



EVANS ELECTRIC LIMITED

Corporate Identity Number: U74999MH1951PLC008715

Our Company was originally incorporated as "Evans Electric Private Limited" on December 29, 1951 vide Registration no. 008715 (CIN: U74999MH1951PTC008715) under the provisions of the Companies Act, 1913 with the Registrar of Joint Stock Companies, Bombay. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on February 18, 2019, our company was converted into a Public Limited Company and consequently the name of our Company was changed from "Evans Electric Private Limited" to "Evans Electric Limited" vide a fresh Certificate of Incorporation dated March 13, 2019 issued by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company post conversion is U74999MH1951PLC008715. For further details please refer to chapter titled "History and Certain Corporate Matters" beginning on page 96 of this Prospectus.

**Registered Office:** 430, Orchard Mall, 3rd Floor, Royal Palms Estate, Aarey Milk Colony, Goregaon East, Mumbai, Maharashtra, 400065, India

**Corporate Office:** 431, Orchard Mall, 3rd Floor, Royal Palms Estate, Aarey Milk Colony, Goregaon East, Mumbai, Maharashtra, 400065, India

**Contact Person:** Mr. Deepak Y Patil, Company Secretary & Compliance Officer **Tel No:** +91-022-28729506

**E-mail:** cs@evanselectric.co.in; **Website:** www.evanselectric.co.in

**Promoter of Our Company:** Mr. Ivor Anthony Desouza

#### THE ISSUE

INITIAL PUBLIC OFFER OF 3,72,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF EVANS ELECTRIC LIMITED ("OUR COMPANY" OR "EEL" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹ 52 PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ 193.44 LAKHS ("PUBLIC ISSUE") COMPRISING OF A FRESH ISSUE OF 3,72,000 EQUITY SHARES AGGREGATING ₹ 193.44 LAKHS ["FRESH ISSUE"] OUT OF WHICH 20,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ 52 PER EQUITY SHARE FOR CASH, AGGREGATING ₹ 10.40 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 3,52,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ 52 PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ 183.04 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 27.11% AND 25.66% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED, IN TERMS OF RULE 19(2) (b) (i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER "ISSUE PROCEDURE" ON PAGE 189 OF THIS PROSPECTUS.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 189 of this Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

#### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 189 of this Prospectus.

#### RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Issue Price is 5.2 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in "Basis for Issue Price" on page 67 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

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 19 of this Prospectus.

#### ISSUER'S ABSOLUTE RESPONSIBILITY

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

#### LISTING

The Equity Shares Issued through this Prospectus are proposed to be listed on the SME Platform of BSE Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time. Our Company has received an approval letter dated April 11, 2019 from BSE Limited ("BSE") for using its name in the Offer Document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE")

#### LEAD MANAGER TO THE ISSUE



**Hem Securities Ltd.**

#### HEM SECURITIES LIMITED

904, A Wing, Naman Midtown, Senapati Bapat Marg,

Elphinstone Road, Lower Parel, Mumbai-400013, India

**Tel. No.:** +91- 022- 49060000

**Fax No.:** +91- 022- 22625991

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

**Email:** [jb@hemsecurities.com](mailto:jb@hemsecurities.com)

**Investor Grievance Email:** [redressal@hemsecurities.com](mailto:redressal@hemsecurities.com)

**Contact Person:** Mr. Anil Bhargava

**SEBI Regn. No.** INM000010981

#### REGISTRAR TO THE ISSUE



**Bigshare Services Pvt. Ltd.**

#### BIGSHARE SERVICES PRIVATE LIMITED

**Address:** -1<sup>st</sup> Floor, Bharat Tin Works Building,

Opp. Vasant Oasis Makwana Road,

Marol, Andheri East, Mumbai - 400059

**Tel No.:** +91-022-62638200 **Fax No.:** +91-022-62638299

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

**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Contact Person:** Mr. Ashok Shetty

**SEBI Regn. No.:** INR000001385

#### ISSUE PROGRAMME

ISSUE OPENS ON: APRIL 30, 2019

ISSUE CLOSES ON: MAY 03, 2019

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies, as amended or re-enacted from time to time. The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Listing Regulations, the Depositories Act or the Rules and Regulations made thereunder. Notwithstanding the foregoing, terms used in "Statement of Special Tax Benefits", "Financial Information of the Company" and "Main Provisions of the Articles of Association" beginning on pages 69, 117 and 211, respectively, shall have the meaning ascribed to such terms in such sections. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

