Private Limited and the name change certificate was issued on April 04, 2017. The status of the Company was changed to public limited and the name of our Company was changed to Galactico Corporate Services Limited vide Special Resolution dated October 09, 2018. The fresh certificate of incorporation consequent to conversion was issued on November 06, 2018 by the Registrar of Companies, Mumbai. The Company's Corporate Identity Number is U74110MH2015PLC265578.

### OVERVIEW

We are a diversified financial services company in India, carrying out the business of management of fund raising activities, investment advisory, underwriting of issues, manager, consultant or adviser to any issue including corporate advisory services and as consultant or adviser. We are registered as SEBI Category-I Merchant Banker having Registration Code INM000012519. Our motto is to achieve excellence across a range of financial services like: Advisory in IPO, Merger & Acquisitions, Debt Syndications, Takeovers, Valuations, Strategic & General Corporate Advice and Business Modeling, etc. We are primarily focused on providing such services to small and mid-sized enterprises (SMEs). Our Registered Office and Head Office situated at Nasik, we also provide services from our branch offices situated at Jalgaon, Jaipur and Mumbai.

Currently in our Company, we have a team of competent individuals and qualified professionals having relevant industry experience. We aim to set up an extensive employee platform to accomplish our vision: *"To be the most preferred financial services company trusted by customers for providing customized and structured solutions with innovation and integrity"*. To achieve this vision, the optimum combination of knowledge and experience of our management team and dedication of our employees, shall enable us to continue to take advantage of both current and future market opportunities, thus expanding our business horizons.

Our Company as on the date of Draft Prospectus has two wholly owned subsidiaries – namely- Seven Hills Beverages Limited ("Seven Hills") and Instant Finserve Private Limited ("Instant Finserve") and we also have one indirect subsidiary Palwe Pest Control Private Limited ("Palwe Pest Control") which is a subsidiary of Seven Hills Beverages Limited. Seven Hills is presently engaged in the business of manufacturing of packaged drinking water. Instant Finserve is presently engaged in financial consultancy and debt finance related businesses. Palwe Pest Control is engaged in the business of providing pest control related products and services.

Our Company is managed by our Promoter Director Mr. Vipul Lathi, a Chartered Accountant by profession, having vast experience in financial services and infrastructure financing. For further details, see *"Our Promoter and Promoter Group"* and *"Our Management"* on page no. 115 and 104, respectively of this Draft Prospectus.

Our Company's objective is to meet the need of professional advice and consultancy primarily to SMEs and Startups looking to access growth capital and expand their business horizons. The Investment Banking arm helps small and mid-size enterprises raise equity and structured debt (domestic as well as foreign) funding. Our team at Galactico aims to provide solutions to our clients with a vision to maximize their growth by placing the highest importance on quality, professionalism, integrity and confidentiality with management team of the highest caliber.

Our Company has 7 shareholders as on the date of filing of this Draft Prospectus.

### MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Major Events / Achievements
2015	Incorporation of our Company as "Amigos Trading and Commerce Private Limited" under Companies Act, 2013
2016	Acquired property at Unit No. 321, 3 <sup>rd</sup> Floor, Kanakia Zillion, BKC Annexe, Kurla West, Mumbai - 400 070.
2017	Name of the Company was changed to Galactico Corporate Services Private Limited and additional business activities were added into the main objects of the company.
2017	Acquired property at at 2 <sup>nd</sup> Floor, Deep Plaza, Town Planning Scheme No. II, Jalgaon – 425 001 <sup>(1)</sup> .
2018	Acquired 99.50% stake in Instant Finserve Private Limited, making it our wholly-owned subsidiary
2018	Acquired 99.72% stake in Seven Hills Beverages Limited, making it our wholly-owned subsidiary
2018	Our Company have received Merchant Banking registration from SEBI



Year	Major Events / Achievements
2018	Changed the status of our Company from Private to Public i.e. Galactico Corporate Services Limited
2018	Acquired new property at Flat no. C-13, Tower A3, C wing, The Imperial Apartment, Tal-Makhmalabad, Nashik - 422 003 <sup>(2)</sup> .

<sup>(1)</sup> This property is owned jointly along with Mr. Harshal Govind Jethale (16.67%), Mr. Aashish Dhondu Patil (16.67%) and Mr. Rakesh Gopal Jhambare (16.66%). Our Company owns 50% of the property.

<sup>(2)</sup> This property is owned jointly along with Instant Finserve Private Limited and Seven Hills Beverages Limited

## MAIN OBJECTS AS PER MEMORANDUM OF ASSOCIATION

Our Company's main objects as per the Memorandum of Association are as follows:

- To carry on the business of Management Consultants, Merchant Bankers and Advisors on all aspects of Corporate Financial and Commercial matters and to act as financial consultants and provide advice, services, consultancy in various fields, general administrative, secretarial, commercial, financial legal, economic, labour, industrial, public relations, scientific, technical, direct and indirect taxation and other levies, statistical, accountancy, quality control and data processing.
- To act as consultants or Investment advisors of any firm, body corporate, association or other undertaking and generally subject as aforesaid, to act as real estate developer and consultants or advisors and to undertake part in the management supervision or control of the business or operation of any person, firm, body corporate, association or other undertaking and, if necessary, for such purpose or purpose to appoint and remunerate any offices of the company, accountants or other experts or agents.
- To take part in the formation, supervision or control of the business operations and any company or undertaking and for that purpose to act as Secretaries, Financial Advisors or Technical Consultants or in any other capacity and to appoint and remunerate any directors, administrators or accountants or other experts or agents.
- To invest, buy, sell, transfer deal in and dispose of any shares, stocks, debentures, whether perpetual or redeemable debenture, debentures, stocks, securities of any Government, Local, Authority, Bonds and Certificates and to provide the business of consultants in all fields for all types of industries or any other items or things required by anybody corporate authority, corporations person, firm or association of persons and to charge fees for such advise and help, whether in India or abroad.

## CHANGES IN REGISTERED OFFICE OF OUR COMPANY

Date of Change of Registered Office	Registered Address Changed From	Changed to
On Incorporation	68, Floor-3, Plot 21, 3, Bit Chawl, Chandanwadi Road, Kalbadevi, Mumbai – 400 002	Road, Kalbadevi, Mumbai – 400 002
January 04, 2016	68, Floor-3, Plot 21, 3, Bit Chawl, Chandanwadi Road, Kalbadevi, Mumbai – 400 002	R 43, Krystal Avenue CHS Ltd, 49 Oshiwara Lokhandwala, Andheri (West) Near Highpoint Restaurant, Mumbai - 400 053.
February 27, 2017	R 43, Krystal Avenue CHS Ltd, 49 Oshiwara Lokhandwala, Andheri (West) Near Highpoint Restaurant, Mumbai - 400 053.	Flat No. 906, 9 <sup>th</sup> Floor, Boulevard II, L.B.S. Marg, Ghatkopar (West), Mumbai – 400 086.
October 26, 2017	Flat No. 906, 9 <sup>th</sup> Floor, Boulevard II, L.B.S. Marg, Ghatkopar (West), Mumbai – 400 086.	2 <sup>nd</sup> Floor, Shree Gurudeo Tower, Above Shirpur Co-Op Bank Ltd, Canada Corner, Nashik- 422 005

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Dates on which some of the main clauses of the Memorandum of Association of our Company have been changed citing the details of amendment as under:

DATE	NATURE OF AMMENDMENT
August 16, 2016	The authorised share capital of ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each was increased to ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10 each
August 30, 2016	The authorised share capital of ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10 each was increased to ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each



DATE	NATURE OF AMMENDMENT
November 22, 2016	Alteration of object clause(s) as per section 13(1) of the Companies Act, 2013
January 06, 2017	The authorised share capital of ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each was increased to ₹ 12,50,000 divided into 1,25,000 Equity Shares of ₹ 10 each
March 08, 2017	Alteration of object clause(s) as per section 13(1) of the Companies Act, 2013
April 04, 2017	The name of our Company was changed from “Amigos Trading and Commerce Private Limited” to “Galactico Corporate Services Private Limited”
February 27, 2018	The authorised share capital of ₹ 12,50,000 divided into 1,25,000 Equity Shares of ₹ 10 each was increased to ₹ 8,00,00,000 divided into 80,00,000 Equity Shares of ₹ 10 each
November 06, 2018	The name of our Company was changed from “Galactico Corporate Services Private Limited” to “Galactico Corporate Services Limited” pursuant to conversion of our Company from a private company to a public company

## SUBSIDIARIES/ STEP DOWN SUBSIDIARIES

As on the date of this Draft Prospectus, we have two (2) subsidiary companies and one (1) step down subsidiary company.

### Subsidiary Company

#### I. SEVEN HILLS BEVERAGES LIMITED (“SHBL”)

<b>Incorporation</b>	SHBL was incorporated on December 11, 2009 under the Companies Act, 1956 with the Registrar of Companies, Pune bearing Registration No. 135147. The status of our Company was changed to public limited and the name of our Company was changed to Seven Hills Beverages Limited vide Special Resolution dated April 10, 2017. The fresh certificate of incorporation consequent to conversion was issued on May 26, 2017 by the Registrar of Companies, Pune.
<b>Registration No.</b>	296411
<b>CIN No.</b>	U15500MH2009PLC296411
<b>Registrar of Companies</b>	Registrar of Companies, Mumbai
<b>MoA</b>	To carry on the business of manufacture of Beverages, to produce and supply mineral water to hotels, restaurants and other establishments, deal in aerated and mineral water and other drinks.
<b>Nature of Business</b>	SHBL is engaged in the business of manufacturing packaged drinking water. We operate as “Co-packers” for leading packaged drinking water company, wherein we manufacture the bottles at our plant in order to avoid any possible contaminations and carry out the filling of purified water as well as final sealing and packaging. The water purification process is carried out in multiple stages to ensure that the water is free from all forms of bacteria and is in accordance with the process and also BSI Manual.  Our manufacturing plant spread across almost 2 acres of owned land is located at Dindori, Nashik in the state of Maharashtra. We have been augmenting the manufacturing capacities of this plant from time to time and the plant has a current installed capacity of 32,85,000 boxes (with each box consisting of 12 bottles each). This makes us a strong partner for in meeting the requirements of packaged drinking water supply in Nashik and areas nearby such as Shirdi, Aurangabad etc
<b>Registered Office</b>	Gat No. 206, Khatwad Phata, Vill-Pimpalnere, Tal. Dindori, Nashik - 422 004 <sup>(1)</sup>

<sup>(1)</sup> Due to typing error from RoC, the pin code of our registered office showing incorrect, our Company is in process of rectifying the same

#### Board of Directors:

1. Mr. Sandeep Palwe
2. Mr. Nayan Palwe
3. Mrs. Charushila Lathi
4. Mr. Pavan Chhatrishia
5. Mr. Sandeep Avhad



## Capital Structure

Particulars	No. of Equity Shares of ₹ 10 each
Authorised Share Capital	62,00,000
Issued, Subscribed and Paid-up Capital	37,30,000

## Shareholding Pattern of SHBL

Name of the shareholders	No. of Shares
Our Company	37,21,500
Mrs. Arpita Lathi	8,000
Mr. Sandeep Palwe	100
Mr. Nayan Palwe	100
Mr. Balasaheb Palwe	100
Mrs. Jayshree Palwe	100
Mr. Sarvanan Sheshadri	100
<b>Total</b>	<b>37,30,000</b>

## Financial Information:

(₹ in lakhs)

Sr. No.	Particulars	As at March 31		
		2019	2018	2017
1	Equity Shares Fully Paid	373.00	373.00	373.00
2	Reserves and Surplus	185.53	176.10	(79.13)
3	Networth	558.54	549.10	293.87
4	Income including Other Income	1,080.82	916.76	873.39
5	Profit/ (Loss) After Tax	9.43	(5.67)	148.37
6	Earnings Per Share (EPS)	0.25	(0.15)	3.98
7	Net Asset Value (NAV) per Share	14.97	14.72	7.88

## Other disclosures:

- The equity shares of SHBL are not listed on any stock exchange;
- SHBL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, SHBL doesn't have negative net-worth in the immediately preceding financial year.
- No application has been made to RoC for striking off the name of SHBL;
- SHBL is not prohibited from accessing the capital markets for any reasons by SEBI or any other authorities.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initialled for economic offences against SHBL.

## II. INSTANT FINSERVE PRIVATE LIMITED (IFPL)

<b>Incorporation</b>	IFPL was incorporated under Companies Act, 1956 and Certificate of Incorporation was granted to the Company on June 20, 2008 by the Registrar of Companies, Mumbai
<b>Registration No.</b>	183746
<b>CIN No.</b>	U74999MH2008PTC183746
<b>Registrar of Companies</b>	Registrar of Companies, Mumbai
<b>Nature of Business</b>	To carry on the business of marketing of all financial instruments and products including life insurance products and to act as intermediary for arranging loan syndication, bills discounting, financial restricting, debt arrangement and to provide necessary directions to borrowers as consultants for obtaining financial assistance and to arrange, run or manage seminars, conferences and training programs in financial management and general management and to act as management consultant and advisors in the area of strategic management, organisation structure, management information systems and in financial transactions, marketing and human resource management and to provide legal and other allied consultancy services on all matters and problems relating to obtaining loan, financial planning investment management, industrial establishments, production, sales, purchases,



	marketing, advertisement, personnel, accounts, taxation, civil, administration and man power selection advisory services to act as portfolio manager, attestation services, due diligence services, accounting services, auditing services and project management services
<b>Registered Office</b>	2 <sup>nd</sup> Floor, Shree Gurudeo Tower, Above Shirpur Co-Op Bank Ltd, Canada Corner, Nashik - 422 005

**Board of Directors:**

- Mr. Suyash Chhajed
- Mr. Vipul Lathi
- Mr. Harshal Jethale

**Capital Structure**

Particulars	No. of Equity Shares of ₹ 10 each
Authorised Share Capital	25,10,000
Issued, Subscribed and Paid-up Capital	20,10,000

**Shareholding Pattern of IFPL**

Name of the shareholders	No. of Shares
Our Company	20,00,000
Mr. Suyash Chhajed	9,000
Mr. Parushana Chhajed	1,000
<b>Total</b>	<b>20,10,000</b>

**Financial Information:**

(₹ in lakhs)

Sr. No.	Particulars	As at March 31		
		2019	2018	2017
1	Equity Shares Fully Paid	201.00	201.00	1.00
2	Reserves and Surplus	16.33	9.16	9.07
3	Networth	217.33	210.16	10.07
4	Income including Other Income	19.93	4.88	12.08
5	Profit/ (Loss) After Tax	7.17	0.08	1.09
6	Earnings Per Share (EPS)	0.36	0.00	10.90
7	Net Asset Value (NAV) per Share	10.81	10.46	100.75

**Other disclosures:**

- The equity shares of IFPL are not listed on any stock exchange;
- IFPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, IFPL does not have a negative net-worth in the immediately preceding year.
- No application has been made to RoC for striking off the name of IFPL;
- IFPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against IFPL.

**Step Down Subsidiary Company**

**III. PALWE PEST CONTROL PRIVATE LIMITED (PPCPL)**

<b>Incorporation</b>	PPCPL was incorporated under Companies Act, 1956 and Certificate of Incorporation was granted to the Company on April 02, 2001 by the Registrar of Companies, Mumbai
<b>Registration No.</b>	131465
<b>CIN No.</b>	U24117MH2001PTC131465
<b>Registrar of Companies</b>	Registrar of Companies, Mumbai
<b>MoA</b>	To carry on the business of providing various Pest Control Services, and to carry on the



	business as Manufacturers, Importers , Exporters, Buyers, Sellers, Marketing , Distribution processors and refiners of all types of chemicals organic and inorganic disinfectants, insecticides and pest control devices and equipments.
<b>Nature of Business</b>	PPCPL has been in this business since more than 16 years and is a recognized brand in services such as General Pest Control Treatment, Birds Control Treatment, Landscaping services, Termite proofing treatment, Interior treatment, Rodent Control, new gel treatment for all types of cockroaches and Export Fumigation to Vessel and Container. PPCPL provides quarantine and pre-shipment fumigation of export commodities in bulk, liner, chartered vessels and sea-going containers at all ports and Inland Container Depots (ICD's). PPCPL is a service provider, rendering pest control and other related services not only to Central and State Govt. organization but also to all types of companies in Public, Private and Semiprivate sectors, as well as various trusts and other social organizations and also households
<b>Registered Office</b>	302, Divine Tej, Near Croma Showroom, Thatte Nagar ,College Road, Nashik – 422 005

#### **Board of Directors:**

- Mr. Sandeep Palwe
- Mrs. Jayashree Palwe
- Mr. Balasaheb Palwe

#### **Capital Structure**

<b>Particulars</b>	<b>No. of Equity Shares of ₹ 10 each</b>
Authorised Share Capital	2,05,000
Issued, Subscribed and Paid-up Capital	2,04,000

#### **Shareholding Pattern of PPCPL**

<b>Name of the shareholders</b>	<b>No. of Shares</b>
Seven Hills Beverages Limited	1,03,000
Mr. Balasaheb Palwe	52,000
Mr. Sandeep Palwe	26,300
Mrs. Jayashree Palwe	22,700
<b>Total</b>	<b>2,04,000</b>

#### **Financial Information:**

(₹ in lakhs)

<b>Sr. No.</b>	<b>Particulars</b>	<b>As at March 31</b>		
		<b>2019</b>	<b>2018</b>	<b>2017</b>
1	Equity Shares Fully Paid	20.40	20.40	12.00
2	Reserves and Surplus	492.96	441.84	331.80
3	Networth	513.36	462.24	343.80
4	Income including Other Income	622.00	571.90	459.90
5	Profit/ (Loss) After Tax	51.12	55.23	49.21
6	Earnings Per Share (EPS)	25.06	27.07	41.01
7	Net Asset Value (NAV) per Share	251.65	226.59	286.50

#### **Other disclosures:**

- The equity shares of PPCPL are not listed on any stock exchange;
- PPCPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, PPCPL does not have a negative net-worth in the immediately preceding year.
- No application has been made to RoC for striking off the name of PPCPL;
- PPCPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initialled for economic offences against PPCPL.





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## **THE AMOUNT OF ACCUMULATED PROFIT/ (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY**

There is no accumulated profit/ (losses) not accounted for by our Company.

## **HOLDING COMPANY**

As on the date of this Draft Prospectus, there is no Holding Company of our Company.

## **REVALUATION OF ASSETS IN THE LAST TEN YEARS**

There has been no revaluation of assets of our company in last 10 years from the date of this Draft Prospectus.

## **JOINT VENTURES**

As on the date of this Draft Prospectus, there are no joint ventures of our Company.

## **SHAREHOLDERS' AGREEMENT**

There are no Shareholders' Agreements existing as on the date of this Draft Prospectus.

## **ACQUISITION OF BUSINESS / UNDERTAKINGS**

Our Company has acquired Seven Hills Beverages Limited and Instant Finserve Private Limited in the fiscal year 2017- 18 and making it our wholly owned subsidiary company. Other than these acquisitions, our Company has not acquired any other business or undertaken any mergers, amalgamation, revaluation of assets in the last five years.

## **FINANCIAL PARTNERS**

As on the date of this Draft Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners

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

There have been no defaults or rescheduling of borrowings with any financial institutions / banks as on the date of this Draft Prospectus.

## **STRATEGIC PARTNERS**

We do not have any strategic partners as on the date of this Draft Prospectus.

## **OTHER AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Draft Prospectus.

## **INJUNCTIONS OR RESTRAINING ORDERS**

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



## OUR MANAGEMENT

### Board of Directors:

Our Company has four (4) Directors consisting of one (1) Executive Director, one (1) Non Executive Non Independent Director and two (2) Non Executive Independent Directors. The following table sets forth the details of our Board of Directors as on the date of this Draft Prospectus:

Name, Date of Birth, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<p><b>Mr. Vipul Lathi</b> <i>Managing Director</i></p> <p><b>Date of Birth:</b> September 22, 1986</p> <p><b>Address:</b> B-701, Raturang Archit Apartment, Near Madhur Sweets, Pipeline Road, Anandwalli, Nashik – 422 006</p> <p><b>Date of appointment as Additional Director:</b> January 30, 2018</p> <p><b>Date of appointment as Managing Director:</b> September 29, 2018</p> <p><b>Term:</b> Appointed as Managing Director for a period of five years i.e. till September 28, 2023.</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 05173313</p>	Indian	32 Years	<ul style="list-style-type: none"> <li>• Instant Finserve Private Limited</li> <li>• Bejon Desai Foundation</li> <li>• Jayam Foundation</li> <li>• Parksyde Homes Association</li> </ul>
<p><b>Mr. Suyash Chhajer</b> <i>Non Executive Non Independent Director</i></p> <p><b>Date of Birth:</b> May 14, 1984</p> <p><b>Address:</b> Row House.6, Suyojit Garden, Near Nirmala Convent School, Off Gangapur Road, Nashik, Sawarkar Nagar, Maharashtra-422 013</p> <p><b>Date of appointment as Additional Director:</b> February 28, 2017</p> <p><b>Date of appointment as Non Executive Non Independent Director:</b> November 12, 2018</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 01204087</p>	Indian	35 Years	<ul style="list-style-type: none"> <li>• Instant Finserve Private Limited</li> </ul>
<p><b>Mr. Krishna Rathi</b> <i>Non Executive Independent Director</i></p> <p><b>Date of Birth:</b> August 16, 1987</p> <p><b>Address:</b> A1, Bindu Apartment, Tilak Road, Santacruz (West), Opp. Mangal Dairy, Mumbai – 400 054</p>	Indian	31 Years	<ul style="list-style-type: none"> <li>• Abrish Advisory Private Limited</li> <li>• Professional Consultancy Services Private Limited</li> </ul>



Name, Date of Birth, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<p><b>Date of appointment as Additional Director:</b> August 23, 2018</p> <p><b>Date of appointment as Non Executive Independent Director:</b> September 29, 2018</p> <p><b>Term:</b> Appointed as Non Executive Independent Director for a period of five years i.e. till August 22, 2023.</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 03578448</p>			
<p><b>Mrs. Nilam Ghundiya</b> <i>Non Executive Independent Director</i></p> <p><b>Date of Birth:</b> December 28, 1984</p> <p><b>Address:</b> 01, Asmita, Vidhyavardhini Housing Society, Sakri Road, Dhule – 424001</p> <p><b>Date of appointment as Additional Director:</b> August 23, 2018</p> <p><b>Date of appointment as Non Executive Independent Director:</b> September 29, 2018</p> <p><b>Term:</b> Appointed as Non Executive Independent Director for a period of five years i.e. till August 22, 2023.</p> <p><b>Occupation:</b> Services</p> <p><b>DIN:</b> 08196604</p>	Indian	34 Years	Nil

For further details on their qualification, experience etc., please see their respective biographies under the heading “*Brief Biographies*” below:

**Notes:**

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
- There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on BSE or 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 recognized stock exchange in India during the term of their directorship in such company.
- None of the Directors is categorized as a wilful defaulter, as defined under SEBI (ICDR) Regulations.



- None of the Promoters, or Directors has been or is involved as a promoter or director of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority

## **RELATIONSHIP BETWEEN DIRECTORS**

None of Directors on our Board are related to each other.

## **BRIEF BIOGRAPHIES OF OUR DIRECTORS**

### **Mr. Vipul Lathi**

Mr. Vipul Lathi, aged 32 years, is a Promoter and Managing Director of our Company. He has obtained a professional degree in Chartered Accountant in the year 2009 and is a Fellow Member of Institute of Chartered Accountants of India. He also holds Executive Master's in Business Administration from Central India Institute of Management Studies and degree in Master's of Law from North Maharashtra University. He has almost a decade of experience in Financial Industry specialised in the field of Financial & Accounts, Finalisation of Accounts, Fund Management, Financial Planning, Budgeting, Financial Report, Auditing, Direct and Indirect Taxation. As Managing Director, he looks after day-to-day technical and managerial aspects of the Company. He has been the guiding force behind the growth and business strategy of our Company.

### **Mr. Suyash Chhajed**

Mr. Suyash Chhajed, aged 35 years, is the Non Executive Non Independent Director of our Company. He has obtained a professional degree in Chartered Accountant in the year 2011 and is a Fellow Member of Institute of Chartered Accountants of India. He also has certificate in Information Systems Audit from Institute of Chartered Accountants of India. He has worked in the field of Finance specialized in Direct and Indirect Taxation, Debt Structuring, Debt Syndication, Debentures Placement, Cash Flow Financing Against Escrow Receivables, Mezzanine Financing, Acquisition Finance, transaction Advisory, Project Finance, Trade Credit Financing, Greenfield Projects & Foreign Trade Policy. Currently, he is a partner in M/s. Jain Chhajed & Associates, Chartered Accountants.

### **Mr. Krishna Rathi**

Mr. Krishna Rathi, aged 31 years, is a Non Executive Independent Director of our Company. He holds Master's Degree in Business Administration from Rastrasant Tukadoji Maharaj Nagpur University and is an Associate Member of the Institute of Company Secretaries of India. He has vast experience in the fields of Company Law Compliances, Secretarial Audit and rendering opinion on Companies Act and other Corporate Laws, Arbitration and Reconciliation, Corporate & Organizational Planning, Transaction Advisory for Corporate Actions such as Takeover, Buybacks, Private Placements, Rights Issues, Mergers & Demergers. Currently, he is a partner in M/s. Krishna Rathi & Associates.

### **Mrs. Nilam Ghundiyaal**

Mrs. Nilam Ghundiyaal, aged 34 years is a Non Executive Independent Director of our Company. She has obtained her Bachelor's Degree in Commerce from Amravti University and a Master's Degree in Commerce from University of Pune. She has a working experience in the field of taxation, audit, corporate advisory, Banking Due Diligence and Advising Business Operations. Currently, she is working with P. D. Dalal & Co., Chartered Accountants.

## **Borrowing Powers of our Board of Directors**

Our Company at its Extra Ordinary General Meeting held on November 16, 2018 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deem fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed ₹ 50 crores.



## REMUNERATION OF EXECUTIVE DIRECTORS

### Mr. Vipul Lathi, Managing Director

The compensation package payable to him as resolved in the shareholders meeting held on September 29, 2018 is stated hereunder:

**Salary:** The total remuneration paid to Mr. Vipul Lathi, Managing Director, shall not exceed a sum of ₹ 35,000 per month.

Remuneration paid to Mr. Vipul Lathi for FY 2018-19 was ₹ 2.10 lakhs

### Compensation to the Non Executive Non Independent Directors and Non Executive Independent Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on June 29, 2019, the Non Executive Non Independent Directors and Non Executive Independent Directors will be paid ₹ 2,500 for attending every Board Meeting of the Company & ₹ 1,000 will be paid for every committee meeting of the Company attended by them..