*Unless the context otherwise indicates or implies, all references to "the Issuer", "Issuer Company", "the Company", "our Company" "Evans Electric Limited" or "Evans" or "EEL" are references to Evans Electric Limited and references to "we", "our" or "us" are references to our Company.*

#### **Company Related Terms**

<b>Term</b>	<b>Description</b>
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended.
Audit Committee	The Audit Committee of our Board constituted in accordance with Section 177 of the Companies Act and as described in the chapter titled " <i>Our Management</i> " beginning on page 100 of this Prospectus.
Auditor/ Statutory Auditor/ Peer Review Auditor/Statutory and Peer review auditor	The Statutory Auditor of our Company, being M/s Anay Gogte & Co. holding a valid peer review certificate dated January 11, 2017 as mentioned in the chapter titled " <i>General Information</i> " beginning on page 39 of this Prospectus.
Bankers to our Company	The Bankers to our Company is Union Bank of India.
Board /Board of Directors/ our Board/ Director(s)	The Board of Directors of our Company, as duly constituted from time to time, and includes any committee(s) of the Board constituted in accordance with the Companies Act, 2013. For further details, see chapter titled " <i>Our Management</i> " beginning on page 100 of this Prospectus.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled " <i>General Information</i> " beginning on page 39 of this Prospectus.
CIN	Corporate Identification Number of our Company.
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled " <i>General Information</i> " beginning on page 39 of this Prospectus.
Corporate Office	431, Orchard Mall, 3rd Floor, Royal Palms Estate, Aarey Milk Colony, Goregaon (E), Mumbai, 400065, Maharashtra, India
Equity Shares	Equity Shares of our Company of face value of ₹ 10/- each fully paid- up.
Equity Shareholders	Persons / Entities holding Equity Shares of our Company
Executive Director	An Executive Director of our Company.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018);
Group Companies/ Entities	Such Companies with whom there are related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the Board and are included in the chapter titled " <i>Our Group Companies</i> " beginning on page 165 of this Prospectus.
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations
ISIN	International Securities Identification Number. In this case being INE06TD01010
Key Managerial Personnel /KMPs	Key Managerial Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013 as

	disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 100 of this Prospectus.
MD or Managing Director	The Managing Director of our Company, Mr. Nelson Lionel Fernandes
Materiality Policy	The policy adopted by our Board on March 14, 2019 for identification of Group Companies, outstanding material litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under Schedule VI of the SEBI (ICDR) Regulations.
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board constituted under Section 178 of the Companies Act and as described in the chapter titled “ <i>Our Management</i> ” beginning on page 100 of this Prospectus.
Promoter/ Promoters/ our Promoters	Promoter of our Company being Mr. Ivor Anthony Desouza. For further details, please refer to the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 112 of this Prospectus.
Promoter Group	Includes individuals, companies and entities forming part of our Promoter Group as per Regulation 2(1)(pp) the SEBI ICDR Regulations, 2018 and as disclosed in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 112 of this Prospectus.
Registered Office	The Registered office of our Company situated at 430, Orchard Mall, 3rd Floor, Royal Palms Estate, Aarey Milk Colony, Goregaon (E), Mumbai, 400065, Maharashtra, India
Restated Financial Information / Restated Financial Statements	The Restated Financial Information of our Company which comprises of the restated balance sheet, the profit and loss and the restated cash flow information for the period ended October 31, 2018 and financial years ended March 31, 2018, March 31, 2017 and March 31, 2016, together with the annexures and the notes thereto, which have been prepared in accordance with the Companies Act, the applicable Accounting Standards and restated in accordance with the SEBI (ICDR) Regulations.
RoC or Registrar of Companies	Registrar of Companies at Mumbai (Maharashtra) situated at 100, Everest, Marine Drive Mumbai- 400002, Maharashtra, India.
Stakeholders Relationship Committee	The Stakeholders’ Relationship Committee of our Board constituted under Section 178 of the Companies Act and as described under the chapter titled “ <i>Our Management</i> ” beginning on page 100 of this Prospectus.
You, your or yours	Prospective investors in this Issue

### Issue Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the retail and non-retail category.
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants.
Allottee(s)	Successful Applicants to whom Equity Shares are being/have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Form/ASBA Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
Application Supported by Blocked Amount/ ASBA	An application (whether physical or electronic) used by an 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 RIIs using the UPI mechanism.

ASBA Account	Account maintained with an SCSB and specified in the Application Form, which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Application Amount in relation to an Application by an Applicant.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs viz, Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ ASBA Applicant	Any prospective Investor(s)/Applicants(s) in this Issue who apply (ies) through the ASBA process in terms of this Prospectus.
Bankers to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being HDFC Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be allotted to the successful ASBA Applicants under the Issue and which is described under the chapter titled “Issue Procedure” beginning on page 189 of this Prospectus.
Broker Centers	Broker Centers notified by the Stock Exchange, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centre’s, along with the name and contact details of the Registered Brokers, are available on the website of the BSE Limited on the following link <a href="http://www.bseindia.com">www.bseindia.com</a>
BSE SME	The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of Equity Shares issued under Chapter IX of the SEBI ICDR Regulations.
Broker to the Issue	All recognized members of the Stock Exchange would be eligible to act as the Broker to the Issue.
CAN or Confirmation of Allocation Note	The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to the Issue 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 of the SCSBs	Such branches of the SCSBs which co-ordinate applications under this Issue by the ASBA Applicants with the Lead Manager, Registrar to the Issue and the Stock Exchange 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, PAN, occupation and bank account details.
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
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 website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants.
Designated Intermediaries/ Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and Share Transfer Agent (RTA) (whose names is mentioned on website of the Stock Exchange as eligible for this activity)

Designated Market Maker/ Market Maker	In our case, Hem Securities Limited having its Registered office at 203, Jaipur Tower, M I Road, Jaipur, 302001, Rajasthan.
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 website of the Stock Exchange, i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Exchange/Stock Exchange	BSE Limited
DP	Depository Participant
DP ID	Depository Participant's Identity number
Draft Prospectus/ Draft Offer document	The Draft Prospectus dated March 15, 2019 filed with BSE Limited (BSE SME).
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialized accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Equity Shares	Equity Shares of our Company of face value Rs 10 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, NACH, UPI, Direct Credit or RTGS as applicable
Fresh Issue	Fresh issue of 3,72,000 Equity Shares aggregating ₹ 193.44 lakhs to be issued by Company pursuant to the Issue.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
FII/ Foreign Institutional Investor	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable law in India.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the Offer Document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the Offer Document
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (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 notified by the SEBI and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018.
HSL	Hem Securities Limited.
Issue/Offer/Issue Size/ Initial Public Issue / Initial Public Offer/Initial Public Offering/ Initial Public Offering/ IPO	Public Issue of 3,72,000 Equity Shares of face value of ₹10 each fully paid of the Company for cash at a price of ₹ 52.00 per Equity Share (including a premium of ₹ 42.00 per Equity Share) aggregating to ₹ 193.44 Lakh.
Issue Agreement	The agreement dated March 14, 2019 between our Company and the Lead Manager,

	pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Opening Date	The date on which Issue opens for subscription. In this case being, April 30, 2019
Issue Closing Date	The date on which Issue closes for subscription. In this case being, May 03, 2019
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company under the Prospectus being ₹ 52.00 per Equity Share of face value of ₹ 10 each fully paid up.
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being ₹ 193.44 Lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and BSE Limited.
Lead Manager	Manager to the Issue, in this case being Hem Securities Limited, a SEBI Registered Merchant Banker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Hem Securities Limited who 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 any other period as may be notified by SEBI from time to time
Market Making Agreement	Market Making Agreement dated March 22, 2019 between our Company and the Market Maker and the addendum dated April 09, 2019 to the Market Making Agreement.
Market Maker Reservation Portion	The Reserved Portion of 20000 Equity Shares of face value of Rs 10 each fully paid for cash at a price of ₹ 52.00 per Equity Share aggregating ₹ 10.40 Lakhs for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 3,52,000 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ 52.00 Equity Share aggregating to ₹ 183.04 Lakhs by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 63 of this Prospectus.
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than Rs 2,00,000.
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 Issue.
Offer Document/ Prospectus	The Offer Document to be filed with RoC containing, inter alia, the issue opening and closing dates and other information in accordance with Section 26 of the Companies Act, 2013
Other Investor(s)	Investors other than Retail Individual Investors. These include individual Applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Public Issue Account(s)	Account(s) opened with the Public Issue Bank/Banker for the Issue.
Public Issue Account Agreement	Agreement entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Public Issue Bank to the Issue for collection of the Application Amounts.
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations

Registered Broker(s)	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of BSE Limited having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.bseindia.com">www.bseindia.com</a> .
Registrar / Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited
Registrar Agreement	The agreement dated February 25, 2019 and Addendum dated March 18, 2019 entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and Share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Regulations/SEBI Regulations/ SEBI (ICDR) Regulations/ SEBI ICDR Regulations/ SEBI ICDR Regulations 2018	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investor/ / Retail Investors	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to ₹2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
SEBI SAST / SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI LODR/SEBI (Listing Obligations and Disclosure Requirement) Regulations/ SEBI LODR Regulations/ SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015
SME Exchange/ SME Platform	SME Platform of BSE Limited
SEBI(PFUTP) Regulations/PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate collect requests and / or payment instructions of the Retail Investors into the UPI.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the



	provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board
Transaction Registration Slip/TRS	The slip or document issued by the member(s) of the Syndicate to the Applicant as proof of registration of the Application.
Underwriters	Underwriters in this case being Altina Securities Private Limited and Lead Manager to the Issue.
Underwriting Agreement	The agreement dated March 22, 2019 entered into between the Underwriters and our Company and the addendum dated April 09, 2019 entered into between the Underwriters and our Company.
Unified Payments Interface(UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended from time to time
Wilful Defaulter	means a person or an issuer who or which is categorized as a willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India
Working Day(s)	All days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Bid/ Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI

#### Technical and Industry Related Terms

Term	Description
AC	Alternating current
DC	Direct current
EASA	Electrical Apparatus Service Association
HV	High voltage
IEC	Import Export Code
ISO	International Organization for standardization
KV	Kilovolt
KvA	Kilo-volt-ampere
LV	Low voltage
MCA	Ministry of Corporate Affairs
MW	Megawatt
Nos	Numbers
OEM	Original Equipment Manufacturer
OHM	the SI unit of electrical resistance,
Sq. Ft.	Square Foot
TIG Welding	Tungsten Inert Gas welding
UPSEB	Uttar Pradesh State Electricity Board

#### Conventional and General Terms / Abbreviations

Term	Description
A/C	Account
AGM	Annual General Meeting

AIF(s)	Alternative Investments Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
Amt / AMT	Amount
AS/ Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
AoA	Articles of Association
Approx	Approximately
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
Bn	Billion
BSE	BSE Limited
BG / LC	Bank Guarantee / Letter of Credit
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Companies Act, 1913	Companies Act, 1913 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections).
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections).
Companies Act	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Consolidated FDI Policy with effect from August 28, 2017 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CS	Company Secretary
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EXIM/EXIM Policy	Export-Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII(s)	Foreign Institutional Investors, as defined under the FII Regulations and
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors)