Remuneration paid to our Non Executive Non Independent Directors and Non Executive Independent Director in Fiscal 2019: Nil

### Shareholding of Directors

The following table sets forth the shareholding of our Directors as on the date of this Draft Prospectus:

Name of Directors	No. Of Equity Shares held	% of Pre-Issue Paid Up Capital
Mr. Vipul Lathi	53,63,649	98.76%
Mr. Suyash Chhajed	-	-
Mr. Krishna Rathi	-	-
Mrs. Nilam Ghundiyaal	-	-
<b>Total Holding of Directors</b>	<b>53,63,649</b>	<b>98.76%</b>
<b>Total Paid up Capital</b>	<b>54,31,205</b>	<b>100.00%</b>

### Interest of the Directors

Our Directors may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them on their holding of such shares and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “Annexure XXVIII - Related Party Transactions” and “Our Promoter and Promoter Group” beginning on page nos. 140 and 115 of this Draft Prospectus.

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoter, pursuant to this issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this chapter titled “Our Management” and the chapter titled “Annexure XXVIII – Related Party Transactions” beginning on page nos. 104 and 140 of this Draft Prospectus respectively, our Directors do not have any other interest in our business.

Except as disclosed in “Properties” within the section titled “Our Business” on page no. 89 of this Draft Prospectus, our Directors have no interest in any property acquired or proposed to be acquired by our Company as on the date of this Draft Prospectus.



## Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

Sr. No.	Name of Director	Date of Change	Reason for change
1	Mr. Vikas Lathi	August 11, 2016	Change in Designation to Executive Director
2	Mr. Vipul Lathi	December 08, 2016	Appointment as Additional Director
3	Mr. Vikas Lathi	December 09, 2016	Resignation as Director
4	Mr. Suyash Chhajed	February 28, 2017	Appointment as Additional Director
5	Mr. Samit Boob	March 29, 2017	Resignation as Director
6	Mr. Sandeep Palwe	March 29, 2017	Appointment as Additional Director
7	Mr. Krihnakumar Jhawar	April 12, 2017	Appointment as Additional Director
8	Mr. Vipul Lathi	April 12, 2017	Resignation as Director
9	Mr. Suyash Chhajed	September 30, 2017	Change in Designation to Director
10	Mr. Sandeep Palwe	September 30, 2017	Change in Designation to Director
11	Mr. Krishnakumar Jhawar	September 30, 2017	Change in Designation to Director
12	Mr. Samit Boob	December 30, 2017	Appointment as Additional Director
13	Mr. Samit Boob	January 29, 2018	Resignation as Director
14	Mr. Vipul Lathi	January 30, 2018	Appointment as Additional Director
15	Mr. Sandeep Palwe	May 10, 2018	Resignation as Director
16	Mr. Krishna Rathi	August 23, 2018	Appointment as Additional Non-Executive Independent Director
17	Mrs. Nilam Ghundiya	August 23, 2018	Appointment as Additional Non-Executive Independent Director
18	Mr. Rupesh Zawar	August 23, 2018	Appointment as Additional Non-Executive Independent Director
19	Mr. Krishna Rathi	September 29, 2018	Change in Designation to Independent Director
20	Mrs. Nilam Ghundiya	September 29, 2018	Change in Designation to Independent Director
21	Mr. Rupesh Zawar	September 29, 2018	Change in Designation to Independent Director
22	Mr. Vipul Lathi	September 29, 2018	Change in Designation to Managing Director
23	Mr. Krishnakumar Jhawar	November 12, 2018	Resignation as Director
24	Mr. Rupesh Zawar	November 12, 2018	Resignation as Director
25	Mr. Suyash Chhajed	November 12, 2018	Change in Designation to Non Executive Director

## Corporate Governance

The provisions of the SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, 2015, the SEBI Regulations and the Companies Act, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, 2015. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has four (4) Directors. In compliance with the requirements of the Companies Act we have one (1) Executive Director, one (1) Non Executive Non Independent Director and two (2) Non Executive Independent Directors. We have one (1) woman director on our Board.



## Committees of our Board

We have constituted the following committees of our Board of Directors for compliance with Corporate Governance requirements:

1. Audit Committee
2. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee

### 1. Audit Committee

The Audit Committee of our Board was re-constituted by our Directors by a board resolution dated June 29, 2019 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Krishna Rathi	Non Executive Independent Director	Chairman
Mrs. Nilam Ghundiyaal	Non Executive Independent Director	Member
Mr. Vipul Lathi	Managing Director	Member

The scope of Audit Committee shall include but shall not be restricted to the following:

- a) Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;



- 
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  - m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - n) Discussion with internal auditors any significant findings and follow up there on.
  - o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  - p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - r) To review the functioning of the Whistle Blower mechanism.
  - s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  - t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

*The Audit Committee enjoys following powers:*

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

*The Audit Committee shall mandatorily review the following information:*

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.





The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Company Secretary of the Company acts as the Secretary to the Committee.

#### *Meeting of Audit Committee*

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present.

## **2. Stakeholder's Relationship Committee**

The Shareholder and Investor Grievance Committee of our Board was re-constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated June 29, 2019 The Shareholder and Investor Grievance Committee comprises of:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mrs. Nilam Ghundiyaal	Non Executive Independent Director	Chairman
Mr. Krishna Rathi	Non Executive Independent Director	Member
Mr. Vipul Lathi	Managing Director	Member

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- a) Allotment and listing of our shares in future
- b) Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- c) Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- d) Reference to statutory and regulatory authorities regarding investor grievances;
- e) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- f) And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Company Secretary of our Company acts as the Secretary to the Committee.

#### ***Quorum and Meetings***

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater.

## **3. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee of our Board was re-constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated June 29, 2019



The Nomination and Remuneration Committee currently comprises of:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Krishna Rathi	Non Executive Independent Director	Chairman
Mrs. Nilam Ghundiyaal	Non Executive Independent Director	Member
Mr. Suyash Chhajed	Non Executive Non Independent Director	Member

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

#### ***Quorum and Meetings***

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

The Company Secretary of our Company acts as the Secretary to the Committee.

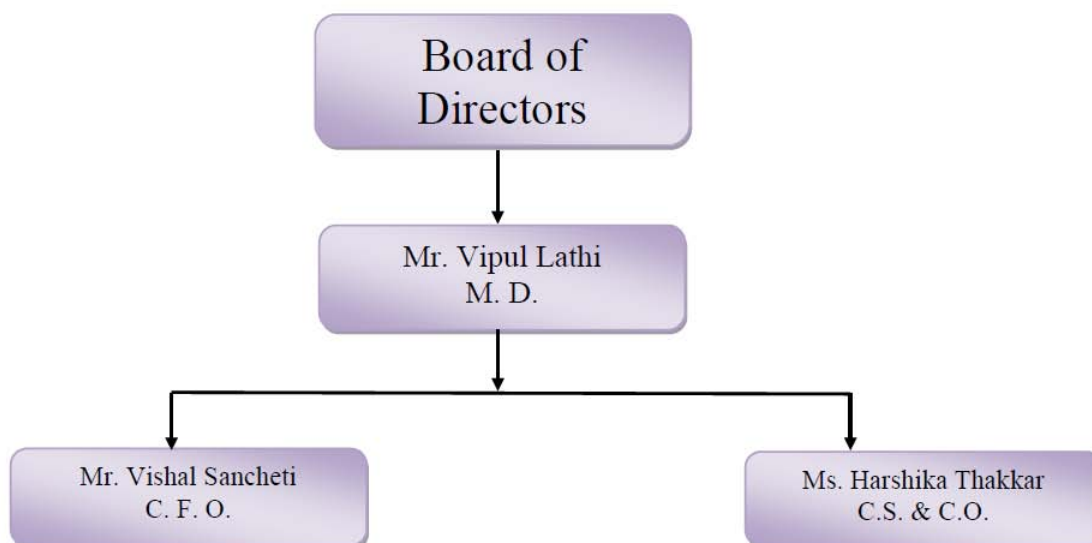
#### **Policy on Disclosures & Internal procedure for prevention of Insider Trading**

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue.

Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.



## Management Organization Structure



### Terms & Abbreviations

M. D.	-	Managing Director
C.F.O.	-	Chief Financial Officer
C.S & C.O.	-	Company Secretary and Compliance Officer

### Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Appointment	Compensation for Last Fiscal (₹ in lakhs)	Qualifications	Name of Previous Employer(s)	Total years of Experience
Mr. Vishal Sancheti	Chief Financial Officer	March 09, 2018	3.48	<ul style="list-style-type: none"> <li>• C.A</li> <li>• B.Com</li> </ul>	<ul style="list-style-type: none"> <li>• KEC International Limited (Industrial Training)</li> <li>• Suresh Surana and Associates (Articleship)</li> </ul>	3 years
Ms. Harshika Thakkar	Company Secretary and Compliance Officer	July 17, 2018	2.34	<ul style="list-style-type: none"> <li>• C. S.</li> </ul>	<ul style="list-style-type: none"> <li>• Saffron Capital Advisors Private Limited</li> <li>• Mahesh C. Solanki &amp; Co. (Worked as a Trainee)</li> <li>• N. V. Jain and Associates (Worked as a Trainee)</li> </ul>	3Years

### Other Notes –

The aforementioned KMP's are on the payrolls of our Company as permanent employees.

Also, they are not related parties as per the Accounting Standard 18.



### **Relationship amongst the Key Managerial Personnel**

None of the aforementioned KMP's are related to each other.

### **Arrangement / Understanding with Major Shareholders / Customers / Suppliers**

None of the KMPs have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

### **Shareholding of Key Managerial Personnel**

None of our KMP's holds any shares of our Company as on the date of this Draft Prospectus except as mentioned below:

- Mr. Vishal Sancheti holds 100 equity shares of our Company.
- Ms. Harshika Thakkar holds 100 equity shares of our Company.

### **Contingent and deferred compensation payable to our Director and Key Managerial Personnel**

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel, which does not form a part of their remuneration.

### **Interest of Key Managerial Personnel**

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to/ in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

### **Bonus or Profit Sharing Plan for the Key Managerial Personnel during the last three years**

Our Company does not have fixed bonus/profit sharing plan for any of the employees, key managerial personnel.

### **Employee Share Purchase and Employee Stock Option Scheme**

Presently, we do not have ESOP/ESPS scheme for employees.

### **Payment or Benefit to our Key Managerial Personnel**

Except for the payment of salaries and yearly bonus, we do not provide any other benefits to our employees

### **Changes in the Key Managerial Personnel in the three years preceding the date of filing this Draft Prospectus**

Except as disclosed below, there has been no change in KMPs in past three years from the date of this Draft Prospectus:

<b>Name of Employee</b>	<b>Designation &amp; Functional Area</b>	<b>Reason</b>	<b>Date of Appointment / Change in designation</b>
Mr. Rohit Kasat	Company Secretary & Compliance Officer	Appointment	January 22, 2018
Mr. Vishal Sancheti	Chief Financial Officer	Appointment	March 09, 2018
Mr. Rohit Kasat	Company Secretary & Compliance Officer	Resignation	July 11, 2018
Ms. Harshika Thakkar	Company Secretary & Compliance Officer	Appointment	July 17, 2018




## OUR PROMOTER AND PROMOTER GROUP

### THE PROMOTER OF OUR COMPANY IS:

#### Mr. Vipul Lathi

As on the date of this Draft Prospectus, our Promoter holds 53,63,649 Equity Shares in aggregate, representing 98.76% of the issued, subscribed and paid-up Equity Share capital of our Company.

The details of our Promoter are provided below:

	<b>Mr. Vipul Lathi</b>
	<b>PAN:</b> ACQPL5044B
	<b>Passport No.:</b> R4981462
	<b>Driver's License No.:</b> MH19 20050013968
	<b>Aadhar Card No.:</b> 9487 2791 3707
	<b>Bank A/c No.:</b> 002705500886
	<b>Name of Bank &amp; Branch:</b> ICICI Bank, Nashik Branch

*For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past for our Individual Promoter, please see the chapter titled "Our Management" beginning on page no. 104 of this Draft Prospectus.*

*For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure – Shareholding of our Promoters" beginning on page no. 53 of this Draft Prospectus.*

### Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoter will be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoter and the members of our Promoter Group have confirmed that they have not been identified as willful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoter or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoter and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoter are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

### Change in control of our Company

The Company was originally promoted by Mr. Mayank Arora and Mrs. Niru Vandur holding 5,000 equity shares each. In July 2016, Mr. Vipul Lathi had acquired controlling stake in the company by purchasing almost the entire outstanding equity in the company from the then Promoters

The present promoter of our Company had acquired shares from earlier promoters in Financial Year 2016-17 only. Compliance with SEBI (SAST) Regulations was not applicable since the shares of GCSL are not listed on any Stock Exchange in India.

### Interests of Promoters

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details on the interest of our promoters in our Company, Please see the chapters titled "Capital Structure", "Financial Information" and "Our Management" beginning on page nos. 53, 121 and 104 of this Draft Prospectus.



Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

For Further details on the related party transaction, to the extent of which our Company is involved, please see “Annexure XXVIII - Statement of Related Party Transaction” on page no. 140 of this Draft Prospectus.

### **Common Pursuits of Promoter**

There are no Common Pursuits between our Company and our Promoter and our Group Company. Further, as on the date of this Draft Prospectus, our Promoter has no interest in any venture that is involved in activities similar to those conducted by our Company.

Our Company will adopt necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

### **Companies with which the Promoter has disassociated in the last three years.**

Except as mentioned below our Promoter has not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus:

<b>Sr. No.</b>	<b>Name of the Promoter</b>	<b>Name of the Company</b>	<b>Date of Cessation/ Disassociation</b>
1.	Mr. Vipul lathi	Dreamshelter Developers Private Limited	Cessation
		Pentagram Projects Private Limited	Cessation
		SPG Macrocism Limited	Cessation
		Juveno Comerz Private Limited	Cessation

### **Payment of Amounts or Benefits to the Promoters or Promoter Group during the last two years**

Except as stated in “Annexure XXVIII – Statement of Related Party Transactions” under the chapter “Financial Statements” on page no. 140 of this Draft Prospectus, there has been no other payment of benefits to our Promoters during the two years preceding the date of this Draft Prospectus.

### **Experience of our Promoter in the business of our Company**

For details in relation to experience of our Promoter in the business of our Company, see “Our Management beginning on page no. 104 of this Draft Prospectus.

### **Interest of Promoter in the Promotion of our Company**

Our Company is currently promoted by the promoter in order to carry on its present business. Our Promoter are interested in our Company to the extent of her shareholding in our Company and the dividend declared, if any, by our Company.

### **Interest of Promoter in the Property of our Company**

Our Promoter have confirmed that they does not has any interest in any property acquired by our Company within three years preceding the date of this Draft Prospectus or proposed to be acquired by our Company as on the date of this Draft Prospectus. For details, please see “Properties” and “Annexure XXVIII - Related Party Transactions” on page nos. 89 and 140 respectively, of this Draft Prospectus.

Further, other than as mentioned in the chapter titled “Our Business” on page no. 83 of this Draft Prospectus our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.



Our Promoter may be interested in rent being paid by our Company to certain relatives who own these premises being occupied by the Company. For further details please see “*Our Business*” and “*Financial Information*” beginning on page nos. 83 and 121 of this Draft Prospectus.

### **Interest of Promoter in our Company other than as Promoter**

Other than as Promoter, our Promoter is interested in our Company to the extent of their shareholding in our Company and the dividend declared, if any, by our Company. For details please see chapters titled “*Our Management*” and “*Capital Structure*” beginning on page nos. 104 and 53 respectively of this Draft Prospectus.

Except as mentioned in this section and the chapters titled “*Capital Structure*”, “*Our Business*”, “*History and Certain Corporate matters*” and “*Annexure XXVIII – Statement of Related Party Transactions*” on page nos. 53, 83, 97 and 140 of this Draft Prospectus, respectively, our Promoters do not have any interest in our Company other than as promoters.

### **Related Party Transactions**

Except as stated in the “*Annexure XXVIII – Statement of Related Party Transactions*” on page no. 140 of this Draft Prospectus, our Company has not entered into related party transactions with our Promoters.

### **Material Guarantees**

Except as stated in the “*Financial Indebtedness*” and “*Financial Information*” beginning on page nos. 179 and 121 of this Draft Prospectus respectively, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

### **Shareholding of the Promoter Group in our Company**

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled “*Capital Structure – Notes to Capital Structure*” beginning on page no. 54 of this Draft Prospectus.

### **Other Confirmations**

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters is interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the “*Annexure XXVIII – Statement of Related Party Transactions*” on page no. 140 of this Draft Prospectus.

### **Outstanding Litigation**

There is no outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigation and Material Developments*” beginning on page nos. 24 and 182 of this Draft Prospectus.

## **OUR PROMOTER GROUP**

In addition to the Promoters named above, the following natural persons and entities form part of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulation, 2018.

### **A. Natural Persons who are Part of the Promoter Group**

<b>Name of the Promoter</b>	<b>Name of the Relative</b>	<b>Relationship with the Promoter</b>
<b>Mr. Vipul Lathi</b>	Mr. Dileep Lathi	Father
	Mrs. Saroj Lathi	Mother
	Mrs. Charushila Lathi	Wife
	Mr. Agastya Lathi	Son(s)
	Mr. Agneya Vipul Lathi	
	Mr. Vikas Lathi	Brother(s)
	Mr. Balasaheb Palwe	Wife’s Father



Name of the Promoter	Name of the Relative	Relationship with the Promoter
	Mrs. Jayashree Palwe	Wife's Mother
	Mr. Sandeep Palwe	Wife's Brother(s)
	Mr. Nayan Palwe	

*B. Companies / Corporate Entities forming part of the Promoter Group*

Company / Trust / Partnership firm / HUF or Sole Proprietorship shall form part of our Promoter Group.

Sr. No.	Name of Promoter Group Entity / Company
1	M/s. J.P.L. & Associates, Chartered Accountants





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## OUR GROUP COMPANY

In terms of the SEBI Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated June 29, 2019 our Group Companies include:

1. Those companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, in the Restated Financial Statements of the Company for the last five financial years and
2. All companies forming part of the Related Party Transactions, with whom our Company has entered into one or more transactions during any of the last three fiscals such that the transaction value with our Company in any of the aforementioned fiscals / period exceeds 1% of the total revenue of our Company in the respective fiscals / period.

Further, companies which have been disclosed as related parties in the Restated Financial Statements of our Company for the last five financial years, and which are no longer associated with our Company have not been disclosed as Group Companies.

Based on the above; as on the date of this Draft Prospectus; we do not have any Group Company.



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## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.



## SECTION VI – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

#### REPORT OF THE AUDITORS ON CONSOLIDATED FINANCIAL STATEMENTS

To,  
The Board of Directors,  
**Galactico Corporate Services Limited,**  
2<sup>nd</sup> Floor, Shree Gurudeo Tower,  
Above Shirpur Co-op. Bank Ltd.,  
Nashik (MH) – 422 005.

We have examined Consolidated Financial Statements and Other Financial Information of Galactico Corporate Services Limited (the 'Company') taking into consideration the terms of reference and terms of our engagement agreed upon with you in connection with inclusion in the Offer Document in connection with its proposed Initial Public Offer ("IPO") on the SME Platform of BSE Limited and the Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India.

The said Restated Consolidated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Draft Prospectus / Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offer ("IPO") of the Company in accordance with the requirements of:

- i. Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act")
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI') in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - iii. We have examined the accompanied 'Restated Consolidated Statement of Profit and Loss' (Annexure – II) for the financial years ended on 31st March 2019 and 31st March 2018 and the 'Restated Consolidated Statement of Assets and Liabilities' (Annexure – I) as on those dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (Annexure – IV & V) thereon, which are the responsibility of the Company's management which have been approved by the board. The information has been extracted from the financial statements audited by us for the financial year 2018-19 being the Statutory Auditors of the Company for the respective year, the financial statements for fiscal 2018 has been audited by BKSK & Associates Chartered Accountant and is re-audited by us. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by previous auditors, upon which we have placed our reliance while reporting.
1. In terms of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Galactico Corporate Services Limited, we, A. S. Bedmutha & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
  2. Based on our examination, we further report that:
    - a. The Restated Consolidated Statement of Assets and Liabilities of the Company as at March 31, 2019 and March 31, 2018 examined by us, as set out in **Annexure I** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.
    - b. The Restated Consolidated Statement of Profit and Loss of the Company for the financial years ended March 31, 2019 and March 31, 2018 examined by us, as set out in **Annexure II** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Statement of Adjustments to the audited financial statements in **Annexure V**.



- c. The Restated Consolidated Statement of Cash Flows of the Company for the financial years ended March 31, 2019 and March 31, 2018 examined by us, as set out in **Annexure III** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.
- d. The Restated Consolidated Financial Statements have been made after incorporating adjustments for:
- The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
  - Prior period and other material amount in the respective financial years to which they relate.

Which are stated in the Notes to Accounts as set out in **Annexure V**:

- e. Such Financial statements do not require any corrective adjustments on account of:
- Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (11) of section 143 of the act, on Consolidated Financial Statements of the company for the financial years ended March 31, 2019 and March 31, 2018.
  - Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.
- f. There are no Auditor's Qualifications in any of the Financial Statements of the Company for the financial year ended March 31, 2018 and 2019.
- g. The Company is in compliant with all the Accounting Standards / Disclosures requirement as issued by Institute of Chartered Accountants till date.
- h. Adjustments in Restated Consolidated Financial Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Consolidated Financial Statements;
- i. The Company has not paid any dividend on its equity shares till March 31, 2019
3. At the request of the company, we have also examined the following financial information("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
- Schedule of Share Capital (Annexure - VI)
  - Schedule of Reserves & Surplus (Annexure - VII)
  - Schedule of Minority Interest (Annexure - VIII)
  - Schedule of Long-Term Borrowings (Annexure - IX)
  - Schedule of Deferred Tax Liabilities (Annexure X)
  - Schedule of Long-Term Provisions (Annexure - XI)
  - Schedule of Short-Term Borrowings (Annexure - XII)
  - Schedule of Trade Payables (Annexure – XIII)
  - Schedule of Other Non - Current Liabilities (Annexure – XIV)
  - Schedule of Other Current Liabilities (Annexure – XV)
  - Schedule of Short-Term Provisions (Annexure – XVI)
  - Schedule of Fixed Assets (Annexure - XVII)
  - Schedule of Non-Current Investments (Annexure – XVIII)
  - Schedule of Other Non-current Assets(Annexure – XIX)
  - Schedule of Inventories(Annexure – XX)
  - Schedule of Trade Receivables (Annexure – XXI)
  - Schedule of Cash and Cash Equivalentents (Annexure – XXII)
  - Schedule of Short-Term Loans and Advances (Annexure – XXIII)
  - Schedule of Other Current Assets(Annexure – XXIV)
  - Schedule of Revenue from Operations (Annexure – XXV)
  - Schedule of Other Income (Annexure – XXVI)



- xxii) Schedule of Expenses(Annexure – XXVII)
- xxiii) Schedule of Related Party Transactions (Annexure – XXVIII)
- xxiv) Schedule of Segment Reporting (Annexure – XXIX)
- xxv) Capitalization Statement (Annexure – XXX)
- xxvi) Schedule of Contingent Liability (Annexure – XXXI)
- xxvii) Summary of Accounting Ratios (Annexure – XXXII)
- xxviii) Schedule of Tax Shelter (Annexure – XXXIII)

4. In our opinion, the Restated Consolidated Financial Statements and the other Financial Information set forth in Annexure I to XXXIII read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

5. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.
6. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
7. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For and on behalf of  
**A. S. Bedmutha & Co.**  
Chartered Accountants  
Firm's Registration No. 101067W

**CA Smruti Dungarwal**  
Partner  
Membership No.144801  
Place :Nashik  
Date : July15, 2019



**Annexure I**  
**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholder's fund</b>		
a) Equity Share Capital	543.12	543.12
b) Reserves and surplus(Excl. Revaluation Reserve)	979.46	863.07
<b>Total Shareholders Fund</b>	<b>1,522.58</b>	<b>1,406.19</b>
<b>Minority Interest</b>	257.14	231.71
<b>Non-current liabilities</b>		
a) Long-Term Borrowings	132.60	195.44
b) Deferred tax- liabilities	59.91	31.08
c) Other Long-Term Liabilities	10.00	-
d) Long-Term Provisions	9.41	8.23
<b>Total</b>	<b>211.92</b>	<b>234.75</b>
<b>Current liabilities</b>		
a) Short-term borrowings	176.27	221.11
b) Trade payables	232.63	204.55
c) Other Current Liabilities	164.85	132.74
c) Short-term provisions	35.97	52.97
<b>Total</b>	<b>609.71</b>	<b>611.38</b>
<b>TOTAL</b>	<b>2,601.35</b>	<b>2,484.03</b>
<b>ASSETS</b>		
<b>Non - Current Assets</b>		
a) Tangible Fixed Assets		
i.) Gross Block (Excl. Revaluation Reserve)	1,759.37	1,560.34
Less: Accumulated Depreciation	291.64	193.78
<b>Net Block(Excl. Revaluation Reserve)</b>	<b>1,467.73</b>	<b>1,366.57</b>
b) Non- Current Investments	85.90	15.00
c) Long term Loans & Advances	-	-
d) Other Non-Current Assets	15.60	21.54
<b>Total</b>	<b>1,569.23</b>	<b>1,403.10</b>
<b>Current Assets</b>		
a) Current Investments	-	-
b) Inventories	46.53	64.22
c) Trade Receivables	242.22	320.73
d) Cash and Cash equivalents	262.51	199.99
e) Short-term loans and advances	202.18	159.58
f) Other Current Assets	278.68	336.40
<b>Total</b>	<b>1,032.12</b>	<b>1,080.93</b>
<b>TOTAL</b>	<b>2,601.35</b>	<b>2,484.03</b>



**Annexure II**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED**

(₹ in lakhs)

Particulars	Year End March 31, 2019	Year End March 31, 2018
<b>INCOME:</b>		
Revenue from Operations	1,855.61	1,636.74
Other Income	63.73	17.20
<b>Total income</b>	<b>1,919.35</b>	<b>1,653.94</b>
<b>EXPENSES:</b>		
Cost of Materials Consumed	989.34	802.98
Direct Expenses	76.23	72.69
Changes in Inventories	17.69	26.83
Employee Benefits Expenses	340.83	309.55
Finance Costs	54.22	50.44
Depreciation and Amortization Expense	97.86	79.34
Other Expenses	140.51	119.77
<b>Total expenses</b>	<b>1,716.68</b>	<b>1,461.61</b>
<b>Net Profit / (Loss) before exceptional items and tax</b>	<b>202.67</b>	<b>192.34</b>
Exceptional items	-	-
<b>Net Profit / (Loss) before tax</b>	<b>202.67</b>	<b>192.34</b>
<b>Less: Tax expense</b>		
Current tax	32.03	29.78
Deferred tax (asset)/liability	28.82	27.42
<b>Total Tax Expense</b>	<b>60.85</b>	<b>57.21</b>
<b>Net Profit / (Loss) after tax</b>	<b>141.82</b>	<b>135.13</b>
Attributable to		
<b>Equity Shareholders of the Parent</b>	<b>116.39</b>	<b>107.73</b>
<b>Minority Interest</b>	<b>25.43</b>	<b>27.40</b>



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

(₹ in lakhs)

Particulars	Year End March 31, 2019	Year End March 31, 2018
<b>Cash Flow from Operating Activities</b>		
<b>Net Profit Before Tax</b>	202.67	192.34
Adjustments for :		
Depreciation/Amortisation	97.86	79.34
Interest & Finance Cost	54.22	50.44
Preliminary Expenses written off	(4.13)	(2.94)
Leave & License Fees received	(11.67)	-
Dividend Received	(0.09)	-
Interest Received	(30.83)	(14.53)
Subsidy Received for Machinery	(3.32)	
Profit / loss on Sale of Asset		(1.66)
<b>Operating Profit Before Working Capital Changes</b>	<b>304.72</b>	<b>302.99</b>
Adjusted for (Increase)/ Decrease:		
(Increase) / Decrease in Inventories	17.69	26.83
(Increase) / Decrease in Trade Receivables	78.51	(48.49)
(Increase) / Decrease in Short-Term Loans and Advances	(42.61)	(84.13)
(Increase) / Decrease in Other Current Assets	61.86	-
(Increase) / Decrease in Other Non-Current Assets	5.93	-
Increase / (Decrease) in Trade Payables	28.07	90.95
Increase / (Decrease) in Other Current Liabilities	32.11	(74.21)
Increase / (Decrease) in Long-Term Provisions	1.18	1.26
Increase / (Decrease) in Short-Term Provisions	(17.00)	(38.47)
<b>Cash Generated from Operations Before Exceptional Items</b>	<b>470.47</b>	<b>176.73</b>
Add: Exceptional Items	-	-
<b>Cash Generated from Operations</b>	<b>470.47</b>	<b>176.73</b>
Less: Direct Tax paid	(32.03)	(29.78)
<b>Net Cash flow from/(used in) Operating Activities (A)</b>	<b>438.44</b>	<b>146.94</b>
<b>Cash Flow from Investing Activities</b>		
(Increase) / Decrease in Fixed Assets	(199.03)	(113.70)
(Increase) / Decrease in Non-current Investment	(70.90)	(65.85)
(Increase) / Decrease in Current Investment		1.89
Dividend Received	0.09	-
Interest Received	30.83	14.53
Leave & License Fees received	11.67	-
Purchase of Shares /(Sales of Shares)	-	(518.50)
Security Deposit Received	10.00	
Subsidy Received For Machinery	3.32	
Profit/loss on sale of Fixed Asset		1.66
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(214.02)</b>	<b>(679.98)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Share Allotment	-	669.37
Increase / (Decrease) Long Term Borrowings	(62.83)	82.63
Increase / (Decrease) in Short Term Borrowings	(44.85)	(19.79)
Interest & Financial Charges paid	(54.22)	(50.44)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(161.90)</b>	<b>681.77</b>





<b>Particulars</b>	<b>Year End March 31, 2019</b>	<b>Year End March 31, 2018</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>62.51</b>	<b>148.73</b>
Cash & Cash equivalent at the beginning of the year	199.99	51.26
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>262.51</b>	<b>199.99</b>



## Annexure IV

### SIGNIFICANT ACCOUNTING POLICIES

#### NOTE 1: PRINCIPLES OF CONSOLIDATION:

The Consolidated Financial Statements comprise Galactico Corporate Services Private Limited (“the Company”) and its subsidiary companies as at financial year ended March 31, 2019 and March 31, 2018. The Financial Statements are consolidated from the date of acquisition of the subsidiaries and therefore prepared for the financial year ended March 31, 2019 and March 31, 2018.

List of subsidiary companies included in consolidation are as under:

Name of the Subsidiary	Nature of relationship	% holding	Date of Acquisition
Instant Finserve Pvt. Ltd.	Equity	99.50 %	30/03/2018
Seven Hills Beverages Ltd.*	Equity	99.72 %	31/03/2018
Palwe Pest Control Pvt. Ltd.*	Equity	50.34 %	31/03/2018

*Note: \*Galactico Corporate Services Limited (“the Company”) had entered into a Share Purchase Agreement dated March 31, 2018 for acquisition of 37,21,500 Equity Shares of Seven Hills Beverages Ltd and the relevant payments were made to the Sellers. However, the actual transfer of shares from sellers to the Company were made on April 15, 2018. Further Palwe Pest Control Pvt. Ltd. is a 50.37% subsidiary of Seven Hills Beverages Ltd. Hence, we have considered Seven Hills Beverages Ltd and Palwe Pest Control Pvt. Ltd. as our subsidiaries for the consolidation purpose.*

The Consolidated Financial Statements have been prepared on the following basis:

(i) The financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra company balances in accordance with the Accounting Standard 21 on “Consolidated Financial Statements” of the Companies (Accounting Standards) Rules, 2006.

(ii) The financial statements of the subsidiaries are drawn-up upto the same reporting dates as that of the Company, i.e. financial year ended March 31, 2019 and March 31, 2018.

(iii) The Consolidated Financial Statements are prepared to the extent possible using uniform accounting policies for the like transactions and other events in similar circumstances and are presented in the manner as the Company’s separate financial statements.

(iv) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case maybe.

(v) Minority Interest’s share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

(vi) Minority Interest’s share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company’s shareholders.

#### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles applicable in India under the historical cost convention on the accrual basis. GAAP comprises of mandatory accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013.

Accounting policies have been consistently applied except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard. The management evaluates all recently issued or revised accounting standards on an ongoing basis. The financial statements are presented in Indian rupees rounded off to the nearest rupee.



**The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis. The financial statements are based on historical cost. These costs are not adjusted to reflect the impact of change in value in the purchasing power of money.**

## **B. USE OF ESTIMATES**

The preparation of the financial statements in conformity with generally accepted accounting principles except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expense for the year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates will be recognised prospectively in the current and future periods.

## **C. PRIOR PERIOD ITEMS**

Expenses relating to earlier period are debited to profit and loss account, if any. As per information and explanation and records kept by the company, the amount of such expenses and incomes are not fully quantifiable.

## **D. CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## **E. FIXED ASSETS**

### *Tangible Assets*

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

## **F. DEPRECIATION, AMORTISATION AND DEPLETION**

### *Tangible Assets*

Depreciation on Fixed Assets is provided as per the Written Down Value (WDV) Method except Factory Buildings (SHBL) and Motor Lorries (PPCPL) and assets of GCSL. However, for the purpose of Consolidation, effect of uniform accounting policies is considered (i.e. Straight Line Method of depreciation is used for all companies and impact of the difference in method is adjusted in Opening Reserves of the respective companies). Depreciation on Assets of Galactico Corporate Services Limited, Factory Buildings of Seven Hills Beverages Limited and Motor Lorries of Palwe Pest Control Private Limited are provided as per the Straight Line Method (SLM) based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

In respect of additions or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided as aforesaid over the residual life of the respective assets.



## **G. IMPAIRMENT**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## **H. INVESTMENTS**

Current investments are carried at lower of cost and quoted / fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.

## **I. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and it is reasonable to expect ultimate collection. The following specific recognition criteria must also be met before revenue is recognized:

### ***Sale of services:***

Revenue is measured at the fair value of the consideration received or receivable with respect to the degree of completion of each Service.

### ***Sale of Goods:***

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer.

### ***Interest:***

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the statement of profit and loss.

### ***Dividend:***

Dividend income is accounted as and when right to receive dividend is established.

## **J. TAXATION**

### ***1. Income Tax Provisions -***

Income Tax provision comprises current tax as per the Income Tax Act, 1961.

### ***2. Deferred tax -***

Deferred tax resulting from timing difference between book profit and tax profit is accounted for on the concept of prudence, at prevailing or substantially enacted rate of tax to the extent timing differences are expected to crystallise in case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with reasonable certainty that there would be adequate future taxable income against which deferred tax assets can be realised.

In case, Minimum Alternate Tax is higher than Tax as per Normal Provisions, Tax is recognized as Asset on payment basis and MAT Credit is recognized only when future economic benefit arises in the form of the adjustment of the future Income-Tax Liability.

## **K. PROVISIONS AND CONTINGENT LIABILITIES**

All known liabilities till finalization of accounts are provided for except as disclosed in notes to accounts are contingent liability. The company has recognized necessary provisions when there are present obligations that arise out of past events prior to the Balance Sheet date entailing future outflow of economic resources and a reliable estimate can be made of the amount of the obligation. Such provisions reflect best estimates based on available information.



However, a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### L. EARNINGS PER SHARE

Earnings per share is calculated by dividing the net profit or loss after tax and prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

#### M. BORROWING COST

Borrowing costs directly attributable to acquisition, construction or production of qualifying assets till the month in which the asset is ready to use, are capitalized.

Other borrowing costs are recognised as expenses in the period in which these are incurred.

#### N. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting, nature of the products / process, organisation structure as well as differential risks and returns, provided to the board of directors and chief financial officer, all of them constitute as Chief Operating Decision Maker ('CODM'). The Chief Operating Decision Maker (CODM) has identified three primary business segments viz. Financial Services, Packaged Drinking Water Bottles Manufacturing and Pest Control Services. These segments have been identified and reported taking into account the nature of the products / services, the differing risks and returns, the organisational structure and internal business reporting system. The Company caters mainly the needs of the Indian Market hence separate geographical segmental information has not been given.

#### O. LEASES

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of Profit and Loss on a straight-line basis.

#### Annexure V

#### NOTES TO ACCOUNTS

##### 1. Managerial Remuneration

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Whole Time Directors Remuneration		
Salaries and Allowances	35.56	33.40
Other Fees	-	-
Sitting Fees	-	-
Non Whole Time Directors Remuneration		
Sitting Fees	-	-
<b>Total</b>	<b>35.56</b>	<b>33.40</b>

##### 2. Remuneration to Statutory Auditors:

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Statutory Audit Fees	0.76	0.40
Tax Audit Fees	-	-
<b>Total</b>	<b>0.76</b>	<b>0.40</b>



3. The Company has not received any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year-end together with interest payable as required under the said Act have not been furnished.
4. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
5. **Information regarding Foreign Exchange earnings and expenditure:**

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Earning in Foreign Exchange	-	-
Expenditure in Foreign Exchange	-	-

#### ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

##### Adjustments having impact on profit

Restatement done in Profit and Loss account that affect the Net Profit after Tax

##### Restatement done in Statement of Profit & loss - Expenses

##### F.Y. 2017-18 and 2018-19

During the financial year 2018-19, the method of depreciation on fixed assets has been changed to Straight Line Method from Written Down Value Method. The effect of same is restated in the financials by adjusting the Depreciation amount.

##### A. Depreciation

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Amount as per Audited Financial Statements	102.04	41.58
Add: Change in depreciation	(4.18)	37.76
Amount as per Restated Financials	97.86	79.34

##### Adjustments not having impact on profit

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

##### Restatements done in Balance Sheet - Liabilities

##### F.Y. 2017-18 and F.Y. 2018-19

The company had incorrectly provided for Deferred Tax in the audited financials of Parent company, the same has now been rectified for in the restated financials.

##### A. Deferred Tax Liabilities

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Amount as per Audited Financial Statements	67.12	29.11
Add: Deferred Tax Liability recognised due to change in depreciation	(7.22)	1.98
Amount as per Restated Financials	59.91	31.08

**F.Y. 2017-18 and F.Y. 2018-19**

Income tax provision is revised due to change in depreciation in the restated financial statements.

**B. Income Tax Provision***(₹ in Lakhs)*

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Amount as per Audited Financial Statements	6.71	13.44
Add: Change in Tax Provision Due to Change in Depreciation	(0.60)	5.40
Amount as per Restated Financials	6.11	18.84

**Restatements done in Balance Sheet – Assets****A. Fixed Asset****F.Y. 2017-18 and 2018-19**

During the financial year 2018-19, the method of depreciation on fixed assets has been changed to Straight Line Method from Written Down Value Method. The effect of same is restated in the financials by adjusting the carrying amount of the Fixed Assets. The Carrying amount in the restated statement is derived after elimination of Revaluation Reserve from the Fixed Asset.

*(₹ in Lakhs)*

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Amount as per Audited Financial Statements	1,345.44	1,253.97
Add: Change in Carrying Amount Due to Elimination of Reserves	122.29	112.59
Amount as per Restated Financials	1,467.73	1,366.57

**F.Y. 2017-18 and F.Y. 2018-19**

During the Previous Years, MAT was not recognized which is recorded in the restated financials. Also, changes due to change in income tax provision giving rise in MAT is adjusted in the respective years.

**B. MAT Credit***(₹ in Lakhs)*

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Amount as per Audited Financial Statements	27.88	15.73
Add: Change in MAT Amount Due to Change in Book Profit	(0.03)	0.08
Amount as per Restated Financials	27.85	15.80

**Annexure VI****STATEMENT OF SHARE CAPITAL, AS RESTATED***(₹ in lakhs)*

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorised Share Capital:</b>		
Equity Shares of ₹ 10 each	800.00	800.00
<b>Total</b>	<b>800.00</b>	<b>800.00</b>
<b>Issued Subscribed and Paid Up Capital:</b>		
Equity Shares of ₹ 10 each	543.12	543.12
<b>Total</b>	<b>543.12</b>	<b>543.12</b>



**Reconciliation of number of shares outstanding:**

Particulars	As at March 31, 2019	As at March 31, 2018
At the beginning of the period	54,31,205	68,274
Addition during the period	-	53,62,931
Outstanding at the end of the period	<b>54,31,205</b>	<b>54,31,205</b>

**Details of Shareholders holding more than 5% Shares**

Name	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	%	Number of shares held	%
Vipul Lathi	54,30,605	99.99	53,61,785	98.72

**Annexure VII  
STATEMENT OF RESERVES AND SURPLUS**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>General Reserve</b>		
Balance as at the beginning of the year	117.23	31.75
Add: Profit After Tax	116.39	85.48
<b>Balance as at the end of the year (A)</b>	<b>233.61</b>	<b>117.23</b>
<b>Securities Premium</b>		
Balance as at the beginning of the year	495.36	668.68
Add: Collected during the year	-	361.44
Less: Utilized for Bonus Issue	-	534.76
<b>Balance as at the end of the year (C)</b>	<b>495.36</b>	<b>495.36</b>
<b>Capital Reserve</b>	<b>250.49</b>	<b>250.49</b>
<b>Total (A+B+C)</b>	<b>979.46</b>	<b>863.07</b>

**Annexure VIII  
STATEMENT OF MINORITY INTEREST, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Opening Balance</b>	<b>231.71</b>	-
Additions during the year	25.43	231.71
<b>Closing Balance</b>	<b>257.14</b>	<b>231.71</b>

**Annexure IX  
STATEMENT OF LONG-TERM BORROWINGS, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Secured</b>		
<b>Loan from Banks &amp; Financial Institutions</b>		
Term Loan	132.60	195.44
<b>Closing Balance</b>	<b>132.60</b>	<b>195.44</b>





**Annexure X**  
**STATEMENT OF DEFERRED TAX LAIBILTIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Opening Balance</b>	<b>31.08</b>	<b>3.58</b>
Add: Deferred Tax Liabilities arising on account of temporary differences	28.82	27.50
<b>Closing Balance</b>	<b>59.91</b>	<b>31.08</b>

**Annexure XI**  
**STATEMENT OF LONG-TERM PROVISIONS, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Provision for employee benefits</b>		
Non-funded: Provision for Gratuity	9.41	8.23
<b>Total</b>	<b>9.41</b>	<b>8.23</b>

**Annexure XII**  
**STATEMENT OF SHORT-TERM BORROWINGS, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Secured</b>		
<b>Loans repayable on demand</b>		
- From Banks		
Cash Credit	162.53	197.68
- From Others		
<b>Unsecured</b>		
Borrowings from Related Parties	13.73	23.43
<b>Closing Balance</b>	<b>176.27</b>	<b>221.11</b>

**Annexure XIII**  
**STATEMENT OF TRADE PAYABLES, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Dues to Micro, Small and Medium Enterprises	-	-
Others	232.63	204.55
<b>Total</b>	<b>232.63</b>	<b>204.55</b>

**Note:**

- (a) Trade payables include ₹ NIL due to Micro, Small and Medium Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
- (b) The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. As the Company has not received any intimation from its suppliers as on date regarding their status under the above said Act and hence disclosures if any relating to amounts unpaid as at year end together with the interest paid/payable as required under the said Act have not been given.



**Annexure XIV**  
**STATEMENT OF OTHER NON - CURRENT LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Securities Deposit Received	10.00	-
<b>Total</b>	<b>10.00</b>	<b>-</b>

**Annexure XV**  
**STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Statutory Dues Payables:</b>		
Goods and Services Tax	5.77	15.47
Profession Tax	0.55	0.02
TDS	3.50	1.96
VAT	-	3.34
Other Payables	47.91	13.03
Advance Received from Customers	8.43	-
<b>Current Maturities of Long Term Debt</b>		
Term Loan	98.70	98.93
<b>Total</b>	<b>164.85</b>	<b>132.74</b>

**Annexure XVI**  
**STATEMENT OF SHORT-TERM PROVISIONS, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Provision for Income Tax (Net)</b>	<b>6.11</b>	<b>18.84</b>
<b>Provision for Employee Benefits</b>		
Salaries and Wages	12.43	8.27
Directors Remuneration	13.09	22.39
Contribution to ESIC	0.62	0.57
Contribution to PF	1.80	1.73
<b>Other:</b>		
Audit Fees	1.31	0.75
Electric Bill Expenses	0.05	0.14
Telephone and Mobile Expenses	0.04	0.16
Office Rent	0.13	0.12
Sitting Fees Payable	0.40	-
<b>Total</b>	<b>35.97</b>	<b>52.97</b>

**Annexure XVII**  
**STATEMENT OF FIXED ASSETS, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Factory Land</b>		
<b>Opening Balance</b>	<b>80.06</b>	<b>80.06</b>
Addition during the year	-	-
Reduction during the year	-	-



Particulars	As at March 31, 2019	As at March 31, 2018
Accumulated Depreciation	-	-
Depreciation during the year	-	-
<b>Closing Balance</b>	<b>80.06</b>	<b>80.06</b>
<b>Factory Office / Building:</b>		
<b>Opening Balance</b>	<b>797.48</b>	<b>815.13</b>
Addition during the year	150.98	28.25
Reduction during the year	-	45.91
Accumulated Depreciation	35.35	17.37
Depreciation during the year	27.92	17.98
<b>Closing Balance</b>	<b>885.19</b>	<b>762.13</b>
<b>Plant &amp; Machinery:</b>		
<b>Opening Balance</b>	<b>440.91</b>	<b>333.57</b>
Addition during the year	39.64	107.44
Reduction during the year	-	0.09
Accumulated Depreciation	101.19	63.57
Depreciation during the year	43.87	37.62
<b>Closing Balance</b>	<b>335.49</b>	<b>339.72</b>
<b>Furniture &amp; Fittings:</b>		
<b>Opening Balance</b>	<b>34.40</b>	<b>30.87</b>
Addition during the year	2.73	5.03
Reduction during the year	-	1.50
Accumulated Depreciation	19.15	16.98
Depreciation during the year	2.46	2.17
<b>Closing Balance</b>	<b>15.51</b>	<b>15.25</b>
<b>Vehicles</b>		
<b>Opening Balance</b>	<b>200.90</b>	<b>172.40</b>
Addition during the year	3.00	28.49
Reduction during the year	-	-
Accumulated Depreciation	31.89	10.59
Depreciation during the year	23.22	21.31
<b>Closing Balance</b>	<b>148.78</b>	<b>169.00</b>
<b>Computer &amp; Softwares:</b>		
<b>Opening Balance</b>	<b>6.60</b>	<b>6.45</b>
Addition during the year	2.67	0.15
Reduction during the year	-	-
Accumulated Depreciation	6.19	5.93
Depreciation during the year	0.39	0.26
<b>Closing Balance</b>	<b>2.70</b>	<b>0.41</b>
<b>Tangible Gross Block</b>	<b>1,759.37</b>	<b>1,560.34</b>
<b>Total Accumulated Depreciation</b>	<b>291.64</b>	<b>193.78</b>
<b>Net Block</b>	<b>1,467.73</b>	<b>1,366.57</b>



**Annexure XVIII**  
**STATEMENT OF NON-CURRENT INVESTMENTS, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Investments (At Cost)</b>		
Contribution for Keyman Insurance Policy	15.00	15.00
Investment in Shriram Chit Funds	8.55	-
Corpus Fund for Immovable Property	7.50	-
Shares of Constro Solutions Limited	45.00	-
Investment in Quoted Equity Shares	9.85	-
<b>Total</b>	<b>85.90</b>	<b>15.00</b>

**Annexure XIX**  
**STATEMENT OF NON-CURRENT ASSET, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Security Deposit</b>		
Office Lease Deposit	3.20	5.00
Preliminary Expenses	12.40	16.54
<b>Total</b>	<b>15.60</b>	<b>21.54</b>

**Annexure XX**  
**STATEMENT OF INVENTORIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Closing Stock	46.53	64.22
<b>Total</b>	<b>46.53</b>	<b>64.22</b>

**Annexure XXI**  
**STATEMENT OF TRADE RECEIVABLES, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, considered good</b>		
Less than six months	242.22	316.81
More than six months	-	3.92
<b>Total</b>	<b>242.22</b>	<b>320.73</b>

**Annexure XXII**  
**STATEMENT OF CASH AND CASH EQUIVALENTS, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash in hand	10.83	58.17
Balance with Banks		
- In Current Accounts	88.24	112.43
- In Fixed Deposit	163.44	29.39
<b>Total</b>	<b>262.51</b>	<b>199.99</b>



**Annexure XXIII**  
**STATEMENT OF SHORT-TERM LOANS AND ADVANCES, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
<b>Deposits</b>		
Karur Subsidy	12.41	11.41
MSEDCL Deposit	4.16	3.83
Security Deposit	-	4.16
VAT Deposit	0.25	0.25
MSEB Deposit	0.04	0.04
Office Deposit	0.34	0.34
Security Deposit	2.61	2.61
Tender Deposit	10.41	0.20
NSDL Deposit	0.45	-
<b>Loans &amp; Advances to Employees</b>		
Advance against salary to staff	15.96	4.56
<b>Others</b>		
Advances to Supplier, Contractor & Other Advances		
- Advances to Others	155.57	132.18
<b>Total</b>	<b>202.18</b>	<b>159.58</b>

**Annexure XXIV**  
**STATEMENT OF OTHER CURRENT ASSET, AS RESTATED**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Balance with Government Authorities</b>		
Income Tax \TDS Receivable	6.71	13.44
MAT Credit	27.85	15.80
Service Tax	-	2.15
VAT Receivable – Refund	9.69	16.41
Balance in Demat Account	0.02	-
Prepaid Expenses - SEBI License Fees	13.33	-
SBI FDR Accrued Interest		0.61
MSEDCL Subsidy Receivable	-	1.46
Preliminary Expenses	-	
Advance Received from Suppliers	7.56	
Refundable Deposits to Related Parties	213.53	286.53
<b>Total</b>	<b>278.68</b>	<b>336.40</b>

**Annexure XXV**  
**STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED**

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue from Operations		
Sale of Goods	1,075.59	914.95
Sale of Services	780.02	721.79
<b>Total</b>	<b>1,855.61</b>	<b>1,636.74</b>



**Annexure XXVI**  
**STATEMENT OF OTHER INCOME, AS RESTATED**

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest Income		
- From Banks	12.01	1.78
- From Others	18.82	12.75
Dividend received	0.09	-
Profit on Sale of Immovable Property	-	1.66
Subsidy Received	3.32	-
Accrued Interest on MSEDCL Deposit	0.37	0.36
Discount Received	1.00	0.56
Interest on Service Tax	-	0.07
Leave & License Fees	11.67	-
Other Income	16.46	0.01
<b>Total</b>	<b>63.73</b>	<b>17.20</b>

**Annexure XXVII**  
**EXPENSES SCHEDULE**

**Employee Benefit Expenses:**

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Salary and Allowances	293.39	247.74
Director's Remuneration	35.56	33.40
Staff Welfare Expenses	10.38	3.02
Contribution to Provident Fund & Admin Charges	-	18.32
Provision for Gratuity	1.50	1.06
ESIC	-	6.01
<b>Total</b>	<b>340.83</b>	<b>309.55</b>

**Finance Cost:**

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Bank Charges	1.11	2.51
Interest paid to Banks	53.11	47.93
<b>Total</b>	<b>54.22</b>	<b>50.44</b>

**Annexure XXVIII**  
**STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED**

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

(iv) Key Managerial Personnel

Year Ended March 31, 2019	Year Ended March 31, 2018
Vipul Lathi	Vipul Lathi
Suyash Chhajed	Suyash Chhajed
Krishna Rathi	Krishna Jhawar
Nilam Ghundiyaal	Vishal Sancheti
Vishal Sancheti	Rohit Kasat



Year Ended March 31, 2019	Year Ended March 31, 2018
Harshika Thakkar	Harshal Jethale
Harshal Jethale	Sandeep Palwe
Sandeep Palwe	Jayashree Palwe
Jayashree Palwe	Balasaheb Palwe
Balasaheb Palwe	Nayan Palwe
Nayan Palwe	Charushila Lathi
Charushila Lathi	Pavan Chhatrishha
Pavan Chhatrishha	Sandeep Avhad
Sandeep Avhad	Rajkumar Pardeshi
Rajkumar Pardeshi	

(v) Relatives of KMPs

Year Ended March 31, 2019	Year Ended March 31, 2018
Charushila Lathi	Charushila Lathi
Vasanti Palwe	Vasanti Palwe
Parushana Chhajed	Parushana Chhajed

(vi) Associates / Enterprises over which directors and / or their relatives has significant influence

Year Ended March 31, 2019	Year Ended March 31, 2018
Instant Finserve Private Limited	Instant Finserve Private Limited
Seven Hills Beverages Limited	Seven Hills Beverages Limited
Palwe Pest Control Private Limited	Palwe Pest Control Private Limited

(vii)Particulars of Transactions with Related Parties

#### Key Management Personnel

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr. Vipul Lathi</b>		
<b>1. Finance - Advance Given</b>		
Opening Outstanding	49.93	82.20
Refundable Deposit Given	-	-
Repayment of Deposit	49.93	32.27
Closing Balance	-	49.93
<b>2.Salary</b>	2.10	-
<b>3.Advance Against Salary</b>	2.00	-
<b>Mr. Krishna Jhawar</b>		
<b>1.Salary</b>	1.60	1.80
<b>2.Advance Against Salary</b>	-	1.06
<b>Mr. Vishal Sancheti</b>		
Salary	3.18	-
<b>Miss Harshika Thakkar</b>		
Salary	2.64	-
<b>Mr. Suyash Chhajed</b>		
Salary	-	6.00



Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr. Rohit Kasat</b>		
Salary	-	1.45
<b>3. Purchase of Shares of Seven Hills</b>		
Sandeep Palwe (11,69,050 Shares)	-	114.19
Nayan Palwe (7,16,240 Shares)	-	69.96
Balasaheb Palwe (900 Shares)	-	0.09
Jayshree Palwe (900 Shares)	-	0.09