	Regulations, 1995, as amended from time to time.
FIs	Financial Institutions
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FV	Face Value
F.Y./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GoI/ Government	Government of India
GST	Goods and Services Tax
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
ICMAI	The Institute of Cost Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IIP	Index of Industrial Production
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
INR/Rs./Rupees/₹	Indian National Rupee
Income Tax Act/ I.T. Act	The Income Tax Act, 1961
IPO	Initial Public Offering
IT Authorities	Income Tax Authorities
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016.
Key Managerial Personnel/KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAPIN	Market Participants and Investors Database
MICR	Magnetic Ink Character Recognition
Mn	Million
MoA	Memorandum of Association
MoU	Memorandum of Understanding
Mtr	Meter
N.A.	Not Applicable
NACH	National Automatic Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Finance Company
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term

	in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets
p.a.	per annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
Pvt.	Private
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended
ROE	Return on Equity
R&D	Research & Development
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956 as amended.
SCRR	Securities Contracts (Regulation) Rules, 1957 as amended.
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 2015, as amended.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI (PFUTP) Regulations / PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended.
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number

TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
u/s	Under Section
UIN	Unique Identification Number
US/United StatesU.S./USA	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Securities Act, 1933	U.S. Securities Act of 1933, as amended
UOI	Union of India
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.
WDV	Written Down Value
w.e.f.	With effect from
WHO	World Health Organization
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations.
WTD	Whole-time Director
YoY	Year over year

**CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION & MARKET DATA &  
CURRENCY OF FINANCIAL PRESENTATION**

**Certain Conventions**

All references in this Prospectus to “India” are to the Republic of India. All references in this Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Evans Electric Limited”, and “EEL”, and, unless the context otherwise indicates or implies, refers to Evans Electric Limited. In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crores”. In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

**Use of Financial Data**

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in this Prospectus is derived from our financial statements prepared and restated for the period ended October 31, 2018 and financial year ended March 31, 2018, 2017 and 2016 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations included under Section titled “*Financial Information of the Company*” beginning on page 117 of this Prospectus. Our Company does not have any Subsidiary Company or Associate Company, accordingly financial information relating to us is presented on standalone basis. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year. All references to a particular fiscal year are to the 12month period ended March 31 of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“**IFRS**”) and the Generally Accepted Accounting Principles in the United States of America (“**U.S. GAAP**”). Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences 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 “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements 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 Statutory Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 117 of this Prospectus.

For additional definitions used in this Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 211 of this Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

**Use of Industry & Market Data**

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained and derived from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Accordingly, no investment decision should be made on the basis of this information. Although, we believe that the industry and market data used in this Prospectus is reliable, neither we nor the LM nor any of its affiliates or advisors have prepared or verified it independently.

Further the extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed under section titled "*Risk Factors*" beginning on page 19. Accordingly, investment decisions should not be based on such information.

**Currency of Financial Presentation**

All references to "Rupees" or "INR" or "Rs" or "₹" are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled "*Industry Overview*" throughout this Prospectus all figures have been expressed in thousands, Lakhs/Lacs, Million and Crore.

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operation*" on page 19, 78 & 142 in this Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

This Prospectus may contain conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) 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.

### **FORWARD LOOKING STATEMENTS**

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

All statements regarding our expected financial condition and results of operations, business, plans, objectives, strategies, goals and prospects are forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

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

- Our ability to successfully implement our strategy, our growth and expansion, technological changes;
- Failure to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technologies and the industries we focus on;
- Factors affecting electrical instruments industry;
- Failure to attract, retain and manage the transition of our management team and other skilled professionals; our inability to compete efficiently;
- Ability to respond to technological changes;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Recession in the market;
- Changes in laws and regulations relating to the industries in which we operate;
- Effect of lack of infrastructure facilities on our business;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;

For a further discussion of factors that could cause our actual results to differ, refer to section titled "*Risk Factors*" and chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 19 and 142 respectively of this Prospectus. By their nature, certain market 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.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Lead Manager, Underwriter or any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, Lead Manager and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.



## SECTION II

### SUMMARY OF PROSPECTUS

#### **BUSINESS OF THE COMPANY**

Our Company is engaged in the business of repairing, re-winding and re-designing including inhouse manufacturing of replacement components of small, medium and large electric motors, generators and transformers, which are used in Thermal, Hydro, Diesel, Gas & Nuclear Electric Power Generation, Petroleum Refineries, Chemicals & Fertilizers, Cement Plants, Steel Plants, Tyre Manufacturing, Sugar Mills, Oil & Gas Exploration, Shipping, Mining and Railway Traction.

For further details please see the Chapter titled “Our Business” beginning on page 78 of this Prospectus.

#### **SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING**

With the rapid rise in economic growth and living standards more & more people used Generators, Motor and Pump sets in Residential, Commercial, Industries, Hospital, and Agriculture, Institution, Govt. establishment’s etc. which becomes a necessity in daily life. And since frequent power failure & long duration load shedding where, these devices are more needed. And with the continual used, these devices became defective and inefficient due to wear & tear in the mechanical parts, and deterioration in electrical insulation & Lub. oil etc. In order to have a smooth, optimum and efficient operation, the devices need timely repair & preventive maintenance services. Therefore, units catering to Repair, Service and maintenance of these devices have very good scope.

For further details please see the Chapter titled “Industry Overview” beginning on page 71 of this Prospectus.

#### **NAME OF PROMOTER**

The Promoter of our Company is Mr. Ivor Anthony Desouza.

#### **SIZE OF THE ISSUE**

The Issue comprises of a Public Issue of 3,72,000 equity shares of Face Value of ₹ 10/- each fully paid (The “Equity Shares”) for cash at a price of ₹ 52.00 per Equity Shares (including a premium of ₹ 42.00 per equity share) aggregating to ₹ 193.44 Lakhs (“the Issue”) by our Company out of which 20000 Equity Shares of ₹ 10 each will be reserved for subscription by Market Maker (“Market Maker Reservations Portion”) and a Net Issue to public of 3,52,000 Equity Shares of ₹ 10 each is hereinafter referred to as the Net Issue. The Issue and the Net Issue will constitute 27.11% and 25.66 % respectively of the post issue paid up Equity Share Capital of the Company.

#### **OBJECTS OF THE ISSUE**

The Issue Proceeds are proposed to be used in accordance with the details as set forth below:

S. No	Particulars	(₹ in Lakhs)
1.	To meet working capital requirement	111.00
2.	General Corporate Expenses	37.00
3.	To meet the Issue Expenses	45.44
	<b>Total</b>	<b>193.44</b>

#### **PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP**

The aggregate pre-issue shareholding of the promoter and promoter group as a percentage of the paid-up capital of the issuer is as below-

Name	No. of Equity Shares	% of Pre Issue paid up Equity Shares
<b>Promoter</b>		
Mr. Ivor Anthony Desouza	6,74,993	67.50

<b>Total (A)</b>	<b>6,74,993</b>	<b>67.50</b>
<b>Promoter Group</b>		
Mr. Jason Ian Desouza	62,500	6.25
Mr. Daniel Joseph Desouza	62,500	6.25
Mr. Clarence Stephen D'sa	2	Negligible
Mrs. Jeanne Marie Desouza	2	Negligible
<b>Total (B)</b>	<b>125004</b>	<b>12.50</b>
<b>Grand Total(A+B)</b>	<b>7,99,997</b>	<b>80.00</b>

### SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated financial statements for past 3 years and stub period in tabular format:

(₹ in Lakhs)

Sr. No.	Particulars	For the period ended on October 31, 2018	Year ended		
			March 2018	March 2017	March 2016
1.	Paid up Share Capital	50.00	50.00	50.00	50.00
2.	Net worth	765.29	707.23	667.22	442.58
3.	Total Revenue	400.30	586.91	1,071.58	511.65
4.	Profit After Tax	58.06	46.30	236.69	41.48
5.	Earnings Per Share – Basic & Diluted*	5.81	4.63	23.67	4.15
6.	NAV per Equity Shares*	76.53	70.72	66.72	44.26
7.	Total Borrowings (As per Restated Balance Sheet)	-	-	47.81	5.59

\*As adjusted for split of shares and bonus issue.