#### Relatives of Key Management Personnel

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mrs Charushila Lathi</b>		
<b>1. Finance - Advance Given</b>		
Opening Outstanding	50.00	49.50
Refundable Deposit Given		0.50
Repayment of Deposit	22.47	
Closing Balance	27.53	50.00
<b>2. Sale of Shares</b>		
( 2,50,000 Shares at Rs 18/- per share)	-	45.00
<b>3. Purchase of Shares of Seven Hills</b>		
(18,34,410 Shares)	-	179.18
<b>Mrs. Parushana Chhajed</b>		
Professional Fees	-	10.00

#### Associates / Enterprises over which directors and / or their relatives has significant influence

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Instant Finserve Private Limited</b>		
<b>1. Finance - Advance Given</b>		
Opening Outstanding	4.17	-
Repayment of Advance	-	-
Advance Given	-	4.17
Repayment of Advance	4.17	-
Closing Outstanding	-	4.17
<b>2. Investments In Shares</b>		
Closing Balances		
Instant Finserve Private Limited	200.00	200.00
Seven Hills Beverages Limited	363.50	363.50





(viii) Particulars of Transactions with Related Parties

**Instant Finserve Private Limited**

**Key Management Personnel**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr. Suyash Chhajed</b>		
Salary		1.00

**Holding Company/ Entities**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Galactico Corporate Services Limited</b>		
<b>1. Finance - Loan Taken</b>		
Opening Outstanding	4.17	-
Loan Received in PY	-	4.17
Repayment of Loan	4.17	-
Closing Outstanding	-	4.17

(ix) Particulars of Transactions with Related Parties

**Palwe Pest Control Private Limited**

**Key Management Personnel**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr Balasaheb Palwe</b>		
<b>1. Finance -Loan Taken</b>		
Opening Outstanding	7.30	-
Loan Taken in the year	16.10	31.25
Repayment of Loan	23.32	23.95
Closing Outstanding	0.08	7.30
<b>2. Finance –Refundable Deposit</b>		
Opening Outstanding	186.00	130.00
Refundable Deposit Given	-	56.00
Repayment of Advance	-	-
Closing Outstanding	186.00	186.00
<b>3. Salary</b>	12.00	12.00
<b>Mrs. Jayashree Palwe</b>		
<b>1. Finance -Loan Taken</b>		
Opening Outstanding	0.32	-
Loan Taken the year	1.50	6.30
Repayment of Loan	1.55	5.98
Closing Outstanding	0.28	0.32
<b>2. Salary</b>	10.20	10.20
<b>Mr. Sandeep Palwe</b>		
<b>1. Finance -Loan Taken</b>		
Opening Outstanding	3.12	-
Loan Taken In the Year	0.76	18.73



Repayment of Loan	3.51	15.61
Closing Outstanding	0.37	3.12
<b>2. Salary</b>	<b>10.20</b>	<b>10.20</b>

#### Relatives of Key Management Personnel

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr Nayan Palwe</b>		
<b>1. Finance - Loan Taken</b>		
Opening Outstanding	1.38	-
Loan Taken In the Year	6.80	6.20
Repayment of Advances	6.48	4.82
Closing Outstanding	1.70	1.38
<b>2. Salary</b>	<b>8.40</b>	<b>8.00</b>
<b>Mrs Vasanti Palwe</b>		
<b>1. Finance - Loan Taken</b>		
Opening Outstanding	11.31	-
Loan Taken In the Year	-	11.31
Repayment of Advances	-	-
Closing Outstanding	11.31	11.31
<b>2. Salary</b>	<b>8.40</b>	<b>8.00</b>

#### Associate Companies / Entities

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Seven Hills Beverages Limited</b>		
<b>1. Finance - Business Transactions</b>		
Opening Outstanding	13.12	0.05
Advance Given in PY	32.72	60.80
Repayment of Advance	45.84	47.73
Closing Outstanding	-	13.12

(x) Particulars of Transactions with Related Parties

#### Seven Hills Beverages Limited

##### Relatives of Key Management Personnel

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Mr Balasaheb Palwe</b>		
<b>1. Finance - Loan Taken</b>		
Opening Outstanding	-	45.00
Loan Taken In the Year	-	11.00
Repayment of Advances	-	56.00
Closing Outstanding	-	-

#### Associate Companies / Entities

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Palwe Pest Control Private Ltd</b>		
<b>1. Finance - Business Transactions</b>	<b>13.12</b>	<b>0.05</b>



Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Opening Outstanding	32.72	60.80
Advance Taken in PY	45.84	47.73
Repayment of Advance	-	13.12
Closing Outstanding	13.12	0.05

#### Annexure XXIX

##### Information given in accordance with the requirements of AS 17 on Segment Reporting:

The Chief Operating Decision Maker (CODM) has identified three primary business segments viz. Financial Services, Packaged Drinking Water Bottles Manufacturing and Pest Control Services.

These segments have been identified and reported taking into account the nature of the products / services, the differing risks and returns, the organisational structure and internal business reporting system.

- Financial Services Segment - Engaged in Investment Banking and Issue Management Activities whereby the Company provide services to the Mid-cap, SME and Startup segment.

- Packaged Drinking Water Bottles Manufacturing Segment - Engaged in business of manufacturing packaged drinking water.

- Pest Control Services Segment - Engaged in rendering pest control services to corporate, societies and household.

1. Revenue and expenses have been identified to a segment on the basis of direct relationship to operating activities of the segment. Expenditure which are not directly identifiable but has a relationship to the operating activities of the segment are allocated on a reasonable basis.

2. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

3. Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other common assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

4. Inter segment transfer consists of material, labour and overhead which are recorded at cost.

##### Information given in accordance with the requirements of AS 17 on Segment Reporting

(₹ in Lakhs)

Particulars	FY 2018-19			FY 2017-18			Total	
	Financial Services	Beverages Manufacturing	Pest Control Services	Financial Services	Beverages Manufacturing	Pest Control Services	FY 2018-19	FY 2017-18
Revenue (Gross Sale)	162.10	1,075.59	617.92	154.11	896.18	567.68	1,855.61	1,617.97
Less: Inter Segment Revenue	-	-	-	-	-	-	-	-
External Revenue	162.10	1,075.59	617.92	154.11	896.18	567.68	1,855.61	1,617.97
Other Revenue	54.41	5.23	4.09	11.17	20.59	4.21	63.73	35.97
Total Revenue	216.52	1,080.82	622.01	165.28	916.76	571.90	1,919.35	1,653.94
Segment Result	110.13	51.03	95.74	115.24	25.38	102.16	256.89	242.78
Finance Cost	0.00	30.30	23.92	0.00	22.27	28.17	54.22	50.44
Profit / (Loss) before exceptional & extraordinary items and tax	110.13	20.72	71.82	115.24	3.11	73.99	202.67	192.34



Particulars	FY 2018-19			FY 2017-18			Total	
	Financial Services	Beverages Manufacturing	Pest Control Services	Financial Services	Beverages Manufacturing	Pest Control Services	FY 2018-19	FY 2017-18
Exceptional & Extraordinary Items	-	-	-	-	-	-	-	-
Profit / (Loss) before tax	110.13	20.72	71.82	115.24	3.11	73.99	202.67	192.34
Total tax expense	28.87	11.29	20.70	29.67	8.77	18.76	60.85	57.20
Profit for the year	81.26	9.43	51.12	85.56	-5.67	55.23	141.82	135.13

#### Other Information

(₹ in Lakhs)

Particulars	FY 2018-19			FY 2017-18			Total	
	Financial Services	Beverages Manufacturing	Pest Control Services	Financial Services	Beverages Manufacturing	Pest Control Services	FY 2018-19	FY 2017-18
Segment Assets	1,513.07	1,022.72	804.87	1,431.56	985.46	823.00	3,340.65	3,240.02
Segment Liabilities	65.94	464.18	291.50	65.69	436.36	360.76	821.63	862.82
Capital Expenditure	117.39	74.77	6.87	21.70	131.06	16.60	199.03	169.36
Depreciation and amortisation	20.01	53.15	24.70	8.22	44.92	26.20	97.86	79.34

#### Annexure XXX

#### STATEMENT OF CAPITALIZATION

(₹ in lakhs)

Particular	Pre Issue (as at March 31, 2019)	Post Issue
<b>Debt</b>		
Long Term Debt	231.30	[●]
Short Term Debt	176.27	[●]
<b>Total Debts (A)</b>	<b>407.57</b>	<b>[●]</b>
<b>Equity (Shareholder's funds)</b>		
Equity share capital	543.12	[●]
Reserve and Surplus	979.46	[●]
<b>Total Equity (B)</b>	<b>1,522.58</b>	<b>[●]</b>
<b>Long Term Debt / Equity Shareholder's funds</b>	<b>15.19%</b>	<b>[●]</b>
<b>Total Debts / Equity Shareholder's funds</b>	<b>26.77%</b>	<b>[●]</b>

#### Note:

1. The above has been computed on the basis of Restated Financials of the Company.

#### Annexure XXXI

#### STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Contingent Liabilities</b>		
- Taxation Matters		
Disputed Income Tax demands	16.96	16.96
<b>Total</b>	<b>16.96</b>	<b>16.96</b>



**Annexure XXXII**  
**STATEMENT OF ACCOUNTING RATIOS, AS RESTATED**

(₹ in lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Restated PAT as per P & L Account	116.39	107.73
Actual Number of Equity Shares outstanding at the end of the year	54,31,205	54,31,205
Weighted Avg number of Equity Shares at the end of the year	54,31,205	54,17,196
Share Capital	543.12	543.12
Reserves & Surplus	979.46	863.07
Net Worth	1,522.58	1,406.19
<b>Earnings Per Share:</b>		
Basic & Diluted	2.14	1.99
Return on Net Worth (%)	7.64%	7.66%
Net Asset Value Per Share (₹)	28.03	25.89
Nominal Value per Equity share (₹)	10.00	10.00

*Notes on Accounting Ratios:*

- Earnings Per Share (₹) = (Restated PAT as per P & L Account/ Weighted Average Number of Equity Shares at the end of the Year).
- Return on Net Worth (%) = Restated PAT as per P & L Account/ Net Worth - Restated \* 100.
- Net Asset Value Per Share (₹) = Net Worth- Restated/ Number of Equity Shares at the end of the Year.

**Annexure XXXIII**  
**STATEMENT OF TAX SHELTER**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Normal Corporate tax rates (%)	26.00%	25.75%
Minimum alternative tax rates	19.24%	19.24%
<b>Profit before tax as per Restated P/L (A)</b>	<b>202.67</b>	<b>192.34</b>
<b>Tax Adjustment</b>		
<b>Permanent Difference</b>		
Disallowance as per section 40	1.49	2.82
Disallowance as per section 43B		-
<b>Total Permanent Difference (B)</b>	<b>1.49</b>	<b>2.82</b>
<b>Timing Difference</b>		
Book Depreciation	97.86	79.34
Income Tax Depreciation allowance	208.73	185.51
Amounts previously disallowed u/s 43B now allowed		-
<b>Total Timing Difference (C)</b>	<b>110.86</b>	<b>106.16</b>
<b>Income From Business and Profession D = (A+B-C)</b>	<b>93.30</b>	<b>88.99</b>
Tax as per normal provisions	24.26	22.91
Less: Accumulated Business Loss and Unabsorbed depreciation		-
<b>Tax as per normal provisions (E)</b>	<b>24.26</b>	<b>22.91</b>
<b>Taxable income as per MAT</b>	<b>24.26</b>	<b>22.91</b>
<b>MAT tax rate</b>	<b>20.58%</b>	<b>20.39%</b>
<b>Tax under MAT (F)</b>	<b>41.71</b>	<b>39.21</b>
<b>Tax payable for the year maximum of (E) or (F)</b>	<b>41.71</b>	<b>39.21</b>
<b>Tax paid as per normal or MAT</b>	<b>MAT</b>	<b>MAT</b>

**Notes:**

- The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account.



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### **CHANGES IN ACCOUNTING POLICIES IN THE LAST TWO YEARS**

There has been a change in the Accounting Policy in the FY 2017-18 whereby depreciation method has been changed from Written Down Value (WDV) Method to Straight Line Method (SLM). There are no changes in the Accounting Policies except the above mentioned in the last two (2) years.

### **CHANGES IN ACCOUNTING PERIOD**

There has been no change in the accounting period of the Company



## REPORT OF THE AUDITORS ON FINANCIAL STATEMENTS

To,  
The Board of Directors,  
**Galactico Corporate Services Limited,**  
2<sup>nd</sup> Floor, Shree Gurudeo Tower,  
Above Shirpur Co-op. Bank Ltd.,  
Nashik (MH) – 422 005.

We have examined Financial Statements and Other Financial Information of Galactico Corporate Services Limited (the 'Company') taking into consideration the terms of reference and terms of our engagement agreed upon with you in connection with inclusion in the Offer Document in connection with its proposed Initial Public Offer ("IPO") on the SME Platform of BSE Limited and the Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India.

The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Draft Prospectus / Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offer ("IPO") of the Company in accordance with the requirements of:

- iv. Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act")
  - v. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI') in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - vi. We have examined the accompanied 'Restated Statement of Profit and Loss' (**Annexure – II**) for the years ended on 31st March 2019, 2018 and 2017 and the 'Restated Statement of Assets and Liabilities' (**Annexure – I**) as on those dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon, which are the responsibility of the Company's management. The information has been extracted from the financial statements audited by Bedmutha & Associates, Chartered Accountants, for the financial year 2016-17, by BKSK & Associates, Chartered Accountants for the financial year 2017-18 and by us for the year ended March 31 2019, being the Statutory Auditors of the Company for the respective years, approved by the Board of Directors. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by previous auditors, upon which we have placed our reliance while reporting.
1. In terms of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Galactico Corporate Services Limited, we, A. S. Bedmutha & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
  2. Based on our examination, we further report that:
    - j. The Restated Statement of Assets and Liabilities of the Company as at March 31, 2019, 2018 and 2017 examined by us, as set out in **Annexure I** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.
    - k. The Restated Statement of Profit and Loss of the Company for the financial years ended on March 31, 2019, 2018 and 2017 examined by us, as set out in **Annexure II** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Statement of Adjustments to the audited financial statements in **Annexure V**.
    1. The Restated Statement of Cash Flows of the Company for the financial years ended March 31, 2019, 2018 and 2017 examined by us, as set out in **Annexure III** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.



- m. The Restated Financial Statements have been made after incorporating adjustments for:
- iii. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
  - iv. Prior period and other material amount in the respective financial years to which they relate.

Which are stated in the Notes to Accounts as set out in **Annexure V**:

- n. Such Financial statements do not require any corrective adjustments on account of:
- i. Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (11) of section 143 of the act, on financial statements of the company for the financial years ended March 31, 2019, 2018 and 2017.
  - ii. Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.
- o. There are no Auditor's Qualifications in any of the Financial Statements of the Company for the financial year ended March 31, 2017, 2018 and 2019.
- p. The Company is in compliant with all the Accounting Standards / Disclosures requirement as issued by Institute of Chartered Accountants till date.
- q. Adjustments in Restated Standalone Financial Statements have been made in accordance with the correct accounting policies;
- r. The Company has not paid any dividend on its equity shares till March 31, 2019
3. At the request of the company, we have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
- i) Schedule of Share Capital (Annexure - VI)
  - ii) Schedule of Reserves & Surplus (Annexure - VII)
  - iii) Schedule of Deferred Tax Liabilities (Annexure VIII)
  - iv) Statement of Trade Payables (Annexure – IX)
  - v) Schedule of Other Current Liabilities (Annexure – X)
  - vi) Schedule of Other Non-Current Liabilities (Annexure – XI)
  - vii) Schedule of Short-Term Provisions (Annexure – XII)
  - viii) Schedule of Fixed Assets (Annexure - XIII)
  - ix) Schedule of Non-Current Investments (Annexure – XIV)
  - x) Schedule of Current Investments (Annexure – XV)
  - xi) Schedule of Trade Receivables (Annexure – XVI)
  - xii) Schedule of Cash and Cash Equivalents (Annexure – XVII)
  - xiii) Schedule of Short-Term Loans and Advances (Annexure – XVIII)
  - xiv) Schedule of Other Current Asset (Annexure – XIX)
  - xv) Schedule of Revenue from Operations (Annexure –XX)
  - xvi) Schedule of Other Income (Annexure – XXI)
  - xvii) Schedule of Expenses (Annexure – XXII)
  - xviii) Schedule of Related Party Transactions (Annexure – XXIII)
  - xix) Capitalization Statement (Annexure – XXIV)
  - xx) Schedule of Contingent Liability (Annexure – XXV)
  - xxi) Summary of Accounting Ratios (Annexure – XXVI)
  - xxii) Statement of Tax Shelter (Annexure – XXVII)
4. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXVII read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (ICAI).





Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

5. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.
6. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
7. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For and on behalf of  
**A. S. Bedmutha & Co.**  
Chartered Accountants  
Firm's Registration No. 101067W

**CA Smruti Dungarwal**  
Partner  
Membership No.144801  
Place : Nashik  
Date : July 15, 2019



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

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's fund</b>			
a) Equity Share Capital	543.12	543.12	6.83
b) Reserves and surplus	686.68	612.59	700.43
<b>Total Shareholders Fund</b>	<b>1,229.80</b>	<b>1,155.71</b>	<b>707.26</b>
<b>Share Application Money Pending Allotment</b>	-	-	-
<b>Non-current liabilities</b>			
a) Long Term Borrowings	-	-	-
b) Deferred tax- liabilities	25.66	16.84	6.58
c) Other Long Term Liabilities	10.00	-	-
d) Long Term Provisions	-	-	-
<b>Total</b>	<b>35.66</b>	<b>16.84</b>	<b>6.58</b>
<b>Current liabilities</b>			
a) Short-term borrowings	-	-	-
b) Trade payables	3.16	9.10	-
c) Other Current Liabilities	17.43	20.17	75.24
c) Short-term provisions	4.74	15.19	3.82
<b>Total</b>	<b>25.33</b>	<b>44.47</b>	<b>79.06</b>
<b>TOTAL</b>	<b>1,290.78</b>	<b>1,217.02</b>	<b>792.90</b>
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
a) Tangible Fixed Assets			
i.) Gross Block	607.22	494.83	473.13
Less: Accumulated Depreciation	30.65	10.74	2.54
<b>Net Block</b>	<b>576.56</b>	<b>484.09</b>	<b>470.59</b>
b) Non- Current Investments	563.50	563.50	-
c) Long term Loans & Advances	-	-	-
d) Deferred Tax Assets	-	-	-
<b>Total</b>	<b>1,140.06</b>	<b>1,047.59</b>	<b>470.59</b>
<b>Current Assets</b>			
b) Current Investment	-	-	45.00
b) Trade Receivables	5.08	45.35	47.25
c) Cash and Cash equivalents	93.08	8.56	30.29
d) Short-term loans and advances	2.00	4.56	-
e) Other Current Assets	50.56	110.96	199.47
<b>Total</b>	<b>150.72</b>	<b>169.43</b>	<b>322.31</b>
<b>TOTAL</b>	<b>1,290.78</b>	<b>1,217.02</b>	<b>792.90</b>



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

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>INCOME:</b>			
Revenue from Operations	162.10	149.54	51.84
Other Income	34.48	10.86	-
<b>Total income</b>	<b>196.58</b>	<b>160.40</b>	<b>51.84</b>
<b>EXPENSES:</b>			
Direct Expenses	-	-	-
Employee Benefits Expenses	22.70	11.95	0.69
Finance Costs	-	-	0.01
Depreciation and Amortization Expense	19.92	8.20	2.54
Other Expenses	53.53	25.12	3.37
<b>Total expenses</b>	<b>96.14</b>	<b>45.28</b>	<b>6.60</b>
<b>Net Profit / (Loss) before exceptional items and tax</b>	<b>100.44</b>	<b>115.12</b>	<b>45.24</b>
Exceptional items		-	-
<b>Net Profit / (Loss) before tax</b>	<b>100.44</b>	<b>115.12</b>	<b>45.24</b>
<b>Less: Tax expense</b>			
Current tax	17.53	19.38	6.93
Deferred tax (asset)/liability	8.82	10.26	6.58
<b>Total Tax Expense</b>	<b>26.35</b>	<b>29.64</b>	<b>13.51</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>74.09</b>	<b>85.48</b>	<b>31.73</b>



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

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Cash Flow From Operating Activities</b>			
<b>Net Profit Before Tax</b>	<b>100.44</b>	<b>115.12</b>	<b>45.24</b>
Adjustments for :			
Depreciation/Amortisation	19.92	8.20	2.54
Interest & Finance Cost	-	-	0.01
Interest Received	(6.55)	(10.83)	-
Leave and License Fees	(11.67)	-	-
Other Income	(16.22)	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>85.92</b>	<b>112.50</b>	<b>47.79</b>
Adjusted for (Increase)/ Decrease:			
(Increase) / Decrease in Trade Receivables	40.27	1.90	(47.25)
Increase / (Decrease) in Short-Term Loans and Advances	2.56	(4.56)	-
(Increase) / Decrease in Other Current Assets	60.40	88.81	(199.77)
Increase / (Decrease) in Trade Payables	(5.94)	9.10	(0.10)
Increase / (Decrease) in Other Current Liabilities	13.47	(55.06)	75.23
Increase / (Decrease) in Short-Term Provisions	(10.45)	11.37	3.82
<b>Cash Generated From Operations Before Exceptional Items</b>	<b>186.23</b>	<b>164.05</b>	<b>(120.27)</b>
Add:- Exceptional Items	-	-	-
<b>Cash Generated From Operations</b>	<b>186.23</b>	<b>164.05</b>	<b>(120.27)</b>
Less: Direct Tax paid	17.53	19.38	6.93
<b>Net Cash flow from/(used in) Operating Activities (A)</b>	<b>168.70</b>	<b>144.67</b>	<b>(127.21)</b>
<b>Cash Flow From Investing Activities</b>			
(Increase) / Decrease in Fixed Assets	(112.39)	(21.70)	(473.13)
Leave and License Fees Received	11.67	10.83	-
Interest Received	6.55	-	-
Securities Deposit Received	10.00	-	-
(Increase) / Decrease in Non-current Investment	-	(563.50)	-
(Increase) / Decrease in Current Investment	-	45.00	(45.00)
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(84.17)</b>	<b>(529.37)</b>	<b>(518.13)</b>
<b>Cash Flow From Financing Activities</b>			
Proceeds from Share Allotment	-	362.97	674.51
Interest & Financial Charges paid	-	-	(0.01)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>-</b>	<b>362.97</b>	<b>674.50</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C )</b>	<b>84.52</b>	<b>(21.73)</b>	<b>29.16</b>
Cash & Cash equivalent at the beginning of the year	<b>8.56</b>	<b>30.29</b>	<b>1.13</b>
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>93.08</b>	<b>8.56</b>	<b>30.29</b>



## Annexure IV

### SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles applicable in India under the historical cost convention on the accrual basis. GAAP comprises of mandatory accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013.

Accounting policies have been consistently applied except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard. The management evaluates all recently issued or revised accounting standards on an ongoing basis. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

**The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis. Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of change in value in the purchasing power of money.**

#### B. USE OF ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expense for the year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates will be recognised prospectively in the current and future periods.

#### C. PRIOR PERIOD ITEM

Expenses relating to earlier period are debited to profit and loss account, if any. As per information and explanation and records kept by the company, the amount of such expenses and incomes are not fully quantifiable.

#### D. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### E. FIXED ASSETS

##### Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.



## **F. DEPRECIATION, AMORTISATION AND DEPLETION**

### **Tangible Assets**

Depreciation on Fixed Assets is provided as per the Straight Line Method (SLM) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

In respect of additions or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided as aforesaid over the residual life of the respective assets.

## **G. IMPAIRMENT**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## **H. INVESTMENTS**

Current investments are carried at lower of cost and quoted / fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.

## **I. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and it is reasonable to expect ultimate collection. The following specific recognition criteria must also be met before revenue is recognized:

### **Sale of services:**

Revenue is measured at the fair value of the consideration received or receivable with respect to the degree of completion of each Service.

### **Interest:**

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the statement of profit and loss.

### **Dividend:**

Dividend income is accounted as and when right to receive dividend is established.

## **J. TAXATION**

### **1. Income Tax Provisions:**

Income Tax provision comprises current tax as per the Income Tax Act, 1961.

### **2. Deferred tax:**

Deferred tax resulting from timing difference between book profit and tax profit is accounted for on the concept of prudence, at prevailing or substantially enacted rate of tax to the extent timing differences are expected to crystallise in case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with reasonable certainty that there would be adequate future taxable income against which deferred tax assets can be realised.

In case, Minimum Alternate Tax is higher than Tax as per Normal Provisions, Tax is recognized as Asset on Mercantile basis and MAT Credit is recognized only when future economic benefit arises in the form of the adjustment of the Income-Tax Liability.



## K. PROVISIONS AND CONTINGENT LIABILITIES

All known liabilities till finalization of accounts are provided for except as disclosed in notes to accounts are contingent liability. The company has recognized necessary provisions when there are present obligations that arise out of past events prior to the Balance Sheet date entailing future outflow of economic resources and a reliable estimate can be made of the amount of the obligation. Such provisions reflect best estimates based on available information.

However, a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## L. EARNINGS PER SHARE

Earnings per share is calculated by dividing the net profit or loss after tax and prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

## M. BORROWING COST

Borrowing costs directly attributable to acquisition, construction or production of qualifying assets till the month in which the asset is ready to use, are capitalized. Other borrowing costs are recognized as expenses in the period in which these are incurred.

## P. SEGMENT REPORTING

The Company is doing business in one segment only i.e. Financial Services and therefore Segment Reporting is not applicable to the Company. The Company has business setup only in India and it caters the needs of the Indian Market, separate geographical segmental information is not required to be given.

## Q. LEASES

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognized in the statement of Profit and Loss on a straight-line basis.

### Annexure V

#### NOTES TO ACCOUNTS

##### 1. Managerial Remuneration

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Whole Time Directors Remuneration</b>			
Salaries and Allowances	3.16	7.80	0.69
Other Fees	-	-	-
Sitting Fees (Mention in Other Expenses)	-	-	-
Non Whole Time Directors Remuneration	-	-	-
Sitting Fees	-	-	-
<b>Total</b>	<b>3.16</b>	<b>7.80</b>	<b>0.69</b>

##### 2. Remuneration to Statutory Auditors:

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Statutory Audit Fees	0.14	0.10	0.10
Tax Audit Fees	-	-	-
<b>Total</b>	<b>0.14</b>	<b>0.10</b>	<b>0.10</b>



3. The Company has not received any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year-end together with interest payable as required under the said Act have not been furnished.
4. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
5. **Information regarding Foreign Exchange earnings and expenditure:**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2017
Earning in Foreign Exchange	-	-	-
Expenditure in Foreign Exchange	-	-	-

#### ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

##### Restatement done in Profit and Loss account that affect the Net Profit after Tax

##### Restatement done in Statement of Profit & loss - Expenses

##### F.Y. 2016-17, 2017-18 and 2018-19

During the financial year 2018-19, the method of depreciation on fixed assets has been changed to Straight Line Method from Written Down Value Method. The effect of same is restated in the financials by adjusting the Depreciation amount.

##### A. Depreciation

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Amount as per Audited Financial Statements	19.42	3.52	7.71
Add: Change in depreciation	0.49	4.69	5.18
Amount as per Restated Financials	19.92	8.20	2.54

##### Adjustments not having impact on profit

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

##### Restatements done in Balance Sheet - Liabilities

##### F.Y. 2016-17

The company had incorrectly provided for Deferred Tax Asset instead of Deferred Tax Liabilities in the audited financials, the same has now been rectified for in the restated financials.

##### C. Deferred Tax Liabilities

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Amount as per Audited Financial Statements	15.38	6.44	(5.03)
Add: Deferred Tax Liability recognised due to change in depreciation	10.28	10.41	11.61
Amount as per Restated Financials	25.66	16.84	6.58



**F.Y. 2016-17, F.Y. 2017-18 and F.Y. 2018-19**

Income tax provision is revised due to change in depreciation in the restated financial statements.

**D. Income Tax Provision***(₹ in Lakhs)*

Particulars	For the year ended March 31,		
	2019	2018	2017
Amount as per Audited Financial Statements	2.69	8.40	2.03
Add: Change in Tax Provision Due to Change in Depreciation	(0.07)	0.03	(1.69)
Amount as per Restated Financials	2.62	8.44	3.72

**Restatements done in Balance Sheet – Assets****F.Y. 2016-17, 2017-18 and 2018-19**

During the financial year 2018-19, the method of depreciation on fixed assets has been changed to Straight Line Method from Written Down Value Method. The effect of same is restated in the financials by adjusting the carrying amount of the Fixed Assets.

**C. Fixed Asset***(₹ in Lakhs)*

Particulars	For the year ended March 31,		
	2019	2018	2017
Amount as per Audited Financial Statements	576.56	483.60	473.57
Add: Change in Carrying Amount Due to Change in Depreciation		0.49	2.98
Amount as per Restated Financials	576.56	484.09	470.59

**F.Y. 2016-17, F.Y. 2017-18 and F.Y. 2018-19**

During the financial year 2016-17, MAT was not recognized which is recorded in the restated financials. Also, changes due to change in income tax provision giving rise change in MAT is adjusted in the respective years.

**D. MAT Credit***(₹ in Lakhs)*

Particulars	For the year ended March 31,		
	2019	2018	2017
Amount as per Audited Financial Statements	8.95	5.70	-
Add: Change in MAT Amount Due to Change in Book Profit	(0.03)	0.08	1.69
Amount as per Restated Financials	8.92	5.78	1.69



**Annexure VI**  
**STATEMENT OF SHARE CAPITAL, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Authorised Share Capital:</b>			
Equity Shares of ₹ 10 each	800.00	800.00	10.00
<b>Total</b>	<b>800.00</b>	<b>800.00</b>	<b>10.00</b>
<b>Issued Subscribed and Paid Up Capital:</b>			
Equity Shares of ₹ 10 each	543.12	543.12	6.83
<b>Total</b>	<b>543.12</b>	<b>543.12</b>	<b>6.83</b>

**Reconciliation of number of shares outstanding:**

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Equity Shares</b>			
At the beginning of the period	54,31,205	68,274	10,000
Addition during the period	-	53,62,931	58,274
Outstanding at the end of the period	<b>54,31,205</b>	<b>54,31,205</b>	<b>68,274</b>

**Details of Shareholders holding more than 5% Shares**

Name	As at March 31, 2019		As at March 31, 2018		As at March 31, 2017	
	Number of shares held	%	Number of shares held	%	Number of shares held	%
Vipul Lathi	54,30,605	99.99	53,61,785	98.72	47,463	69.52
Prakash Constrowell Limited	-	-	-	-	9,558	14.00
Damani Multitrade Private Limited	-	-	-	-	6,828	10.00

**Annexure VII**  
**STATEMENT OF RESERVES AND SURPLUS**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>General Reserve</b>			
<b>Balance as at the beginning of the year</b>	117.23	31.75	0.02
Add / (Less): Changes during the year			
Add: Profit After Tax	74.09	85.48	31.73
<b>Balance as at the end of the year (A)</b>	<b>191.32</b>	<b>117.23</b>	<b>31.75</b>
<b>Securities Premium</b>			
<b>Balance as at the beginning of the year</b>	495.36	668.68	-
Add: Securities Premium collected during the year	-	361.44	668.68
Less: Utilized for Bonus Issue	-	534.76	-
<b>Balance as at the end of the year (B)</b>	<b>495.36</b>	<b>495.36</b>	<b>668.68</b>
<b>Total (A+B)</b>	<b>686.68</b>	<b>612.59</b>	<b>700.43</b>



**Annexure VIII**  
**STATEMENT OF DEFERRED TAX LIABILITIES, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Opening Balance</b>	16.84	6.58	(5.03)
Add: Deferred Tax Liabilities arising on account of temporary differences	8.82	10.26	11.61
<b>Closing Balance</b>	25.66	16.84	6.58

**Annexure IX**  
**STATEMENT OF TRADE PAYABLES, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Dues to Micro, Small and Medium Enterprises	-	-	-
Others	3.16	9.10	-
<b>Total</b>	<b>3.16</b>	<b>9.10</b>	-

**Note:**

- Trade payables include ₹ NIL due to Micro, Small and Medium Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
- The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. As the Company has not received any intimation from its suppliers as on date regarding their status under the above said Act and hence disclosures if any relating to amounts unpaid as at year end together with the interest paid /payable as required under the said Act have not been given.

**Annexure X**  
**STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Statutory Dues Payables:</b>			
Goods and Services Tax	2.99	8.25	-
Service Tax	-	0.02	0.25
TDS	1.11	1.89	0.31
Other Payables	4.91	10.03	74.68
Advance Received from Customers	8.43	-	-
<b>Total</b>	<b>17.43</b>	<b>20.17</b>	<b>75.24</b>

**Annexure XI**  
**STATEMENT OF OTHER NON-CURRENT LIABILITIES, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Security Deposit Received	10.00	-	-
<b>Total</b>	<b>10.00</b>	-	-



**Annexure XII**  
**STATEMENT OF SHORT-TERM PROVISIONS, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Provision for Income Tax (Net)</b>	<b>2.62</b>	<b>8.44</b>	<b>3.72</b>
<b>Provision for Employee Benefits</b>			
Salaries and Wages	1.98	0.98	-
Directors Remuneration	-	5.68	-
<b>Audit Fees</b>	<b>0.14</b>	<b>0.10</b>	<b>0.10</b>
<b>Total</b>	<b>4.74</b>	<b>15.19</b>	<b>3.82</b>

**Annexure XIII**  
**STATEMENT OF FIXED ASSETS, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Buildings:</b>			
Opening Balance	489.82	468.12	-
Add: Addition during the year	108.66	21.70	468.12
Less: Reduction during the year	-	-	-
Less: Accumulated Depreciation	9.84	2.23	-
Less: Depreciation during the year	18.95	7.61	2.23
<b>Closing Balance</b>	<b>569.69</b>	<b>479.98</b>	<b>465.89</b>
<b>Furniture &amp; Fittings:</b>			
Opening Balance	-	-	-
Add: Addition during the year	2.73	-	-
Add: Reduction during the year	-	-	-
Less: Accumulated Depreciation	-	-	-
Less: Depreciation during the year	0.26	-	-
<b>Closing Balance</b>	<b>2.47</b>	<b>-</b>	<b>-</b>
<b>Computer:</b>			
Opening Balance	-	-	-
Add: Addition during the year	1.00	-	-
Add: Reduction during the year	-	-	-
Less: Accumulated Depreciation	-	-	-
Less: Depreciation during the year	0.12	-	-
<b>Closing Balance</b>	<b>0.88</b>	<b>-</b>	<b>-</b>
<b>Vehicles</b>			
Opening Balance	<b>5.01</b>	<b>5.01</b>	-
Add: Addition during the year	-	-	5.01
Add: Reduction during the year	-	-	-
Less: Accumulated Depreciation	0.90	0.30	-
Less: Depreciation during the year	0.59	0.59	0.30
<b>Closing Balance</b>	<b>3.52</b>	<b>4.11</b>	<b>4.70</b>
<b>Tangible Gross Block</b>	<b>607.22</b>	<b>494.83</b>	<b>473.13</b>
<b>Total Accumulated Depreciation</b>	<b>30.65</b>	<b>10.74</b>	<b>2.54</b>
<b>Net Block</b>	<b>576.56</b>	<b>484.09</b>	<b>470.59</b>



**Annexure XIV**  
**STATEMENT OF NON-CURRENT INVESTMENTS, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Investments (At Cost)			
<b>Investment in Equity instruments (Non Trade)</b>			
Seven Hills Beverages Limited– 37,21,500 shares of Rs. 10/- each fully paid up	363.50	363.50	
Instant Finserve Private Limited– 20,00,000 shares of Rs. 10/- each fully paid up	200.00	200.00	-
<b>Total</b>	<b>563.50</b>	<b>563.50</b>	<b>-</b>

**Annexure XV**  
**STATEMENT OF CURRENT INVESTMENTS, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Investment in Equity instruments</b>			
Seven Hills Beverages Limited	-	-	45.00

**Annexure XVI**  
**STATEMENT OF TRADE RECEIVABLES, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Unsecured, considered good</b>			
Less than six months	5.08	45.35	47.25
<b>Total</b>	<b>5.08</b>	<b>45.35</b>	<b>47.25</b>

**Annexure XVII**  
**STATEMENT OF CASH AND CASH EQUIVALENTS, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Cash in hand	1.27	3.21	0.15
Balance with Banks			
- In Current Accounts	20.41	5.35	30.14
- Fixed Deposit	71.39	-	-
<b>Total</b>	<b>93.08</b>	<b>8.56</b>	<b>30.29</b>

**Annexure XVIII**  
**STATEMENT OF SHORT-TERM LOANS AND ADVANCES, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Unsecured, considered good			
(a) Loans & Advances to Employees			
Advance against salary to Related Party	2.00	1.06	-
Advance against salary to Staff	-	3.50	-
<b>Total</b>	<b>2.00</b>	<b>4.56</b>	<b>-</b>



**Annexure XIX**  
**STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Balance with Government Authorities</b>			
(i) Income Tax Refund	-	1.07	-
(ii) MAT Credit	8.92	5.78	1.69
(iii) Service Tax Receivable	-	-	10.88
Prepaid Expenses - SEBI License Fees	13.33	-	-
Advance From Suppliers	0.32	-	-
Deposits			
- NSDL Deposit	0.45	-	-
- Refundable Deposits to Related Parties	27.53	104.11	187.20
<b>Total</b>	<b>50.56</b>	<b>110.96</b>	<b>199.47</b>

**Annexure XX**  
**STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Income from Professional Fees	162.10	149.54	51.84
<b>Total</b>	<b>162.10</b>	<b>149.54</b>	<b>51.84</b>

**Annexure XXI**  
**STATEMENT OF OTHER INCOME, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Recurring in nature:</b>			
Interest Income	6.55	10.83	-
Leave and License Fees	11.67	-	-
<b>Non-recurring in nature:</b>			
Sundry Creditors written off	16.22	0.03	-
Commission Income	0.04	-	-
<b>Total</b>	<b>34.48</b>	<b>10.86</b>	<b>-</b>

**Annexure XXII**  
**STATEMENT OF EXPENSES, AS RESTATED**

**Employee Benefit Expenses:**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Salary and Allowances	19.54	4.15	-
Director's Remuneration	3.16	7.80	0.69
<b>Total</b>	<b>22.70</b>	<b>11.95</b>	<b>0.69</b>



**Finance Cost:**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Bank Charges	-	-	0.01
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.01</b>

**Annexure XXIII**

**STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED**

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

(i) Key Managerial Personnel

For the year ended March 31,		
2019	2018	2017
Vipul Lathi	Vipul Lathi	Suyash Chhajed
Suyash Chhajed	Suyash Chhajed	Sandeep Palwe
Krishna Rathi	Krishna Jhawar	
Nilam Ghundiyaal	Sandeep Palwe	
Vishal Sancheti	Vishal Sancheti	
Harshika Thakkar	Rohit Kasat	
Sandeep Palwe		

(ii) Relatives of KMPs

For the year ended March 31,		
2019	2018	2017
Charushila Lathi	Charushila Lathi	Vipul Lathi
Parushana Chhajed	Parushana Chhajed	Nayan Palwe
Nayan Palwe	Nayan Palwe	Balasaheb Palwe
Balasaheb Palwe	Balasaheb Palwe	Jayshree Palwe
Jayshree Palwe	Jayshree Palwe	

(iii) Associates / Enterprises over which directors and / or their relatives has significant influence

For the year ended March 31,		
2019	2018	2017
Instant Finserve Private Limited	Instant Finserve Private Limited	Seven Hills Beverages Limited
Seven Hills Beverages Limited	Seven Hills Beverages Limited	Palwe Pest Control Pvt. Ltd.
Palwe Pest Control Pvt. Ltd.	Palwe Pest Control Pvt. Ltd.	

(iv) Particulars of Transactions with Related Parties

**Key Management Personnel**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Mr. Vipul Lathi</b>			
<b>1. Finance - Advance Given</b>			
Opening Outstanding	49.93	82.20	
Deposits against Immovable Property	-	-	82.20
Repayment of Deposits	49.93	32.27	-
Closing Balance	-	49.93	82.20



Particulars	For the year ended March 31,		
	2019	2018	2017
<b>2.Salary</b>	2.10	-	-
<b>3.Advance Against Salary</b>	2.00	-	-
<b>Mr. Krishna Jhavar</b>	-	-	-
<b>1.Salary</b>	1.06	1.80	-
<b>2.Advance Against Salary</b>	-	1.06	-
<b>Mr. Vishal Sancheti</b>	-	-	-
Salary	3.18	-	-
<b>Miss Harshika Thakkar</b>	-	-	-
Salary	2.64	-	-
<b>Mr. Suyash Chhajed</b>	-	-	-
Salary	-	6.00	-
<b>Mr. Rohit Kasat</b>	-	-	-
Salary	-	1.45	-
<b>Mr. Sandeep Plawe</b>	-	-	-
Salary	-	-	0.69
<b>Purchase of Shares of Seven Hills</b>	-	-	-
Sandeep Palwe (11,69,050 Shares)	-	114.19	-

#### Relatives of Key Management Personnel

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Mrs Charushila Lathi</b>	-	-	-
<b>1. Finance - Advance Given</b>	-	-	-
Opening Outstanding	50.00	49.50	-
Deposits against Immovable Property	-	0.50	49.50
Repayment of Deposits	22.47	-	-
Closing Balance	27.53	50.00	49.50
<b>2. Sale of Shares of Seven Hills</b>	-	45.00	-
<b>3. Purchase of Shares of Seven Hills</b>	-	-	-
Charushila Lathi ( 18,34,410 Shares)	-	179.18	-
<b>Mrs. Parushana Chhajed</b>	-	-	-
Professional Fees	-	10.00	-
<b>Purchase of Shares of Seven Hills</b>	-	-	-
Nayan Palwe (7,16,240 Shares)	-	69.96	-
Balasaheb Palwe (900 Shares)	-	0.09	-
Jayshree Palwe (900 Shares)	-	0.09	-





**Associates / Enterprises over which directors and / or their relatives has significant influence**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
<b>Instant Finserve Private Limited</b>			
<b>1. Finance - Advance Given</b>			
Opening Outstandings	4.17	-	-
Advance Given	-	4.17	-
Repayment of Advance	4.17	-	-
Closing Outstanding	-	4.17	-
<b>2. Investments In Shares</b>			
Closing Balances			
Instant Finserve Private Limited	200.00	200.00	-
Seven Hills Beverages Limited	363.50	363.50	45.00

**Annexure XXIV**

**STATEMENT OF CAPITALIZATION**

(₹ in Lakhs)

Particular	Pre Issue (as at March 31, 2019)	Post Issue
<b>Debt</b>		
Long Term Debt	-	-
Short Term Debt	-	-
<b>Total Debts (A)</b>	-	-
<b>Equity (Shareholder's funds)</b>		
Equity share capital	543.12	[●]
Reserve and Surplus	686.68	[●]
<b>Total Equity (B)</b>	<b>1,229.80</b>	[●]
<b>Long Term Debt / Equity Shareholder's funds</b>	-	-
<b>Total Debts / Equity Shareholder's funds</b>	-	-

**Note:**

1. The above has been computed on the basis of Restated Financials of the Company.

**Annexure XXV**

**STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
NIL	-	-	-

**Annexure XXVI**

**STATEMENT OF ACCOUNTING RATIOS, AS RESTATED**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Restated PAT as per P & L Account	74.09	85.48	31.73
Actual Number of Equity Shares outstanding at the end of the year	54,31,205	54,31,205	68,274
Weighted Avg number of Equity Shares at the end of the year	54,31,205	54,17,196	53,86,320
Share Capital	543.12	541.72	6.83
Reserves & Surplus	686.68	612.59	700.43
Net Worth	1,229.80	1,155.71	707.26



Particulars	For the year ended March 31,		
	2019	2018	2017
Earnings Per Share (Basic & Diluted )	1.36	1.58	0.59
Return on Net Worth (%)	6.02%	7.40%	4.49%
Net Asset Value Per Share (₹)	22.64	21.28	1035.18
Nominal Value per Equity share (₹)	10.00	10.00	10.00

*Notes on Accounting Ratios:*

1. Earnings Per Share (₹) = (Restated PAT as per P & L Account/ Weighted Average Number of Equity Shares at the end of the Year).
2. Return on Net Worth (%) = Restated PAT as per P & L Account/ Net Worth - Restated \* 100.
3. Net Asset Value Per Share (₹) = Net Worth- Restated/ Number of Equity Shares at the end of the Year.

**Annexure XXVII  
STATEMENT OF TAX SHELTER**

(₹ in Lakhs)

Particulars	For the year ended March 31,		
	2019	2018	2017
Normal Corporate tax rates (%)	26.00%	25.75%	29.87%
Minimum alternative tax rates	19.24%	19.24%	19.24%
<b>Profit before tax as per Restated P/L (A)</b>	<b>100.44</b>	<b>115.12</b>	<b>45.24</b>
<b>Tax Adjustment</b>			
<b>Permanent Difference</b>			
Disallowance as per section 40	0.90	-	-
Disallowance as per section 43B	-	-	-
<b>Total Permanent Difference (B)</b>	<b>0.90</b>	<b>-</b>	<b>-</b>
<b>Timing Difference</b>			
Book Depreciation	19.92	8.20	2.54
Income Tax Depreciation allowance	53.82	48.05	24.56
Amounts previously disallowed u/s 43B now allowed		-	-
<b>Total Timing Difference (C)</b>	<b>33.90</b>	<b>39.85</b>	<b>22.03</b>
<b>Total Adjustment (D) = (B-C)</b>	<b>(33.00)</b>	<b>(39.85)</b>	<b>(22.03)</b>
<b>Taxable Income / (Loss) E = (A+/-D)</b>	<b>67.44</b>	<b>75.27</b>	<b>23.21</b>
Tax as per normal provisions	17.53	19.38	6.93
Less: Accumulated Business Loss and Unabsorbed depreciation		-	-
<b>Tax as per normal provisions (F)</b>	<b>17.53</b>	<b>19.38</b>	<b>6.93</b>
<b>Taxable income as per MAT</b>	<b>100.44</b>	<b>115.12</b>	<b>45.24</b>
<b>MAT tax rate</b>	<b>20.58%</b>	<b>20.39%</b>	<b>19.06%</b>
<b>Tax under MAT (G)</b>	<b>20.67</b>	<b>23.47</b>	<b>8.62</b>
<b>Tax payable for the year maximum of (F) or (G)</b>	<b>20.67</b>	<b>23.47</b>	<b>8.62</b>
<b>Tax paid as per normal or MAT</b>	<b>MAT</b>	<b>MAT</b>	<b>MAT</b>

**Notes:**

2. The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account.

**CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

There has been a change in the Accounting Policy in the FY 2017-18 whereby depreciation method has been changed from Written Down Value (WDV) Method to Straight Line Method (SLM). There are no changes in the Accounting Policies except the above mentioned in the last three (3) years.

**CHANGES IN ACCOUNTING PERIOD**

There has been no change in the accounting period of the Company.



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### OVERVIEW

We are a diversified financial services company in India, carrying out the business of management of fund raising activities, investment advisory, underwriting of issues, manager, consultant or adviser to any issue including corporate advisory services and as consultant or adviser. We are registered as SEBI Category-I Merchant Banker having Registration Code INM000012519. Our motto is to achieve excellence across a range of financial services like: Advisory in IPO, Merger & Acquisitions, Debt Syndications, Takeovers, Valuations, Strategic & General Corporate Advice and Business Modeling, etc. We are primarily focused on providing such services to small and mid-sized enterprises (SMEs). Our Registered Office and Head Office situated at Nasik, we also provide services from our branch offices situated in Jalgaon, Jaipur and Mumbai.

Our Company was originally incorporated as "Amigos Trading and Commerce Private Limited" on June 15, 2015 under the provisions of Companies Act, 2013. Pursuant to a Special Resolution of our Shareholders passed at Extra-Ordinary General Meeting dated December 30, 2016, our Company's main object was altered and consequently CIN was changed to U74110MH2015PTC265578. Subsequently, a fresh certificate of incorporation consequent upon change of name of our Company to "Galactico Corporate Services Private Limited" dated April 04, 2017 was issued by ROC, Mumbai. Further, pursuant to conversion of our Company to a Public Limited Company, a fresh certificate of incorporation was issued by ROC, Mumbai on November 06, 2018 for "Galactico Corporate Services Limited" bearing CIN U74110MH2015PLC265578.

Currently in our Company, we have a team of competent individuals and qualified professionals having relevant industry experience. We aim to set up an extensive employee platform to accomplish our vision: "To be the most preferred financial services company trusted by customers for providing customized and structured solutions with innovation and integrity". To achieve this vision, the optimum combination of knowledge and experience of our management team and dedication of our employees, shall enable us to continue to take advantage of both current and future market opportunities, thus expanding our business horizons.

Our Company as on the date of Draft Prospectus has two wholly owned subsidiaries – namely- Seven Hills Beverages Limited ("Seven Hills") and Instant Finserve Private Limited ("Instant Finserve") and we also have one indirect subsidiary Palwe Pest Control Private Limited ("Palwe Pest Control") which is a subsidiary of Seven Hills Beverages Limited. Seven Hills is presently engaged in the business of manufacturing of packaged drinking water. Instant Finserve is presently engaged in financial consultancy and debt finance related businesses. Palwe Pest Control is engaged in the business of providing pest control related products and services.

Our Company is managed by our Promoter Director Mr. Vipul Lathi, a Chartered Accountant by profession, having vast experience in financial services and infrastructure financing. For further details, see "Our Promoter and Promoter Group" and "Our Management" on page nos. 115 and 104, respectively of this Draft Prospectus.

Our Company's objective is to meet the need of professional advice and consultancy primarily to SMEs and Startups looking to access growth capital and expand their business horizons. The Investment Banking arm helps small and mid-size enterprises raise equity and structured debt (domestic as well as foreign) funding. Our team at Galactico aims to provide solutions to our clients with a vision to maximize their growth by placing the highest importance on quality, professionalism, integrity and confidentiality with management team of the highest caliber.



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## **COMPETITION:**

In particular, we compete with other Financial advisory and Investment companies, both in India and abroad; and other Merchant Banks and public and private sector funds operating in the markets in which we are present. In recent years, large international banks have also entered these markets. Our client mix consists of both small and medium size businesses, which are based upon a local or regional relationship with our presence in each market, and large national/multinational client relationships. We compete with a large number of registered merchant bankers like Keynote Corporate Services Limited and Navigant Corporate Advisors Limited

We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. In addition, it is possible that certain large financial services groups may decide to begin offering services that we currently provide and new players might enter the market, thereby further intensifying the competition. Our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

### **Significant Developments after March 31, 2019 that may affect our Future Results of Operations**

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

### ***Significant Factors Affecting Our Results of Operations***

Our business is subject to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page no. 24 of this Draft Prospectus.

Among various other factors that affect our financial results and operations for a given financial year, some key factors are as follows:

- Changes in laws and regulations that apply to the industry;
- Increasing competition in the industry;
- Company’s inability to successfully implement its growth and expansion plans;
- General economic and business conditions.

### ***Overview of our Results of Operations***

As a result of the various factors discussed above that affect our income and expenditure, our results of operations may vary from period to period. The following table sets forth certain information with respect to our results of operations for the Fiscals 2019, 2018 and 2017 as derived from our restated financial statements:



## RESULTS OF OUR CONSOLIDATED OPERATIONS

(₹ in Lakhs)

Particulars	For the year ended March 31,			
	2019	% of Total Income	2018	% of Total Income
<b>REVENUE:</b>				
Revenue from Operations	1,855.61	96.68%	1,636.74	98.96%
Other Income	63.73	3.32%	17.20	1.04%
<b>Total income</b>	<b>1,919.34</b>	<b>100.00%</b>	<b>1,653.94</b>	<b>100.00%</b>
<b>EXPENSES:</b>				
Cost of Materials Consumed	989.34	51.55%	802.98	48.55%
Direct Expenses	76.23	3.97%	72.69	4.40%
Changes in Inventories	17.69	0.92%	26.83	1.62%
Employee Benefit Expenses	340.83	17.76%	309.55	18.72%
Finance Costs	54.22	2.83%	50.44	3.05%
Depreciation and Amortisation Expense	97.86	5.10%	79.34	4.80%
Other Expenses	140.51	7.32%	119.77	7.24%
<b>Total expenses</b>	<b>1,716.67</b>	<b>89.44%</b>	<b>1,461.61</b>	<b>88.37%</b>
<b>Net Profit / (Loss) before tax</b>	<b>202.67</b>	<b>10.56%</b>	<b>192.33</b>	<b>11.63%</b>
<b>Less: Tax expense</b>				
(i) Current tax	32.03	1.67%	29.78	1.80%
(ii) Deferred tax	28.82	1.50%	27.42	1.66%
<b>Total Tax Expense</b>	<b>60.85</b>	<b>3.17%</b>	<b>57.20</b>	<b>3.46%</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>141.82</b>	<b>7.39%</b>	<b>135.13</b>	<b>8.17%</b>

### *Main Components of our Profit and Loss Account*

#### **Income**

Our total income comprises of revenue from operations and other income.

#### *Revenue from Operations*

Our revenue from operations as a percentage of total income was 96.68% and 98.96% for fiscal year 2019 and 2018 respectively.

#### *Other Income*

Our other income includes mainly Interest income, other income, leave license fees and commission. Other income as a percentage of total income was 3.32% and 1.04% for fiscal year 2019 and 2018 respectively.

#### **Expenditure**

Our total expenditure primarily of Purchases & direct expenses, changes in inventories, Employee Benefit Expenses, Finance cost, Depreciation & Amortisation Expenses and Other Expenses.

#### *Purchases & Direct Expenses*

Costs of Purchases are primarily in relation to purchases of raw materials, packing materials and other materials for the manufacturing of various products and Direct Expenses including water, electricity, transport, lab expenses etc.

#### *Employee Benefit Expenses*

Expenses in relation to employee's remuneration and benefits include included salary, bonus, staff welfare expenses, statutory contributions etc.



### *Financial Cost*

Financial cost primarily consists of bank charges and interest paid to banks.

### *Depreciation and Amortization Expenses*

Depreciation and Amortization expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes buildings, plant and machinery, Motor Vehicles, Furniture and fixtures, Computers and softwares.

### *Other Expenses*

Other expenses primarily include Office expenses, Interest on taxes, Legal and professional expenses, Promotional expenses, ROC Expenses, SEBI license fees, office rent, other expenses etc.

### *Provision for Tax*

Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

## **Fiscal 2019 compared with fiscal 2018**

### *Income*

In fiscal 2019, our revenue from operations increased by ₹ 218.87 lakhs or 13.37%, from ₹ 1636.74 lakhs in fiscal 2018 to ₹ 1855.61 lakhs in fiscal 2019. The increase represents the steady growth of the professional services provided and increase in revenue operations.

Other income increased by ₹ 46.53 lakhs or 270.52%, from ₹ 17.2 lakhs in fiscal 2018 to ₹ 63.73 lakhs in fiscal 2019. The major factor for such increase was due to Interest income, other income, leave license fees and commission

### *Purchases & Direct Expenses*

Our cost of materials increased by ₹ 186.36 lakhs or 23.21%, from ₹ 802.98 lakhs in fiscal 2018 to ₹ 989.34 lakhs in fiscal 2019. The above increase was majorly due to increase in our scale of operations.

Our direct expenses increased by ₹ 3.54 lakhs or 4.87%, from ₹ 72.69 lakhs in fiscal 2018 to ₹ 76.23 lakhs in fiscal 2019.

### *Employee Benefit Expenses*

Our staff cost increased by ₹ 31.27 lakhs or 10.10%, from ₹ 309.55 lakhs in fiscal 2018 to ₹ 340.83 lakhs in fiscal 2019. This increase was mainly due to Expenses salary, allowances and directors remuneration

### *Depreciation and Amortization Expenses*

Depreciation and Amortisation expenses increased by ₹ 18.52 lakhs or 23.34 %, from ₹ 79.34 lakhs in fiscal 2018 to ₹ 97.86 lakhs in fiscal 2019. The increase was mainly on account of increase in Fixed Assets like Buildings, plant and machinery, Furniture and fixtures and Computers and softwares.



### *Other Expenses*

Other expenses increased by ₹ 20.73 lakhs or 17.31% from ₹ 119.77 lakhs in fiscal 2018 to ₹ 140.51 lakhs in fiscal 2019. The increase was due to incurring office expenses, legal & professional expenses and SEBI license fees.

### *Profit before Tax*

Our Profit before tax increased by ₹ 10.33 lakhs or 5.37% from ₹ 192.33 lakhs in fiscal 2018 to ₹ 202.67 lakhs in fiscal 2019.

### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 6.69 lakhs or 5 % from ₹ 135.13 lakhs in fiscal 2018 to ₹ 141.82 lakhs in fiscal 2019.

### **Consolidated Cash Flows**

(₹ in lakhs)

Particulars	Year ended March 31,	
	2019	2018
Net Cash from Operating Activities	438.44	146.94
Net Cash from Investing Activities	(214.02)	(679.98)
Net Cash used in Financial Activities	(161.90)	681.77
Net Increase / (Decrease) in Cash and Cash equivalents	62.52	148.73

### *Cash Flows from Operating Activities*

Net cash from operating activities in fiscal 2019 was ₹ 438.44 lakhs as compared to the PBT of ₹ 202.67 lakhs for the same period. This difference is primarily on account of changes in trade receivables, other current liabilities, trade payables, other current assets, short term provisions, short term loans & advances etc

Net cash from operating activities in fiscal 2018 was ₹ 146.94 lakhs as compared to the PBT of ₹ 192.34 lakhs for the same period. This difference is primarily on account of changes in trade receivables, other current liabilities, trade payables, other current assets, short term provisions, short term loans & advances etc

### *Cash Flows from Investment Activities*

In fiscal 2019, the net cash invested in Investing Activities was negative ₹ 214.02 lakhs. This was on account of purchase of fixed assets, non current investment, leave and license fees received etc

In fiscal 2018, the net cash invested in Investing Activities was negative ₹ 679.98 lakhs. This was on account of purchase of fixed assets, shares, non current investments etc

### *Cash Flows from Financing Activities*

Net cash from financing activities in fiscal 2019 was negative ₹ 161.90 lakhs. This was on account of repayment of long term borrowings, short term borrowings and interest paid.

Net cash from financing activities in fiscal 2018 was ₹ 681.77 lakhs. This was on account of proceeds from share allotment, share application money, repayment of short term borrowings and payment of interest charges



## RESULTS OF OUR STANDALONE OPERATIONS

(₹ in lakhs)

Particulars	For the year ended March 31,					
	2019	% of Total Income	2018	% of Total Income	2017	% of Total Income
<b>INCOME:</b>						
Revenue from Operations	162.10	82.46%	149.54	93.23%	51.84	100.00%
Other Income	34.48	17.54%	10.86	6.77%	0.00	0.00%
<b>Total income</b>	<b>196.58</b>	<b>100.00%</b>	<b>160.40</b>	<b>100.00%</b>	<b>51.84</b>	<b>100.00%</b>
<b>EXPENSES:</b>						
Employee Benefit Expenses	22.70	11.55%	11.95	7.45%	0.69	1.32%
Finance Costs	0.00	0.00%	0.00	0.00%	0.01	0.02%
Depreciation and Amortisation Expense	19.92	10.13%	8.20	5.11%	2.54	4.90%
Other Expenses	53.53	27.23%	25.12	15.66%	3.37	6.49%
<b>Total expenses</b>	<b>96.14</b>	<b>48.91%</b>	<b>45.28</b>	<b>28.23%</b>	<b>6.60</b>	<b>12.74%</b>
<b>Net Profit / (Loss) before tax</b>	<b>100.44</b>	<b>51.09%</b>	<b>115.12</b>	<b>71.77%</b>	<b>45.24</b>	<b>87.26%</b>
Less: Tax expense						
(i) Current tax	17.53	8.92%	19.38	12.08%	6.93	13.37%
(ii) Deferred tax	8.82	4.49%	10.26	6.40%	6.58	12.69%
<b>Total Tax Expense</b>	<b>26.35</b>	<b>13.40%</b>	<b>29.64</b>	<b>18.48%</b>	<b>13.51</b>	<b>26.07%</b>
<b>Net Profit / ( Loss ) after tax</b>	<b>74.09</b>	<b>37.69%</b>	<b>85.48</b>	<b>53.29%</b>	<b>31.72</b>	<b>61.19%</b>





## **Main Components of our Profit and Loss Account**

### **Income**

Our total income comprises of revenue from operations and other income.

#### *Revenue from Operations*

Our revenue from operations as a percentage of total income was 82.46%, 93.23% and 100% for fiscal year 2019, 2018 and 2017 respectively.

#### *Other Income*

Our other income includes mainly Interest income, other income, leave license fees and commission. Other income, as a percentage of total income was 17.54%, 6.77% and NIL for fiscal year 2019, 2018 and 2017 respectively.

### **Expenditure**

Our total expenditure primarily consists of Employee Benefit Expenses, Finance cost, Depreciation & Amortisation Expenses and Other Expenses.

#### *Employee Benefit Expenses*

Expenses in relation to employee's remuneration and benefits include salary, allowances and directors remuneration.

#### *Financial Cost*

Financial Cost primarily consists of bank charges.

#### *Depreciation and Amortization Expenses*

Depreciation and Amortization Expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes Buildings, Motor Vehicles, Furniture and fixtures, Computers and softwares.

#### *Other Expenses*

Other expenses primarily include Office expenses, Interest on taxes, Legal and professional expenses, Promotional expenses, ROC Expenses, SEBI license fees, office rent, other expenses etc.

#### *Provision for Tax*

Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

## **Fiscal 2019 compared with Fiscal 2018**

### *Income*

In fiscal 2019, our revenue from operations increased by ₹ 12.56 lakhs or 8.40%, from ₹ 149.54 lakhs in fiscal 2018 to ₹ 162.10 lakhs in fiscal 2019. The increase represents the steady growth of the professional services provided.



Other income increased by ₹ 23.61 lakhs or 217.37%, from ₹ 10.86 lakhs in fiscal 2018 to ₹ 34.48 lakhs in fiscal 2019. The major factor for such increase was due to leave & licensee fees and other income.

#### *Employee Benefit Expenses*

Our staff cost increased by ₹ 10.74 lakhs or 89.89%, from ₹ 11.95 lakhs in fiscal 2018 to ₹ 22.70 lakhs in fiscal 2019. This increase was mainly due to Expenses salary, allowances and directors remuneration

#### *Depreciation and Amortization Expenses*

Depreciation and Amortisation expenses increased by ₹ 11.72 lakhs or 142.93%, from ₹ 8.20 lakhs in fiscal 2018 to ₹ 19.92 lakhs in fiscal 2019. The increase was mainly on account of increase in Fixed Assets like Buildings, Furniture and fixtures and Computers and softwares

#### *Other Expenses*

Other expenses increased by ₹28.41 lakhs or 113.06% from ₹ 25.12 lakhs in fiscal 2018 to ₹ 53.53 lakhs in fiscal 2019. The increase was due to incurring office expenses, legal & professional expenses and SEBI license fees.

#### *Profit before Tax*

Due to increase in the depreciation and amortisation expenses, our Profit before tax decreased by ₹ 14.69 lakhs from ₹ 115.13 lakhs in fiscal 2018 to ₹100.43 lakhs in fiscal 2019.

#### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax decreased by ₹ 11.40 lakhs or 13.34 % from ₹ 85.49 lakhs in fiscal 2018 to ₹ 74.08 lakhs in fiscal 2019

### **Fiscal 2018 compared with fiscal 2017**

#### *Income*

Our revenue from operations increased by ₹ 97.70 lakhs or 188.46% from ₹ 51.84 lakhs in fiscal 2017 to ₹ 149.54 lakhs in fiscal 2018. The increase represents the steady growth of the professional services provided.

Other income earned in fiscal year 2018 was ₹ 10.86 lakhs which was NIL in the previous fiscal year 2017. The major factor for increase was interest income.

#### *Employee Benefit Expenses*

Our staff costs increased by ₹ 11.27 lakhs from ₹ 0.69 lakhs in fiscal 2017 to ₹ 11.95 lakhs in fiscal 2018. This increase was due to salary and allowances.

#### *Depreciation and Amortization Expenses*

Depreciation increased by ₹ 5.66 lakhs or 222.83%, from ₹ 2.54 lakhs in fiscal 2017 to ₹ 8.20 lakhs in fiscal 2018. The increase was mainly on account of increase in Fixed Assets like Buildings, Furniture and fixtures and Computers and softwares

#### *Other Expenses*

Other Expenses increased by ₹ 21.76 or 646.41 % in fiscal 2018, from ₹ 3.37 lakhs in fiscal 2017 to ₹ 25.12 lakhs in fiscal 2018. The increase was due to incurring legal & professional expenses, other expenses, ROC expenses etc.

#### *Profit before Tax*

Profit before tax increased by ₹ 69.89 lakhs or 154.50% as compared from ₹ 45.24 lakhs in fiscal 2017 to ₹ 115.13 lakhs in fiscal 2018.



### *Profit after Tax*

After accounting for taxes at applicable rates, our profit after tax increased by ₹ 53.76 lakhs or 169.47% from ₹ 31.72 lakhs in fiscal 2017 to ₹ 85.49 lakhs in fiscal 2018

### **Cash Flows**

(₹ in lakhs)

Particulars	Year ended March 31,		
	2019	2018	2017
Net Cash from Operating Activities	168.70	144.67	(127.21)
Net Cash from Investing Activities	(84.17)	(529.37)	(518.13)
Net Cash used in Financial Activities	-	362.97	674.50
Net Increase / (Decrease) in Cash and Cash equivalents	84.53	(21.73)	29.16

#### ***Cash Flows from Operating Activities***

Net cash from operating activities in fiscal 2019 was ₹ 168.70 lakhs as compared to the PBT of ₹ 100.44 lakhs for the same period. This difference is primarily on account of changes in trade receivables, other current liabilities, trade payables, other current assets, short term provisions and short term loans & advances.

Net cash from operating activities in fiscal 2018 was ₹ 144.67 lakhs as compared to the PBT of ₹ 115.12 lakhs for the same period. This difference is primarily on account of changes in trade receivables, other current liabilities, trade payables, other current assets, short term provisions and short term loans & advances.

Net cash from operating activities in fiscal 2017 was negative ₹ 127.21 lakhs as compared to the PBT were ₹ 45.24 lakhs for the same period. This difference is primarily on account of changes in trade receivables, other current liabilities, trade payables, other current assets, short term provisions and short term loans & advances.

#### ***Cash Flows from Investment Activities***

In fiscal 2019, the net cash invested in Investing Activities was negative ₹ 84.17 lakhs. This was on account of purchase of fixed assets, leave and license fees received

In fiscal 2018, the net cash invested in Investing Activities was negative ₹ 529.37 lakhs. This was on account of purchase of fixed assets and shares.

In fiscal 2017, the net cash invested in Investing Activities was negative ₹ 518.13 lakhs. This was on account of purchase of fixed assets and shares.

#### ***Cash Flows from Financing Activities***

Net cash from financing activities in fiscal 2019 was NIL. There were no shares allotted in fiscal year 2019.

Net cash from financing activities in fiscal 2018 was ₹ 362.97 lakhs. This was on account of proceeds from share allotment.

Net cash from financing activities in fiscal 2017 was ₹ 674.50 lakhs. This was on account of proceeds from share allotment.



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## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled "*Financial Information*" and chapter titled "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*", beginning on pages nos. 121 and 169 respectively of this Draft Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Conditions and Result of Operations*", beginning on page nos. 24 and 169 respectively of this Draft Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

### **4. Future relationship between Costs and Income**

Other than as described in the chapter titled "*Risk Factors*" beginning on page no. 24 of this Draft Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

### **5. The extent to which material increases in revenue or income from operations are due to increase in the volume of service provided or increased prices**

Increases in revenues are by and large linked to increases in volume of business activity carried out by the Company.

### **6. Total turnover of each major industry segment in which our Company operates.**

We are a diversified financial services company in India, carrying out the business of management of fund raising activities, investment advisory, underwriting of issues, manager, consultant or adviser to any issue including corporate advisory services and as consultant or adviser. Our Company operates under a single segment. Relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page no. 73 of this Draft Prospectus.

### **7. Status of any publicly announced new products or business segments**

Please refer to the chapter titled "*Our Business*" beginning on page no. 83 of this Draft Prospectus.

### **8. The extent to which the business is seasonal.**

Our business is not seasonal in nature.

### **9. Any significant dependence on a single or few suppliers or customers**

The revenues from our top 10 customers constituted approximately 96.32% for FY 2019



## FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on March 31, 2019 together with a brief description of certain significant terms of such financing arrangements.

(₹ in lakhs)

Category of Borrowings	Amount Outstanding as on March 31, 2019
<b>(a) Term Loans</b>	
Secured	231.31
Unsecured	
<b>(b) Working Capital Facility</b>	
Secured	162.53
<b>(c) Related Parties</b>	13.73
<b>TOTAL</b>	<b>407.57<sup>(1)</sup></b>

<sup>(1)</sup>Includes ₹98.70 lakhs shown under Other Current Liabilities as 'Current Maturities of Long Term Debt'

### Details of Secured Loans: Term Loan<sup>(1)</sup>

(₹ in lakhs)

Name of Lender	Type of Loan	Date of Sanction	Amount Sanctioned	Amount Outstanding as on March 31, 2019	Interest	Repayment Schedule	Security
Cholamandalam Investment and Finance Company Limited	Term Loan	January 30, 2017	₹ 8.16 x8 Vehicles	₹ 33.97	12.53%	Repayable in 48 months installments	Hypothecation of Vehicles of Palwe Pest Control Private Limited
HDFC Bank	Fresh TL	November 27, 2017	₹ 120.00	₹ 99.08	8.10%	Repayable in 60 months installments	Hypothecation of stocks and book debts of Seven Hills Beverages Limited. Primary security given is at Industrial Property/GAT No 206, Pimpalner "Seven Hills Beverage Pvt Ltd Khatwad Phata B/H San & San auto, Dindori Road, Mauje Pimpalnare, Dindori, Maharashtra, India
Karur Vyas Bank Limited	HPMA	April 17, 2015	₹ 75.00	₹ 15.87	14.75%	Repayable in 72 months installments	Hypothecation of plant & machinery of Seven Hills Beverages Limited. Primary security given is at Gat no 301/C & 302/2 Madsangavi Gaon, Nasik Aurangabad Road, Nasik



Name of Lender	Type of Loan	Date of Sanction	Amount Sanctioned	Amount Outstanding as on	Interest	Repayment Schedule	Security
							422003 valued at ₹ 251.51 lakhs as in the name of Mr. Suresh Rawat, Mrs Urmila Sures Rawat and Mr Rajeshnath Malkhandelwal per valuation report dated 26/11/2014
HDFC Bank	Vehicle	August 28, 2017	₹ 5.06	₹ 3.77	11.00%	Repayable in 60 months installments	Hypothecation of Assets of Palwe Pest Control Private Limited
Kotak Mahindra Prime Limited	Vehicle	November 30, 2017	₹ 10.00	₹ 6.05	11.00%	Repayable in 36 months installments	Hypothecation of Assets of Seven Hills Beverages Limited.
HDFC Bank	Vehicle	January 25, 2017	₹ 9.46 x 12 Vehicles	₹ 60.85	11.00%	Repayable in 48 months installments	Hypothecation of Assets of Palwe Pest Control Private Limited
Kotak Mahindra Bank	Vehicle	September 29, 2017	₹ 28.50	₹ 11.71	20.00%	Repayable in 36 months installments	Hypothecation of Assets of Palwe Pest Control Private Limited

<sup>(1)</sup> The said loan is in the books of our subsidiary companies, Palwe Pest Control Private Limited and Seven Hills Beverages Limited

#### Details of Secured Loans: Working Capital <sup>(1)</sup>

Name of Lender	Type of Loan	Date of Sanction	Amount Sanctioned	Amount Outstanding as on March 31, 2019	Interest	Repayment Schedule	Security
HDFC Bank	OD	September 05, 2015	₹ 83.50	₹ 54.21	11.80%	NA	-
HDFC Bank (SBHL)	Cash Credit	November 27, 2017	₹ 150	₹ 107.73	8.10%	Repayable in 12 months installments	Hypothecation of stocks and book debts of Seven Hills Beverages Limited. Primary security given is at Industrial Property/GAT No 206, Pimpalner "Seven Hills Beverage Pvt Ltd Khatwad Phata B/H San & San auto, Dindori Road, Mauje Pimpalnare, Dindori, Maharashtra, India
State Bank of India(PPCPL)	Cash Credit	-	₹ 0.75	₹ 0.60	-	NA	Secured by Hypothecation of Stock of Raw Materials, WIP, Finished Goods and Packing Material etc. and entire the Book Debts of Palwe Pest Control Private Limited.

<sup>(1)</sup> The said loan is in the books of our subsidiary companies, Palwe Pest Control Private Limited and Seven Hills Beverages Limited



**Details of Unsecured Loans:**

(₹ in lakhs)

Name of Lender	Amount Outstanding as on March 31, 2019
Loan outstanding from Related Party (1) Loan in the books of Palwe Pest Control Private Limited	13.73 <sup>(1)</sup>

For details of Loan please refer “Annexure XXVIII - Related Party Transactions” beginning on the page no. 140 Draft Prospectus.



## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

The details of outstanding litigation or proceedings relating to our Company and our Directors and our Promoter are described in this section in the manner as detailed below.

Except as stated in this section, there are no (i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) tax proceedings; (iv) material litigation, in each case, involving our Company, or our Directors and our Promoter; (v) any litigation involving our Company, our Directors or any other person whose outcome could have a material adverse effect on the position of our Company; (vi) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company in the preceding five (5) years from the date of this Draft Prospectus; (vii) pending proceedings initiated against our Company for economic offences; (viii) material frauds committed by or against our Company in the preceding five (5) years from the date of this Draft Prospectus; (ix) defaults for non-payment of statutory dues; (x) fines imposed or compounding of offences against our Company in the preceding five (5) years from the date of this Draft Prospectus; (xi) matters involving our Company and our Subsidiaries pertaining to violations of securities law; and (xii) outstanding dues to material creditors and small scale undertakings.

The details of the outstanding litigation or proceedings involving our Company, and our Directors are described in this section in the manner as set forth below. Pursuant to SEBI (ICDR) Regulations, for the purposes of disclosure, our Board on June 21, 2019 has considered all other pending litigations involving our Company, Promoter, Directors and Subsidiaries, other than criminal proceedings, statutory or regulatory actions, as 'material'. Further, pre-litigation notices received by our Company, Directors (excluding those notices issued by statutory, regulatory or tax authorities), unless otherwise decided by the Board, are not evaluated for materiality until such time that such parties are impleaded as defendants in litigation proceedings before any judicial forum. Accordingly, we have only disclosed all outstanding litigations involving our Company. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered 'material' only in the event that the outcome of such litigation has a bearing on the operations or performance of our Company.

#### A. LITIGATION INVOLVING OUR COMPANY

##### I. Litigation against our Company:

- a. Litigation Involving Criminal Laws: NIL
- b. Litigation Involving Civil Laws: NIL
- c. Litigation Involving Actions by Statutory/ Regulatory Authorities: NIL
- d. Litigation Involving Tax Matters: 2

Sr. No.	Name of the Statutory Authority	Nature of Proceeding	Amount involved (₹)	Financial Year	Status
1	Income Tax Department, Government of India	Difference between TDS return and TRACES	27,265	2016-17	Pending for reconciliation
2	Income Tax Department, Government of India	Difference between TDS return and TRACES	20,676	2017-18	Pending for reconciliation

- e. Other Material Pending Litigations: NIL

##### II. Litigation by our Company:

- a. Litigation Involving Criminal Laws: NIL
- b. Litigation Involving Civil Laws: NIL
- c. Litigation Involving Actions by Statutory/ Regulatory Authorities: NIL
- d. Litigation Involving Tax Matters: NIL





e. **Other Material Pending Litigations:** NIL

**B. LITIGATION INVOLVING OUR DIRECTORS**

**I. Litigation against our Directors:**

a. **Litigation Involving Criminal Laws:** NIL

b. **Litigation Involving Civil Laws:** NIL

c. **Litigation Involving Actions by Statutory/ Regulatory Authorities:** NIL

d. **Litigation Involving Tax Matters:** 4

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Name of the Statutory Authority</b>	<b>Nature of Proceeding</b>	<b>Amount involved (₹)</b>
1.	Suyash Chhajed	Income Tax Department, Government of India	Direct Tax- Intimation u/s 143(1) and Rectification request under Sec 154 of the Income Tax Act, 1961 for the Assessment Year 2015-16.	13,340
2.	Suyash Chhajed	Income Tax Department, Government of India	Direct Tax- Intimation u/s 143(1) and Rectification request under Section 154 of the Income Tax Act, 1961 for the Assessment Year 2016-17.	51,550
3.	Suyash Chhajed	Income Tax Department, Government of India	Direct Tax- Intimation u/s 143(1) and Rectification request under section 154 of the Income Tax Act, 1961 for the Assessment Year 2017-18.	23,550
4.	Suyash Chhajed	Income Tax Department, Government of India	Direct Tax- Intimation u/s 143(1) of the Income Tax Act, 1961 for the Assessment Year 2018-19.	14,990

e. **Other Material Pending Litigations:** NIL

**II. Litigation by our Directors:**

a. **Litigation Involving Criminal Laws:** NIL

b. **Litigation Involving Civil Laws:** NIL

c. **Litigation Involving Actions by Statutory/ Regulatory Authorities:** NIL

d. **Litigation Involving Tax Matters:** NIL

e. **Other Material Pending Litigations:** NIL

**C. LITIGATION INVOLVING OUR PROMOTER**

**I. Litigation against our Promoter:**

a. **Litigation Involving Criminal Laws:** NIL

b. **Litigation Involving Civil Laws:** NIL

c. **Litigation Involving Actions by Statutory/ Regulatory Authorities:** NIL

d. **Litigation Involving Tax Matters:** NIL

e. **Other Material Pending Litigations:** NIL

**II. Litigation by our Promoter:**

a. **Litigation Involving Criminal Laws:** NIL



- b. **Litigation Involving Civil Laws:** NIL
- c. **Litigation Involving Actions by Statutory/ Regulatory Authorities:** NIL
- d. **Litigation Involving Tax Matters:** NIL
- e. **Other Material Pending Litigations:** NIL

**D. LITIGATION INVOLVING OUR SUBSIDIARIES**

**I. Litigation against our Subsidiaries:**

- a. **Litigation Involving Criminal Laws:** NIL
- b. **Litigation Involving Civil Laws:** NIL
- c. **Litigation Involving Actions by Statutory/ Regulatory Authorities:** NIL
- d. **Litigation Involving Tax Matters:** 8

<b>Name of the Subsidiary</b>	<b>Name of the Statutory Authority</b>	<b>Nature of Proceeding</b>	<b>Amount involved (in ₹)</b>
Palwe Pest Control Private Limited	Income Tax Department, Government of India	Direct Tax-Adjustment u/s 143(1) (a) of the Income Tax Act, 1961 for the Assessment Year 2017-18	25,996 (This amount is in litigation and not the final tax amount.)
Palwe Pest Control Private Limited	Income Tax Department, Government of India	Direct Tax-Adjustment u/s 143(1) (a) of the Income Tax Act, 1961 for the Assessment Year 2018-19	2,59,018 (This amount is in litigation and not the final tax amount.)
Palwe Pest Control Private Limited	Income Tax Department, Government of India	Difference between TDS return and TRACES	44,332
Palwe Pest Control Private Limited	Income Tax Department, Government of India	Difference between TDS return and TRACES for the Assessment Year 2016-17	5,560
Palwe Pest Control Private Limited	Income Tax Department, Government of India	Difference between TDS return and TRACES for the Assessment Year 2017-18	11,661
Seven Hills Beverages Limited	Income Tax Department, Government of India	Direct Tax-Adjustment u/s 143(1) (a) of the Income Tax Act, 1961 for the Assessment Year 2017-18	14,11,269 (This amount is in litigation and not the final tax amount.)
Seven Hills Beverages Limited	Income Tax Department, Government of India	Difference between TDS return and TRACES for the Assessment Year 2017-18	2,197.50
Seven Hills Beverages Limited	Income Tax Department, Government of India	Difference between TDS return and TRACES for the Assessment Year 2016-17	10,603.50

- e. **Other Material Pending Litigations:** NIL

**II. Litigation by our Subsidiaries:**

- a. **Litigation Involving Criminal Laws:** NIL
- b. **Litigation Involving Civil Laws:** NIL
- c. **Litigation Involving Actions by Statutory/ Regulatory Authorities:** NIL
- d. **Litigation Involving Tax Matters:** NIL
- e. **Other Material Pending Litigations:** NIL



## E. OUTSTANDING DUES TO CREDITORS OF OUR COMPANY

Our Board has, pursuant to its resolution dated June 29, 2019, approved that “other creditors” of our Company to whom the amount due by our Company exceeds ₹ 16.00 lakhs, i.e. 10% of trade payables of our Company as on March 31, 2019, as per the Restated Financial Information of our Company, shall be considered “material” creditors for the purpose of initial public offer of the Company and disclosures in this Offer Document.

The outstanding dues owed to small scale undertakings and other creditors, separately, giving details of number of cases and amounts for all dues where each of the dues exceeds ₹ 16.00 lakhs as on March 31, 2019, is set out below:

Material Creditors	Number of Cases	Amount involved (₹ in Lakhs)
Small Scale Undertakings	Nil	Nil
Other Creditors	Nil	Nil

The details pertaining to outstanding dues towards our creditors are available on the website of our Company at [www.galacticocorp.com](http://www.galacticocorp.com). It is clarified that such details available on our website do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Company’s website [www.galacticocorp.com](http://www.galacticocorp.com), would be doing so at their own risk.

## F. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET DATE

Except as disclosed in the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page no. 169 of this Draft Prospectus, in the opinion of our Board, there have not arisen, since the date of last financial information disclosed in this Draft Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.

## G. OTHER MATERIAL INFORMATION

### I. Material frauds committed against our Company

There have been no instances of material frauds committed against our Company in the preceding five (5) years from the date of this Draft Prospectus.

### II. Past cases where penalties imposed

There are no past cases in the five (5) years preceding the date of this Draft Prospectus except as stated herein above, where penalties were imposed on our Company by concerned authorities.

### III. Past inquiries, inspections and investigations under the Companies Act

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last five (5) years immediately preceding the year of issue of the Draft Prospectus in the case of our Company and its Subsidiaries.

### IV. Fines imposed or compounding of offences

There have been no prosecutions filed by our Company and its Subsidiaries (*whether pending or not*) fines imposed, compounding of offences in the last five (5) years immediately preceding the year of the Draft Prospectus except as stated herein above.

### V. Proceedings initiated against our Company for economic offences

There are no pending proceedings initiated against our Company for any economic offences as on the date of this Draft Prospectus.



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**VI. Defaults and non-payment of statutory dues**

Our Company has no outstanding defaults in relation to statutory dues, dues payable to holders of any debentures (*including interest*) or dues in respect of deposits (*including interest*) or any defaults in repayment of loans from any bank or financial institution (*including interest*) except as stated herein above.

**VII. Outstanding litigation involving our Company, Directors or any other person whose outcome could have a material adverse effect on our Company**

Except as disclosed above, there is no outstanding litigation involving our Company, Subsidiary, Directors or any other person whose outcome could have a material adverse effect on our Company.

**VIII. Disciplinary action taken by SEBI or stock exchanges against our Company**

There are no disciplinary actions taken by SEBI or stock exchanges against our Company or its Directors.



## GOVERNMENT AND OTHER KEY APPROVALS

On the basis of approvals sought from various government authorities as set out below, the Company is permitted to carry on its business activities.

### I. Approvals for the Offer

The following approvals have been obtained or will be obtained in connection with the Offer:

- a. Our Board of Directors has, pursuant to a resolution passed in its meeting held on June 21, 2019, authorized the Offer subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013;
- b. The shareholders of our Company have, pursuant to a special resolution passed in the extra ordinary general meeting of our Company held on June 28, 2019 authorized the Offer under Section 62(1)(c) of the Companies Act, 2013;
- c. Approval letter dated [•] from BSE for the listing of equity shares issued by our Company pursuant to the issue.

### II. Corporate Approvals

- a. Certificate of Incorporation dated June 15, 2015 bearing reference/registration no. 265578 issued by Registrar of Companies, Mumbai.
- b. Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause dated November 22, 2016 issued by Registrar of Companies, Mumbai.
- c. Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause dated March 8, 2017 issued by Registrar of Companies, Mumbai.
- d. Fresh certificate of incorporation consequent upon change of name from Amigos Trading and Commerce Private Limited to Galactico Corporate Services Private Limited dated April 04, 2017 was issued by Registrar of Companies, Mumbai.
- e. Fresh Certificate of Incorporation dated November 6, 2018 issued by Registrar of Companies, Mumbai pursuant to conversion of our Company to public limited and subsequent to change of name from Galactico Corporate Services Private Limited to Galactico Corporate Services Limited.
- f. Corporate Identity Number (CIN): U74110MH2015PLC265578.

### III. Agreements with NSDL and CDSL

- a. The Company has entered into an agreement dated December 05, 2017 with the Central Depositories Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Bigshare Corporate Services Private Limited for the dematerialization of its shares.
- b. The Company has entered into an agreement dated December 06, 2018 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Corporate Services Private Limited for the dematerialization of its shares.
- c. The Company’s International Securities Identification Number (“ISIN”) is INE906Y01010.

### IV. Approvals obtained in relation to our business operations

#### Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992:

To carry on any activity of the issue management, which will, *inter alia*, consist of preparation of prospectus and other information relating to the issue, determining financial structure, tie up of financiers and final allotment and refund of the subscriptions; and to act as adviser, consultant, manager, underwriter, portfolio



manager; Certificate of Registration (Category-I Merchant Banker) under SEBI (Merchant Bankers) Regulations, 1992 is mandatory.

Our Company has obtained Certificate of Registration (Category-I Merchant Banker) to provide such Services. This Certificate of Registration shall be valid unless it is suspended or cancelled by the Board. See also “Our Business” and “Key Industry Regulations and Policies” on respective page nos. 83 and 92 of the Draft Prospectus. The details of the registration are provided as below:

Sr. No.	Description	Authority	Registration Code	Issue Date	Expiry Date
1.	Certificate of Registration under Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.*	Securities and Exchange Board of India	INM000012519	April 27, 2018	Valid until suspended or Cancelled

\* This registration is currently in the old name of the company and the company has applied and intimated the respective agencies regarding the change in name vide application no.746369.

#### V. Other approvals:

Our Company requires various other approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals will be submitted in accordance with applicable procedures and requirements as and when required. Also, consequent to change in the name of the Company, it is required to update the new name in various licenses/ certificates and we have made the relevant applications and are awaiting approvals. An indicative list of the material approvals required by us to undertake our business are provided below:


- a. Udhog Aadhar Registration Certificate MH23D0012841 from Micro, Small & Medium Enterprises for providing Financial service activities, except insurance and pension funding.
- b. Registration of the Registered office (Nashik) under the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 bearing Registration No. 106816821803
- c. Registration of the Registered office (Jalgaon) under the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 bearing Registration No. 104913201903
- d. The Company has made an application for registration under the Financial Intelligence Unit-India (FIU-IND) as per the Prevention of Money Laundering Act, 2002 (PMLA) and rules notified thereunder

#### VI. Tax Related approvals:

Sr. No.	Description	Authority	Registration No.	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AANCA5544K	NA	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	MUMG19954E	NA	Valid until cancelled
3.	GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 and Maharashtra Goods and Services Tax Act, 2017	Government of India and Government of Maharashtra	27AANCA5544 K2Z8	August 24, 2017	Valid until cancelled
4.	Certificate of Professional Tax Enrolment under Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Government of India and Government of Maharashtra	27321464181P	January 01, 2018	Valid until cancelled



## VII. Intellectual property related approvals

Sr. No.	Particulars of the mark	Word/Label mark	Applicant	Trademark/ Application Number	Issuing Authority	Certificate Detail	Class	Period of validity
1.	GALACTICO	Word	Mr. Vipul Lathi	3526647	Trade Marks Registry, Mumbai	Certificate bearing No. 1687464 dated October 26, 2017	36	Valid upto 10 years from April 16, 2027
2		Device	Galactico Corporate Services Pvt Ltd	3767091	Trade Marks Registry, Mumbai	Certificate bearing No. 1962068 dated August 20, 2018	36	Valid upto 10 years from – February 29, 2028

## VIII. Pending Approvals:

- a. The Company is in the process for application for Registration of the Registered office (Mumbai) under the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017.
- b. The Company is in the process for application for Registration of the Registered office (Jaipur) under the Rajasthan Shops and Commercial Establishments Act, 1958



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**Material information in relation to our Subsidiaries:****1) Instant Finserve Private Limited (“IFPL”):**

IFPL is involved in financial consultancy from its inception. IFPL is a Subsidiary of Galactico Corporate Services Limited. IFPL was incorporated on June 20, 2008 and has registered office at Nashik. IFPL has received and is in possession of the following approvals/licenses/certificates/registration:

- a) Certificate of Incorporation dated June 20, 2008 issued by Registrar of Companies, Mumbai.
- b) Permanent Account Number (PAN) Card bearing no. AABCI9336F issued by the Income Tax Department, Government.
- c) Udhdyog Aadhar Registration Certificate MH23D0011992 from Micro, Small & Medium Enterprises for providing financial service activities, except insurance and pension funding.

**2) Palwe Pest Control Private Limited (“PPCPL”):**

PPCPL is a service provider, rendering pest control and other related services to corporate, societies and household. PPCPL has been in this business since more than 16 years and is a recognized brand when it comes to providing services such as General Pest Control Treatment, Birds Control Treatment, Landscaping services and Export Fumigation to Vessel and Container. PPCPL was incorporated on April 2, 2001 and have registered office at Nashik. PPCPL has received and is in possession of the following approvals/licenses/certificates/registration:

- a) Certificate of Incorporation dated April 2, 2001 issued by Registrar of Companies, Mumbai.
- b) Registration certificate bearing no. 27866/33979/101 issued to PPCPL by the Sub-Regional Office Pune Employees State Insurance Corporation under Employees State Insurance Act.
- c) Permanent Account Number (PAN) Card bearing no. AACCP6589L issued by the Income Tax Department, Government.
- d) License dated 17<sup>th</sup> July, 2017 bearing reference no. LAID06060635 issued by the Department of Agriculture for the purpose of carrying out commercial pest control operations (valid upto 16<sup>th</sup> July, 2019)
- e) Registration certificate issued by the Office of the Regional Provident Fund Commissioner under Employees Provident Funds and Miscellaneous Provision Act, 1952 and scheme framed thereunder.
- f) Certificate of registration of establishment issued by the Department of Labour under the Maharashtra Shops and Establishment Act, 1948 for the registered office of the Company (valid upto 24<sup>th</sup> July, 2020).
- g) Tax Deduction Account Number (TAN) issued to PPCPL as per Income Tax Act, 1961.
- h) PPCPL has obtained registration with the Trade Marks Registry under class 37 under no. 1809993 as of 22<sup>nd</sup> April, 2009.
- i) GST Registration Certificate bearing registration no. 27AACCP6589L1ZO has been obtained under the Maharashtra Goods and Services Tax Act, 2017.
- j) Certificate of Registration (Quality Management System) under Quality Management System Standard ISO 9001:2015 on 5<sup>th</sup> June, 2018 and is valid upto 4<sup>th</sup> June, 2021.

**Pending Approvals:**

- a) License dated 31st May, 2018 bearing no. 1620600110007001 issued by the Office of Licensing Officer, Nashik under section 12(2) of the Contract Labour (Regulation and Abolition) Act, 1970 expired on 31st December, 2018. The Company is in the process of applying for renewal





### 3) Seven Hills Beverages Limited (“SHBL”):

SHBL is engaged in the business of manufacturing packaged drinking water bottles. The Company manufactures the bottles at the plant in order to avoid any possible contaminations and carry out the filling of purified water as well as final sealing and packaging. The water purification process is carried out in multiple stages to ensure that the water is free from all forms of bacteria. SHBL was incorporated on December 11, 2009 and has registered office at Nashik. SHBL has received and is in possession of the following approvals/certificates/registration:

- a) Certificate of Incorporation dated 11<sup>th</sup> December, 2009 issued by Registrar of Companies, Mumbai.
- b) Certificate of Registration dated 21<sup>st</sup> June, 2017 issued by the Office of Registrar of Companies, Ministry of Corporate Affairs, of the order of Regional Director confirming transfer of the registered office within the same state.
- c) Permanent Account Number (PAN) Card bearing no. AANCS6372D issued by the Income Tax Department, Government.
- d) Registration certificate issued by the Assistant Provident Fund Commissioner under Employees Provident Funds and Miscellaneous Provision Act, 1952 and scheme framed thereunder.
- e) GST Registration Certificate bearing registration no. 27AANCS6372D1Z2 has been obtained under the Maharashtra Goods and Services Tax Act, 2017.
- f) No Objection Certificate dated 30<sup>th</sup> August, 2010 obtained from the Graham Panchayat.
- g) Consent dated 16<sup>th</sup> October, 2017 obtained from Maharashtra Pollution Control Board under Section 26 of the Water (Prevention & Control of Pollution) Act, 1974 and under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorization /Renewal of Authorization under Rule 5 of the Hazardous Waste (Management, Handling & Transboundary Movement) Rules 2008.
- h) Micro, Small and Medium sized Enterprises registration certificate dated 27<sup>th</sup> April, 2010 bearing Entrepreneurs Memorandum Number bearing no. 270201203285 obtained Micro, Small and Medium Enterprises Development Act, 2006.
- i) Water Test Report dated 12<sup>th</sup> December, 2018 bearing Report no. TR/4606/2018/PDW/2051 obtained from MAARC Labs Private Limited.
- j) Fresh Certificate of Incorporation dated May 26, 2017 issued by Registrar of Companies, Mumbai pursuant to conversion of the Company to Public Limited and subsequent to change of name from Seven Hills Beverages Private Limited to Seven Hills Beverages Limited.

#### **Pending Approvals:**

- a) License bearing no. CML No.3720251 Bureau of Indian Standards has expired on 29<sup>th</sup> May, 2019. The Company has applied for extension vide Transaction No: 10308881 on May 24, 2019.



## SECTION VIII- OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

Our Board of Directors have vide resolution dated June 21, 2018 authorized the Offer, subject to the approval by the shareholders of our Company under Section 62(1)(C) of the Companies Act, 2013.

The shareholders have authorized the Offer, by passing a Special Resolution at the Extra-Ordinary General Meeting held with a shorter notice on June 28, 2018, in accordance with the provisions of Section 62(1)(C) of the Companies Act, 2013.

The Offer for Sale has been authorised by the Selling Shareholder by their consent letter dated June 19, 2018 and the No. of Equity Shares offered are as follows:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1	Mr. Vipul Lathi	Up to 13,08,000
	<b>Total</b>	<b>Up to 13,08,000</b>

The Selling Shareholder have severally confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholder have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

### Prohibition by SEBI or Governmental Authorities

We confirm that there is no prohibition on our Company, its Directors, Promoter, the Selling Shareholder and entities forming part of our Promoter Group, person in control of our Company from accessing the capital market or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### Prohibition by RBI

Neither our Company nor any of our Promoter, the Selling Shareholder or Directors has been declared as wilful defaulter(s) by the RBI or any other governmental authority.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Draft Prospectus.

Under the SBO Rules certain persons who are significant beneficial owners, are required to intimate their beneficial holdings to our Company in Form no. BEN-1. However, pursuant to the General Circular no. 8/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India (“MCA”), filing of Form no. BEN-1 under the SBO Rules has been deferred until further notification from MCA. Therefore, compliance by Promoter and members of the Promoter Group, with the SBO Rules, to the extent applicable to each of them will be completed only upon further notification by the MCA.

### Association with Securities Market

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “Risk factors”, “Our Promoters, Promoter Group”, “Group Companies” and “Outstanding Litigations and Material Developments” beginning on page nos. 24, 115, 119 and 182 respectively, of this Draft Prospectus.



## Eligibility for the Offer

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Offer is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Offer is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an Company whose post Offer face value capital does not exceed ten crores rupees, shall Offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the BSE in accordance with the Restated Standalone Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

- a) Our Company was incorporated on June 15, 2015, with the Registrar of Companies, Mumbai under the Companies Act, 2013 in India
- b) As on the date of this Draft Prospectus, our Company has a paid up capital of ₹ 543.12 lakhs (₹ 5.43 crores) and the Post Offer Capital will be of up to ₹ 594.72 lakhs (5.95 crores) which is below ₹ 25.00 crores and hence it become eligible
- c) Our Company has Net Tangible Assets of ₹ 1,229.80 Lakhs which is more than ₹ 3.00 crores
- d) Our Company have a track record of at least 3 years
- e) The Networth (excluding revaluation reserves) and Cash Accruals of the Company is positive as per the latest audited financial statements
- f) The Net Tangible Assets, Cash Accruals and Net worth of our Company as per the restated financial statements for the year ended as at March 31, 2019, 2018 and 2017 and is as set forth below:

	(₹ in lakhs)		
Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Net Tangible Assets	1,229.80	1,155.71	707.26
Net Worth	1,229.80	1,155.71	707.26
Cash Accruals	120.36	123.32	47.78

<sup>(1)</sup> Net Tangible Assets minus Intangible Assets

<sup>(2)</sup> Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

<sup>(3)</sup> Cash accruals” has been defined as the Earnings before depreciation and tax from operations

- g) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- h) There is no winding up petition against the company, which has been admitted by a Court of competent jurisdiction or a liquidator has not been appointed.
- i) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
- j) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.
- k) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- l) We have a website: [www.galacticocorp.com](http://www.galacticocorp.com)
- m) None of the Directors of our Company have been categorised as a Wilful Defaulter



As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform of the BSE. BSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated December 06, 2018 with NSDL and agreement dated December 05, 2018 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.
- The entire pre-Offer capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoter are in dematerialised form
- Our Company has made firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the fresh issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals. For details, please refer the chapter “*Objects of the Offer*” on page no. 62 of this Draft Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors are promoter or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter.
- (d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such Offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Further, in accordance with Regulation 268 (1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT 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**



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**INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED 01/08/2018 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

**Note:**

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Draft Prospectus with the RoC in terms of section 26, 28 and 30 of the Companies Act, 2013.

**Disclaimer from our Company, the Selling Shareholder, Directors and the Lead Manager**

Our Company, the Selling Shareholder, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

**Disclaimer in respect of Jurisdiction**

This Offer is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the BSE**

As required, a copy of the Draft Prospectus shall be submitted to the SME Platform of BSE. The Disclaimer Clause as intimated by the SME Platform of BSE to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC



## Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

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

## Listing

Application have been made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Offer on its SME Platform after the allotment in the Offer. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within fifteen days from the closure of the Offer or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 6 Working Days of the Offer Closing Date.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

## Price Information of past issues handled by the Lead Manager

Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing	
1	Meera Industries Ltd <sup>(1)</sup>	11.75	225	26/06/2019	222.50	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2	Roopshri Resorts Ltd	3.60	20	01/04/2019	20.25	1.25%	0.41%	1.25%	1.34%	N.A.	N.A.
3	Gleam Fabmat Ltd.	3.12	10	05/03/2019	9.00	-36.50%	6.15%	-45.40%	10.50%	N.A.	N.A.
4	DRS Dilip Roadlines Ltd	31.50	75	10/12/2018	75.15	1.33%	3.50%	0.33%	5.21%	0.67%	13.18%
5	Roni Households Ltd	3.00	20	03/12/2018	20.05	25.00%	-0.96%	25.00%	-0.49%	25.50%	9.58%
6	Marine Electricals India Ltd	42.87	66	11/10/2018	66.60	21.21%	3.43%	24.17%	6.06%	59.85%	14.04%
7	Silgo Retail Ltd	4.88	36	10/10/2018	36.45	0.00%	1.20%	0.00%	3.27%	1.39%	10.94%
8	Sky Gold Ltd	25.56	180	03/10/2018	180.45	2.22%	-2.68%	0.58%	0.78%	1.11%	8.05%



Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing			+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing			+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing		
						Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
9	Saketh Exim Ltd	9.44	69.00	13/08/2018	69.30	0.00%	0.12%	3.48%	-6.79%	18.84%	-3.63%			
10	Supershakti Metaliks Ltd	60.01	375	30/07/2018	377.10	12.00%	3.28%	9.73%	-11.06%	8.00%	-3.92%			

<sup>(1)</sup> Equity Shares of Meera Industries Limited was listed on May 15, 2017 on BSE Limited. Aryaman Financial Services Limited was appointed as lead manager for the Further Public Issue by the Company on BSE Limited pursuant to which its additional shares were listed on June 26, 2019.

### Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2019-20	2 <sup>(1)</sup>	15.35	-	-	-	-	-	1	-	-	-	-	-	-
2018-19	14	336.29	-	-	1	-	1	9	-	-	2	1	1	9
2017-18	16	318.24	1	1	4	1	1	8	3	3	3	0	0	6

<sup>(1)</sup> Details indicated in 2019-20 are for the IPOs completed as on date.

### Notes:

- Since the listing date of Meera Industries Limited was June 26, 2019, respectively, information related to closing price and benchmark index as on the 30<sup>th</sup> Calendar day, 90<sup>th</sup> Calendar day and 180<sup>th</sup> Calendar day from the listing date is not available.
- Since the listing date of Roopshri Resorts Limited was April 01, 2019, respectively, information related to closing price and benchmark index as on the 90<sup>th</sup> Calendar day and 180<sup>th</sup> Calendar day from the listing date is not available.
- Since the listing date of Gleam Fabmat Limited was March 05, 2019, respectively, information related to closing price and benchmark index as on the 180<sup>th</sup> Calendar day from the listing date is not available.
- The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.
- In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
- Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) BSE Sensex and Nifty Fifty as the Benchmark Indices.

### Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Offer as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – [www.afsl.co.in](http://www.afsl.co.in)

### Consents

Consents in writing of: (a) The Selling Shareholder, the Directors, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditors; and (b) the Lead Manager, Registrar to the Offer, the Legal Advisors to



the Offer, Banker to the Company\*, Banker to the Offer\*, Share Escrow Agent\*, Market Maker and Underwriters to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 and 28 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, A S Bedmutha & Co., Chartered Accountants, have provided their written consent to the inclusion of their reports dated July 15, 2019 on Restated Financial Statements and to the inclusion of their reports dated July 15, 2019 on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus.

### **Expert Opinion**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, A S Bedmutha & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Statement of Tax Benefits dated July 15, 2019, and on the Restated Financial Statements dated July 15, 2019 and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

### **CAUTION**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MoU for Offer Management entered into among the Lead Manager, the Selling Shareholder and our Company dated July 04, 2019, the Underwriting Agreement dated July 04, 2019 entered into among the Underwriter, the Selling Shareholder and our Company and the Market Making Agreement dated July 04, 2019, entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres or elsewhere.

### **CAPITAL OFFER DURING THE LAST FIVE YEARS**

#### **Previous Public and Rights Issues**

We have not made any rights and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

#### **Previous Issues of Equity Shares otherwise than for Cash**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 53 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than for cash.

#### **Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.





## **Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates**

None of our Group Companies / Subsidiaries / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

## **PERFORMANCE VIS-À-VIS OBJECTS**

### **Our Company**

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

### **Listed Subsidiaries / Promoter**

None of our Subsidiaries / Promoter is listed on any Stock Exchange and not made any rights and public issues in the past five (5) years.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY**

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

## **DISPOSAL OF INVESTOR GRIEVANCES**

### **Mechanism for Redressal of Investor Grievances**

The Company and the Selling Shareholder has appointed Bigshare Services Private Limited as the Registrar to the Offer, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Offer will handle investor's grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Offer in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on June 29, 2019 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mrs. Nilam Ghundiyaal	Non Executive Independent Director	Chairman
Mr. Krishna Rathi	Non Executive Independent Director	Member
Mr. Vipul Lathi	Managing Director	Member

For further details, please see the chapter titled "*Our Management*" beginning on page no. 104 of this Draft Prospectus.

The Company has also appointed Ms. Harshika Thakkar as the Company Secretary and Compliance Officer for this Offer and she may be contacted at the Registered Office of our Company. The contact details are as follows:



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**Name:** Ms. Harshika Thakkar

**Address:** 2<sup>nd</sup> Floor, Shree Gurudeo Tower, Above Shirpur Co-Op Bank Ltd, Canada Corner, Nashik - 422 005

**Tel No:** +91 – 253 – 231 9714

**Email:** [info@galacticocorp.com](mailto:info@galacticocorp.com)

Investors can contact the Compliance Officer or the Registrar to the Offer or the Lead Manager in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

### **DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT**

For details of Investor Grievances by Listed Companies under the same Management, see the chapter “*Our Group Companies*” beginning on page no. 119 of this Draft Prospectus.



## SECTION IX – OFFER RELATED INFORMATION

### TERMS OF THE OFFER

*The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the Offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. All the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.*

*Further vide the said circular Registrar to the Offer and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Offer and DPs as and when the same is made available.*

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled "*Main Provisions of the Articles of Association*" beginning on page no. 234 of this Draft Prospectus.

#### **Mode of Payment of Dividend**

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Applicants who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" beginning on page nos. 120 and 234 of this Draft Prospectus.

#### **Face Value and Offer Price**

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ [●] per Equity Share. The Offer Price is determined by our Company and the Selling Shareholder in consultation with the Lead Manager and is justified under the chapter titled "*Basis for Offer Price*" beginning on page no. 66 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- ✓ Right to receive dividend, if declared;
- ✓ Right to attend general meetings and exercise voting rights, unless prohibited by law;
- ✓ Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;



- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- ✓ Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "*Main Provisions of Articles of Association*" beginning on page no. 234 of this Draft Prospectus.

#### **Allotment only in Dematerialised Form**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Offer:

- 1) Tripartite agreement dated December 06, 2018 between our Company, NSDL and the Registrar and Share Transfer Agent to the Offer.
- 2) Tripartite agreement dated December 05, 2018 between our Company, CDSL and the Registrar and Share Transfer Agent to the Offer.

#### **Market Lot and Trading Lot**

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants.

#### **Minimum Number of Allottees**

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies collected shall be refunded within 6 Working days of closure of Offer.

#### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 and the rules made there under, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.



In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### Withdrawal of the Offer

Our Company and the Selling Shareholder, in consultation with the Lead Manager, reserves the right not to proceed with the Offer at any time after the Offer Opening Date but before the Board meeting for Allotment. In such an event our Company would Offer a public notice in the newspapers, in which the pre-Offer advertisements were published, within two days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Lead Manager, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company and the Selling Shareholder withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

### Offer Programme

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Offer Opening Date	[•]
Offer Closing Date	[•]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Allotment / Refunds / Unblocking of Funds	[•]
Credit of Equity Shares to demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a. m. and 5.00 p. m.** (IST) during the Offer Period (except for the Offer Closing Date). On the Offer Closing Date, the Applications and any revision to the same shall be accepted only between **10.00 a. m. and 3.00 p. m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



Due to limitation of time available for uploading the Applications on the Offer Closing Date, the Applicants are advised to submit their Applications one day prior to the Offer Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Offer Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Offer Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Offer. Applications will be accepted only on Business Days. Neither our Company, nor the Selling Shareholder nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Offer Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

### **Minimum Subscription**

The requirement for 90% minimum subscription is not applicable to Issues under chapter IX of the SEBI ICDR Regulations.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

As per Section 39 (1) of the Companies Act, 2013, if the minimum stated amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the offer including devolvement of Underwriter, if any, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight (8) working days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable law.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME Exchange.

### **Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for the lock-in of the pre-Offer capital of our Company, Promoters' Contribution and the public lock-in as provided in "*Capital Structure*" beginning on page no. 53 of this Draft Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. Please see the section titled "*Main Provisions of Articles of Association*" beginning on page no. 234 of this Draft Prospectus.

### **New Financial Instruments**

The Company is not issuing any new financial instruments through this Offer.



### **Allotment of Securities in Dematerialised Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

### **Migration to Main Board**

In accordance with the BSE Circular dated November 26, 2012 our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

**Or**

Our Company may also migrate to the main board of BSE from SME platform within 2 years from the date of listing subject to fulfilment of following conditions:

- a. The Increase in post issue face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.
- b. The company should have a minimum turnover of ₹ 100 crore as per latest audited financials and market capitalization of Rs, 100 crore.
- c. The Company should have a minimum profit before tax of ₹ 10 crore for two years out of 3 preceding years.
- d. There should not be any action against the company by any regulatory agency at the time of application for migration.

### **Market Making**

The shares issued through this Offer are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited, wherein the Lead Manager to this Offer shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus.

For further details of the agreement entered into between our Company, The Lead Manager and the Market Maker, please see the chapter titled "*General Information - Details of the Market Making Arrangement for this Offer*" beginning on page no. 50 of this Draft Prospectus.



## OFFER STRUCTURE

This Offer is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an Company whose post Offer face value capital does not exceed more than ten crore rupees, shall Offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Offer, please see the chapters titled "Terms of the Offer" and "Offer Procedure" beginning on page nos. 201 and 208 respectively, of this Draft Prospectus.

Following is the Offer Structure:

*Public Offer of up to 16,08,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs ("the Offer") by Galactico Corporate Services Limited ("GCSL" or the "Company").*

*The Offer comprises a reservation of up to 84,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Offer to Public of up to 15,24,000 Equity Shares of ₹ 10 each ("the Net Offer"). The Offer and the Net offer will constitute 28.06% and 26.59%, respectively of the post Offer paid up equity share capital of the Company. The Offer is being made through the Fixed Price Process:*

Particulars of the Offer	Net Offer to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation	Up to 15,24,000 Equity Shares	Up to 84,000 Equity Shares
Percentage of Offer Size available for allocation	94.78% of the Offer Size	5.22% of the Offer Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each.	Firm Allotment
Mode of Application	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2,00,000.</p> <p><i>For Retail Individuals:</i></p> <p>[●] Equity Shares</p>	Up to 84,000 Equity Shares
Maximum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed up to 15,24,000 Equity Shares.</p> <p><i>For Retail Individuals:</i></p> <p>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹ 2,00,000.</p>	Up to 84,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	





**Note:**

- 50 % of the Equity Share offered are reserved for allocation to Applicants below or equal to ₹ 2.00 lakhs and the balance for higher amount Applications.
- In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
- Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Offer.
- SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB

**Lot Size**

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price(in ₹)	Lot Size (No. of shares)
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the Circular, at the Initial Public Offer stage the Registrar to Offer in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.



## OFFER PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 (the “General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Offer; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

Applicants are required to submit Applications to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (DP), Registrar to an Offer and Share Transfer Agent (RTA) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on [www.bseindia.com](http://www.bseindia.com). For details on their designated branches for submitting Application Forms, please see the above mentioned website of BSE.

Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

### FIXED PRICE OFFER PROCEDURE

The Offer is being made in compliance with the provisions of Reg. 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Offer to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Offer Price.

Subject to the valid Applications being received at or above the Offer Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant’s depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity



Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

### Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 (collectively the “UPI Circular”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

**Phase II:** This phase will commence upon completion of Phase I and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

### APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Offer Opening Date

All Applicants (other than Retail Applicants using the UPI Mechanism) shall mandatorily participate in the Offer only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Retail Individual Applicants may participate in the Offer through UPI by providing details about the bank account in the relevant space provided in the Application Form and the Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup> excluding electronic Application Form



Designated Intermediaries shall submit Application Forms (except the Application Form for a Retail Applicants using the UPI Mechanism) to SCSBs and shall not submit it to any non-SCSB bank.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicants and the price and the number of Equity Shares that the Applicants wish to apply for. The Application Form downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB at the time of submitting the Application

## METHOD OF APPLICATIONS

1. Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

i) an SCSB, with whom the bank account to be blocked, is maintained

ii) a syndicate member (or sub-syndicate member)

iii) a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')

iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

v) a registrar to an offer and share transfer agent (RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The Offer Period shall be for a minimum of three Working Days and shall not exceed ten Working Days. The Offer Period may be extended, if required, by an additional three Working Days, subject to the total Offer Period not exceeding ten Working Days

The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Offer Period in accordance with the terms of the Prospectus

The Applicant cannot apply on another Application Form after one Application Form has been submitted to Designated Intermediary. Submission of a second Application Form to either the same or to another Designated Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer.

2. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

3. The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for	After accepting the application form, respective intermediary shall capture and upload the relevant details, including UPI ID, in the electronic system of stock exchange(s). Stock Exchange shall share application details including the UPI ID with Sponsor



payment:	Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.
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4. The Applicant cannot make an application through another Application Form after Applicants through one Application Form have been submitted to a LM or the SCSBs. Submission of a second Application Form to either the same or to another LM or SCSB will be treated as multiple Application and is liable to be rejected either before entering the Application into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Applicant can revise the Application through the Revision Form.
5. The Lead Manager/the SCSBs will enter each Application option into the electronic bidding system as a separate Application and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Applicant. Therefore, an Applicant can receive up to three TRSs for each Application Form

### Who Can Apply?

1. Indian nationals resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: — Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorised to invest in equity shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
11. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
12. Insurance companies registered with Insurance Regulatory and Development Authority;
13. Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
16. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India



17. Any other person eligible to Apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing regulations, OCBs cannot participate in this Offer. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

In addition to the category of Applicants set forth *above*, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- i. FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- ii. Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- iii. Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.

#### **Maximum and Minimum Application Size**

The applications in this Offer, being a fixed price issue, will be categorized into two;

##### ***a) For Retail Individual Applicants:***

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed ₹ 2,00,000.

##### ***b) For Other Applicants (Non-Institutional Applicants and QIBs):***

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. Application cannot be submitted for more than the Offer Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.**

The identity of QIBs applying in the Net Offer shall not be made public during the Offer Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

#### **Information for the Applicants**

- a) Our Company shall file the Prospectus with the RoC at least three working days before the Offer Opening Date.
- b) Our Company shall, after registering the Prospectus with the RoC, make a pre Offer advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre- Offer advertisement, our Company and the Lead manager shall advertise the Offer Opening Date, the Offer Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the ICDR Regulations.
- c) Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Offer Opening Date.
- d) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorized agent(s).



- e) Application should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch.
- f) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

#### **Availability of the Prospectus and the Application Forms:**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Offer Opening Date.

#### **Participation by associates and affiliates of the Lead Manager**

The Lead Manager shall not be allowed to subscribe to this Offer in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Offer in non Retail Portion, where the allocation is on a proportionate basis.

#### **Applications by Mutual Funds**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

#### **Applications by Eligible NRIs**

NRI may obtain copies of Application Form from the offices of the Lead manager and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).



## Applications by HUFs

Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Applications by HUFs may be considered at par with Applications from individuals;

## Applications by FPIs

In terms of the SEBI FPI Regulations, the Offer 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) must be below 10% of our post Offer 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. In case the total holding of an FPI increases beyond 10% of the total paid-up equity capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

By a resolution of our Board dated November 23, 2018 and a resolution of our Shareholders dated November 27, 2018, our Company has increased the aggregate limits of its shareholding by FPIs to 100%. We have intimated the increase of these limits to the RBI.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

- a. offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.





### **Applications by SEBI registered VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the Lead manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

### **Applications by Banking Companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason.

Application Form, failing which our Company reserve the right to reject any Application by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.



### **Applications by Insurance Companies**

In case of Applications made by Insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Application Form. Failing this, our Company in consultation with the BRLM reserve the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended (“**IRDAI Investment Regulations**”), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Applicants are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

### **Applications by Provident Funds / Pension Funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

### **Applications by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Applications under Power of Attorney**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- b) With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- c) With respect to Applications made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.
- d) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead manager may deem fit.



## Applications by Systemically Important Non-Banking Financial Companies

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Applications without assigning any reason thereof. Systematically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.**

### Electronic Registration of Applications

- 1) The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
- 2) The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Offer Closing Date.
- 3) The Application Collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- 4) Neither the Lead manager nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
- 5) The Stock Exchange will Offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorised agents during the Offer Period. On the Offer Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange.
- 6) With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN Number
  - DP ID & Client ID
  - Numbers of Equity Shares Applied for;
  - Amount;
  - Location of the Banker to the Offer or Designated Branch, as applicable;
  - Bank Account Number and



- Such other information as may be required.
- 7) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.
  - 8) The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  - 9) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
  - 10) The Application Collecting Intermediaries shall have no right to reject the applications, except on technical grounds.
  - 11) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way deemed or construed to mean the compliance with various statutory and other requirements by our Company and / or the Lead manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness or any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; not does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
  - 12) The Application Collecting Intermediaries will be given time till 1.00 p.m. on the next working day after the Offer Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with the Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  - 13) The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA Applicants.

### **Withdrawal of Applications**

- a) RIIs can withdraw their Applications until Offer Closing Date. In case a RII wishes to withdraw the Application during the Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. Non Retail Applicants can neither withdraw nor lower the size of their Applications at any stage.

### **Allocation of Equity Shares**

- 1) The Offer is being made through the Fixed Price Process wherein 84,000 Equity Shares shall be reserved for the Market Maker and 15,24,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Offer Price. The balance of the Net Offer will be available for allocation on a proportionate basis to Non Retail Applicants.
- 2) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead manager and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.



- 4) In terms of SEBI Regulations, Non Retails Applicants shall not be allowed to either withdraw or lower the size of their application at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Offer.

#### **Signing of the Underwriting Agreement and the RoC Filing**

- a) Our Company, the Selling Shareholders, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on July 04, 2019.
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page no. 45 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26, 28 and all other provision applicable as per Companies Act.

#### **Pre Offer Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre offer advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation at the place where the Registered Office of the Company is situated and the price along with the necessary details subject to Regulation 250 of the SEBI ICDR Regulations. In the pre offer advertisement, we shall state the Offer Opening Date and the Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### **Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Offer**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead manager or Registrar to the Offer shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **Designated Date**

- a) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.
- c) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Offer. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the Issuer.

**Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Offer Closing



Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

### **General Instructions**

#### **Do's:**

- 1) Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their Applications through the ASBA process only
- 2) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 3) Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 4) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary;
- 5) If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- 6) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 7) Retail Applicants using the UPI mechanism should ensure that the correct UPI ID is mentioned in the Application Form;
- 8) Retail Applicants shall ensure that the bank, with which such Retail Applicant has a bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by the NPCI;
- 9) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
- 10) Ensure that you request for and receive a stamped acknowledgement of your Application;
- 11) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- 12) Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 13) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

All other applications in which PAN is not mentioned will be rejected;

- 14) Ensure that the Demographic Details are updated, true and correct in all respects;



- 15) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- 16) Ensure that the category and the investor status is indicated;
- 17) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 18) For Retail Applicants using the UPI mechanism, ensure that you approve the request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner;
- 19) Retail Applicants shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI mandate request and then proceed to authorise the UPI request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Applicant may be deemed to have verified the attachment containing the application details of the Retail Applicant in the UPI mandate request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount mentioned in the Application Form;
- 20) Retail Applicants using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Application Form;
- 21) Retail Applicants using the UPI mechanism, who have revised their Applications subsequent to making the initial Application, should also approve the revised request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of allotment in a timely manner;
- 22) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 23) Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form (for all Applicants other than Retail Applicants using the UPI mechanism);
- 24) Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- 25) Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- 26) Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- 27) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- 28) The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not apply at a Price different from the Price mentioned herein or in the Application Form;



- 3) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- 4) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 5) Do not submit the Application Forms to any non-SCSB bank or our Company;
- 6) Do not apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- 7) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not apply for a Application Amount exceeding ₹ 200,000 (for Applications by Retail Individual Applicants);
- 9) Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- 10) Do not submit the General Index Register number instead of the PAN;
- 11) Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- 12) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 13) Do not submit more than 1 Application Form for each UPI ID in case of Retail Applicants bidding through the Designated Intermediary using the UPI Mechanism;
- 14) Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 15) Do not make applications using third party bank accounts or using third party linked bank account UPI IDs;
- 16) Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Retail Applicants using the UPI mechanism;
- 17) Do not submit incorrect UPI ID details, if you are a Retail Applicant bidding through UPI Mechanism;
- 18) Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 19) Do not submit more than five Application Forms per ASBA Account;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (“broker”) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker’s Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com).





## **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

*Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

*Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.*

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant

Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead manager nor the Registrar to the Offer or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Offer. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

## **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Offer.

### **Terms of Payment**

The entire Offer price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied The Registrar to the Offer shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs or Sponsor Bank will transfer the amount as per the instruction received by the Registrar to the Public Offer Bank Account post finalisation of Basis of Allotment. The balance amount after transfer to the Public Offer Account shall be unblocked by the SCSBs or Sponsor Bank.

The Applicants should note that the arrangement with Banker to the Offer or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, the Banker to the Offer, the Lead Manager and the Registrar to the Offer to facilitate collections from the Applicants.

### **Payment mechanism for Applicants**

The Applicants shall specify the bank account number, or the UPI ID, in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public



Offer Account, or until withdrawal / failure of the Offer or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all Investors are applying in this Offer shall mandatorily make use of ASBA facility for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application

### **Submission of Application**

- a) During the Offer Period, Applicants may approach any of the Designated Intermediaries to register their Application.
- b) In case of Applicants (excluding Non-Retail Applicants) bidding at Cut-off Price, the ASBA Applicants may instruct the SCSBs to block Application Amount less discount (if applicable).
- c) For Details of the timing on acceptance and upload of Application in the Stock Exchanges Platform Applicants are requested to refer to the Draft Prospectus.

### **OTHER INSTRUCTIONS**

#### **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **MULTIPLE APPLICATIONS**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Offer to detect multiple applications are given below:

- All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications;
- Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.



In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of “know your client” norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Offer to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration (“GIR”) number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Offer/ Lead manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB’ s in the ASBA system, without any fault on the part of Applicant.**

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

#### **GROUNDS FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;



- Applications at a price other than the Fixed Price of the Offer;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in the Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Offer Opening Date advertisement and the Draft Prospectus and as per the instructions in the Draft Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- ASBA Form by the Retail Individual Applicants by using third party bank accounts or using third party linked bank account UPI IDs
- Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Offer Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.

#### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite agreement dated December 06, 2018 with NSDL, our Company and Registrar to the Offer;



- Tripartite agreement dated December 05, 2018 with CDSL, our Company and Registrar to the Offer;

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application Form, name and address of the SCSB / Designated Intermediary, where the Application was submitted and bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants can contact the Compliance Officer or the Registrar in case of any pre Offer or post Offer related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Applications submitted to the Designated Branches of the SCSBs, the Applicants can contact the Designated Branches of the SCSBs.

### **Disposal of Applications**

Our Company and the Selling Shareholders shall ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within 6 Working Days of the Offer Closing Date.

### **Impersonation**

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:**

**“Any person who:**

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447”**

***Section 447 of the Companies Act, 2013, is reproduced as below:***

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. Of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:*

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.*

### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchanges, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.



## **PROCEDURE AND TIME OF SCHEDULE FOR ALLOTMENT AND DEMAT CREDIT**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Offer.

(a) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(b) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account which will be completed within 4 Working Days of the Offer Closing Date. The Issuer also ensures the credit of shares to the successful Applicants depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Offer Account on the Designated Date.

### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the net Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Letters of Allotment or Refund Orders or Instructions to the SCSBs**

The Registrar to the Offer shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Offer Closing Date. the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar, unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 6 Working Days of the Offer Closing Date.

## **MODE OF REFUND**

### **IN CASE OF ASBA APPLICATION**

Within 6 working days of the Offer Closing Date, the Registrar to the Offer may give instruction to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, failure of listing and also for any excess amount blocked on Application.

### **MODE OF MAKING REFUND FOR ASBA APPLICANTS**

In case of ASBA Application, the registrar of the Offer may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Offer.



## **GROUND FOR REFUND**

### **NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Draft Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Draft Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Offer shall intimate Public Offer bank/Bankers to the Offer and Public Offer Bank/Bankers to the Offer shall transfer the funds from Public Offer account to Refund Account as per the written instruction from lead manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate as disclosed in the Draft Prospectus.

### **Non-fulfilment of the obligations by the underwriters**

The Offer is not restricted to any minimum subscription and is 100% underwritten. If the Issuer does not receive subscription of 100% of the Offer, including devolvement to the Underwriters, as applicable, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Application/ Offer Closing Date. This is further subject to the compliance with Rule 19(2)(b) of the SCRR.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Applicants, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of prescribed time period under applicable laws, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

### **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The Issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The Issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the Offer. However applications received after the closure of Offer in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead manager or the Registrar to the Offer shall send to the Bankers to the Offer a list of their Applicants who have been allocated/Allotted Equity Shares in this Offer.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Offer will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Offer.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.



## **Minimum Subscription**

The requirement for 90% minimum subscription is not applicable to Issues under chapter IX of the SEBI ICDR Regulations.

As per Section 39 (1) of the Companies Act, 2013, if the minimum stated amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the offer including devolvement of Underwriter, if any, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight (8) working days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Offer shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Offer through the Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

## **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Offer Closing Date. The Registrar to the Offer may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Offer Closing Date.

### **Undertaking by our Company**

We undertake the following:

1. That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange. Where the Equity Shares are proposed to be listed within six working days from Offer Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Offer by our Company;
4. That our Promoter's contribution in full has already been brought in;
5. That no further Issue of Equity Shares shall be made till the Equity Shares Offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
7. If our Company does not proceed with the Offer after the Application/ Offer Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Application / Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre- Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraws the Offer after the Application / Offer Closing Date, our Company shall be required to file a fresh Draft Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer;





9. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

### **Undertaking by the Selling Shareholders**

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholders in this Draft Prospectus shall be deemed to be “statements and undertakings made by the Selling Shareholders.” All other statements and/ or undertakings in this Draft Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholders. Each Selling Shareholder severally and not jointly, specifically confirms and undertakes the following in respect of itself and the Equity Shares being offered by it pursuant to the Offer for Sale:

1. Its respective portion of the Offered Shares shall be transferred in the Offer free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, in a manner prescribed under Applicable Law in relation to the Offer, and without any objection by it and in accordance with the instructions of the Registrar to the Offer.
2. Its respective portion of the Offered Shares have been held by such Selling Shareholders for a minimum period of one year prior to the date of filing the Draft Prospectus, such period determined in accordance with Regulation 26 (6) of the SEBI ICDR Regulations.
3. It is the legal and beneficial owner and has full title of its respective portion of the Offered Shares.
4. That it shall provide all reasonable co-operation as requested by our Company and the LM in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the Offered Shares.
5. It will not have recourse to the proceeds of the Offer for Sale, until approval for final listing and trading of the Equity Shares is received from the Stock Exchanges.
6. It will deposit its respective portion of the Offered Shares in an escrow account opened with the Share Escrow Agent prior to filing of this Draft Prospectus with the RoC.
7. It shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a Application in the Offer, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes a Application in the Offer.
8. That it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the LM in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer.

The Selling Shareholders have authorised the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Applicants in respect of the Offer for Sale.

### **Utilization of Net Offer Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Offer shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 3) Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and



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- 4) Our Company shall comply with the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.

Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued consolidated FDI Policy, which with effect from June 07, 2016 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 7, 2016. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

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

**The Equity Shares offered in the Offer have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.**

**The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**



## SECTION X – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

*Pursuant to the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association.*

*Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.*

### **Public Company**

3. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

### **Share capital and variation of rights**

4. (i) The Authorised Share Capital of the Company shall be as laid down in Memorandum of Association of the Company.
- (ii) Subject to the provisions of the Companies Act 2013 and the applicable Rules made there under, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.
5. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:—
- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
6. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The company may issue new share certificates pursuant to consolidation or sub-division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.
7. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.



8. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.  
  
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.  
  
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
9. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.  
  
(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
11. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### *Lien*

12. (i) The company shall have a first and paramount lien—
  - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

  - (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
  - (iii) The fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.
13. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:  
  
Provided that no sale shall be made—
  - (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
14. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.



- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
  - (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
15. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### ***Calls on shares***

16. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
  - (iii) A call may be revoked or postponed at the discretion of the Board.
  - (iv) The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholder in a general meeting of the company.
17. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
19. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
20. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

21. The Board—
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
  - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not confer a right to dividend or to participate in profits.



### *Transfer of shares*

- 22.(i) The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
23. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.
24. The Board may decline to recognise any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.
25. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
26. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

### *Transmission of Shares*

27. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
28. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.



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29. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

30. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### *Forfeiture of Shares*

31. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
32. The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
33. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
34. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
35. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
36. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.





(iii) The transferee shall thereupon be registered as the holder of the share

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

37. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### *Alteration of Capital*

38. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. The Authorised Share Capital shall be as per the clause V (a) of Memorandum of Association of the company.

39. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) increase its authorised share capital by such amount as it thinks expedient.

(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

40. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

41. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Capitalisation of profits



42. (i) The company in general meeting may, upon the recommendation of the Board resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, Securities Premium Accounts or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- A. paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (iii) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
43. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

#### *Dematerialisation of Securities*

43. (i) **For the purpose of this Article:-**
- "Beneficial Owner":** Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.
- "Depositories Act":** Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.
- "Depository":** Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.



**"Member"**: Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

**"Security"**: Security shall mean such security as may be specified by SEBI.

- (ii) **"Dematerialisation of Securities"**: Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.
- (iii) **"Option to hold securities in physical form or with depository"**: Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.
- (iv) **"Beneficial Owner may opt out of a Depository"**: Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on fulfilment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.
- (v) **"Securities in Depositories to be in fungible form"**: All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
- (vi) **"Rights of depository and beneficial owners"**: A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.
- (vii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.
- (viii) **"Transfer of securities"**: Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- (ix) **"Register and Index of beneficial owners"**: The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.
- (x) **"Other matters"**: Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.
- (xi) Notwithstanding anything contained in the Act or the Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disks.

#### *Nomination*

45. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.



The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of Section 58A of the Act.

#### ***Buy-Back of Shares***

46. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### ***General Meetings***

47. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.
48. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### ***Proceedings at General Meetings***

49. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- (iii) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- (iv) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- (v) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### ***Adjournment of Meeting***

50. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### ***Voting Rights***

51. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.



52. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
53. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
54. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
55. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
56. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
57. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### ***Proxy***

58. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
59. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
60. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### ***Board of Directors***

61. The minimum number of Directors shall be 3 and maximum number of directors shall be 15.

The following shall be the First Directors of the Company:

- (1) Mr. Mayank Arora
- (2) Ms. Niru Vandur

62. (i) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting.



The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
  - (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - (b) in connection with the business of the company.
- 63. The Board may pay all expenses incurred in getting up and registering the company.
- 64. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 65. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
- 66. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 67. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.  
  
(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### ***Proceedings of the Board***

- 68. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.  
  
(ii) Subject to the Articles herein, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.  
  
(iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.  
  
(iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 69. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.  
  
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.



- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
72. A committee may elect a Chairperson of its meetings.
73. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
74. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
75. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
76. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

77. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
78. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

***Managing Director***

79. The business of the Company may be carried on by the Managing Director(s) who may be appointed by the Board of Directors / members in their General Meeting, from time to time who shall fix the terms, qualifications, remuneration, duties, authorities and powers. The Board may from time to time and subject to the provisions of the Act delegate to the Managing Director(s) such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time, revoke, withdraw, alter or vary all or any of the powers conferred on him or dismiss him from office and appoint another in his place.
80. Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. He shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.



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***The Seal***

81. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

***Dividends and Reserve***

82. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

83. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

84. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

85. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

86. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

87. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent

88. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

89. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

90. No dividend shall bear interest against the company.





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91. No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

#### *Accounts*

92. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### *Winding Up*

93. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
94. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
95. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### *Indemnity*

96. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been attached to the copy of the Draft Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Application/Offer Opening Date until the Application/Offer Closing Date.

#### A. Material Contracts

1. Memorandum of Understanding dated July 04, 2019 between our Company, the Selling Shareholder and the Lead Manager.
2. Memorandum of Understanding dated July 04, 2019 between our Company, the Selling Shareholder and the Registrar to the Offer.
3. Escrow Agreement dated [●] between our Company, the Selling Shareholder, the Lead Manager, Escrow Collection Bank(s) and the Registrar to the Offer.
4. Market Making Agreement dated July 04, 2019 between our Company, the Lead Manager and Market Maker.
5. Underwriting Agreement dated July 04, 2019 between our Company, the Selling Shareholder, the Lead Manager and Market Maker.
6. Share Escrow Agreement dated [●] between the Selling Shareholder, our Company, the Lead Manager and the Escrow Agent.
7. Tripartite agreement between the NSDL, our Company and the Registrar dated December 06, 2018.
8. Tripartite agreement between the CDSL, our Company and the Registrar dated December 05, 2018.

#### B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificates of Incorporation of Galactico Corporate Services Limited
3. Resolution of the Board of Directors meeting dated June 21, 2019 authorizing the Offer.
4. Shareholders' resolution passed at the EGM dated June 28, 2019 authorizing the Offer.
5. Auditor's report for Restated Financials dated July 15, 2019 included in this Draft Prospectus.
6. The Statement of Tax Benefits dated July 15, 2019 from our Statutory Auditors.
7. Consent of our Directors, the Selling Shareholder, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lead Manager, Legal Advisor to the Offer, Registrar to the Offer, Market Maker and Underwriters as referred to in their specific capacities.
8. Due Diligence Certificate(s) dated [●] of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.
9. Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of the BSE.



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Any of the contracts or documents mentioned in this Draft Prospectus 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 shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd/-

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**Mr. Vipul Lathi**  
Managing Director

Sd/-

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**Mr. Suyash Chhajed**  
Non Executive Non Independent Director

Sd/-

\_\_\_\_\_

**Mr. Krishna Rathi**  
Non Executive Independent Director

Sd/-

\_\_\_\_\_

**Mrs. Nilam Ghundiyal**  
Non Executive Independent Director

### SIGNED BY THE CHIEF FINANCIAL OFFICER

Sd/-

\_\_\_\_\_

**Mr. Vishal Sancheti**  
Chief Financial Officer

### SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

Sd/-

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**Ms. Harshika Thakkar**  
Company Secretary & Compliance Officer

Date: Nashik  
Place: July 18, 2019



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## **DECLARATION**

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Draft Prospectus about or in relation to himself and the Equity Shares being offered by him in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Prospectus.

### **SIGNED BY THE SELLING SHAREHOLDER**

Sd/-

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**Mr. Vipul Lathi**