### AUDITORS QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

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

### OUTSTANDING LITIGATIONS

Litigation involving our Company

Nature of Case	Number of Cases/Demands	Outstanding Amount (₹ in Lakhs)
Direct Tax	5	2.14
Other	1	Not Ascertainable

Litigation involving our Directors other than Promoter

Nature of Case	Number of Cases/Demands	Name of the Director	Outstanding Amount (₹)
Direct Tax	5	Mr. Nelson Lionel Fernandes	4.80

Litigation involving our promoter:

Nature of Case	Number of Cases/Demands	Outstanding Amount (₹)
Direct Tax	1	1.77

For further details of the outstanding litigation proceedings, see "Outstanding Litigation and Material Developments" beginning on page 156.

### RISK FACTORS

Please see "Risk Factors" beginning on page 19 of this Prospectus.

### SUMMARY OF CONTINGENT LIABILITIES OF THE COMPANY

Following is the summary of the Contingent Liabilities of the Company for the period ended on October 31, 2018 and financial years ended on March 31, 2018, 2017 and 2016: -

(₹ in Lakhs)

Particulars	Period ended October 2018	Year Ended		
		March 2018	March 2017	March 2016
Contingent liabilities in respect of:				
Guarantees given on Behalf of the Company	14.86	16.37	21.60	14.46
Other commitments	-	-	-	-
<b>Total</b>	<b>14.86</b>	<b>16.37</b>	<b>21.60</b>	<b>14.46</b>

\*apart from the above mentioned amount, the company has availed Bank Guarantees amounting to ₹227 lakhs to different parties which are outstanding as on date of this Prospectus.

For detailed information on the Contingent Liabilities on our Company, please refer "Annexure – XXVII" appearing under Chapter titled "Financial Information of our Company" beginning on page no137 of this Prospectus.

#### SUMMARY OF RELATED PARTY TRANSACTIONS

Related Party Disclosure		
(a)	List of Related Parties	
	Names of the related parties with whom transactions were carried out during the years and description of relationship:	
	<b>Name of the Person / Entity</b>	<b>Relation</b>
1	Ivor Anhony Desouza	Director
2	Nelson Lionel Fernandes	Director
3	Iyleen Fluxpower Private Limited	Entity owned & significantly influenced by directors & relatives of Director
4	Jason High Voltage Private Limited	Entity owned & significantly influenced by directors & relatives of Director
5	Rajkumar Keswani	Chief Financial Officer
6	Deepak Y Patil	Company Secretary
7	Mrs. Iyleen Matilda Fernandes	Director

(₹ In Lakhs)

SI No.	Particulars	As at October 31, 2018	As at March 31,		
			2018	2017	2016
	Sales Transaction				
	<b>Purchase Transaction</b>				
	Iyleen Fluxpower Private Limited		5.54	26.85	4.69
	Jason High Voltage Private Limited	17.43	21.75	97.93	21.01
	Other Expenses like rent free accommodation, interest paid, etc.				
	Rent (Iyleen Matilda Fernandes)	3.36	5.04	4.80	4.21
	Interest Received				
	Balances at the end of year				
	Payables: Jason High Voltage Private Limited	8.34	3.24	11.52	7.00
	Iyleen Fluxpower Private Limited	0.50	4.57	0.00	3.68
	Receivables: Nil				
	<b>MANAGERIAL REMUNERATION</b>				
	Nelson Lionel Fernandes	6.50	14.52	11.85	9.48
	Ivor Anthony Desouza	7.48	12.66	13.16	10.61
	Rajkumar Keswani (CFO)	6.37	10.40	11.06	8.46
		<b>20.35</b>	<b>37.58</b>	<b>36.07</b>	<b>28.55</b>

For detailed information on the related party transactions executed by our Company, please refer "Annexure XXVIII" appearing under Chapter titled "Financial Information of our Company" beginning on page no 137 of this Prospectus.

#### FINANCING ARRANGEMENTS

The promoters, members of the promoter group, the directors of the company which is a promoter of the issuer, the Directors of the issuer and their relatives have not financed the purchase by any other person of securities of the Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Prospectus.

#### WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY OUR PROMOTER IN THE ONE YEAR PRECEDING THE DATE OF THIS PROSPECTUS

During the preceding one year from the date of the Prospectus, our Promoter, Mr. Ivor Anthony Desouza was allotted 3,37,497 Equity Shares, pursuant to bonus issue of Equity Shares made by the Company on February 14, 2019. Since the bonus allotment does not involve any consideration, the weighted average price of such Equity Shares is "Nil".

#### AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS

Sr. No.	Name of Promoters	Total No. of Equity Shares	Average Cost of Acquisition per equity share (in ₹)**
1.	Mr. Ivor Anthony Desouza	6,74,993	4.23**

\* The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares and the cost of acquisition has been divided by total number of shares held as on date of this Prospectus.

\*\* As certified by our Statutory Auditor vide their certificate dated March 15, 2019.

#### DETAILS OF PRE-ISSUE PLACEMENT

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

#### ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Except as set out below, we have not issued Equity Shares for consideration other than cash in the preceding one year:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits Accrued to our Company
February 14, 2019	5,00,000	10	-	Bonus in the ratio of 1:1 i.e. 1 Equity Shares for every 1 Equity Share held	Capitalization of Reserves & Surplus

#### SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has undertaken a split of Equity shares having face value of ₹ 100 each into Equity shares having face value of ₹ 10 each pursuant to resolution passed in extra ordinary general meeting held on December 16, 2018.

### SECTION III: RISK FACTORS

*An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Prospectus, particularly the “Financial Information of the Company” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 117, 78 & 142 respectively of this Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

*The risk factors set forth below are not exhaustive and 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, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

#### **Materiality**

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

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

#### **Note:**

*The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.*

*In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” on page 19 and “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 142 of this Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Audited Financial Statements, as restated” prepared in accordance with the Indian Accounting Standards.*

- 1. Our business is largely dependent upon the demand for the repairing, re-winding and re-designing of transformers, generators and electric motors in the power generation, transmission and Distribution industry.***

Our Company is engaged in the business of repairing, re-winding and re-designing of transformer, generators and electric motors. Majority of our revenue is derived from the clients engaged in the power generation, transmission and Distribution industry. The demand for our business is largely dependent upon the breakdown, wear and tear of the transformers, Generators and Electric motors in the said industry. In case the demand for the repair and re-winding work is less in the said industry it may have a negative impact on our revenue and

operations. Also, the demand for repair and re-winding of transformers, Generators and Electric motors is also dependent upon the capital expenditure in the industry, with the increase in the capital expenditure in the industry there may be higher number of machinery breakdown which will increase the demand for repairing and re-winding of the transformers, Generators and Electric motors. However, there can be no certainty regarding the growth in the ancillary and support sector for power sector, its financial conditions and the industrialization in the country. If the Indian economy does not continue to grow at the current rate, it would adversely impact the ancillary and support power sectors to power and other similar sector, which can have an adverse effect on our business, financial condition and results of operations.

**2. There are certain outstanding legal proceedings involving Our Company, Directors and Promoters. Any failure to defend these proceedings successfully may have an adverse effect on our financial conditions, business, reputation and result of ongoing operations.**

Our Company, Directors and Promoters are involved in certain legal proceedings, which if determined, against us/them could harm our reputation or adversely affect our business, financial condition and results of operations. These proceedings are pending at different levels of adjudication before various courts, tribunals and appellate authorities. For details kindly refer chapter titled “*Outstanding Litigations and Material Developments*” on page 156 of this Prospectus.

A brief detail of such outstanding litigations as on the date of this Prospectus are as follows:

Litigation involving our Company

Nature of Case	Number of Cases/Demands	Outstanding Amount (₹ in Lakhs)
Direct Tax	5	2.14
Other	1	Not Ascertainable

Litigation involving our Directors other than Promoter

Nature of Case	Number of Cases/Demands	Name of the Director	Outstanding Amount (₹)
Direct Tax	5	Mr. Nelson Lionel Fernandes	4.80

Litigation involving our Promoter:

Nature of Case	Number of Cases/Demands	Outstanding Amount (₹)
Direct Tax	1	1.77

**3. Orders included in our order book may be delayed, cancelled or not fully paid for by our clients, which could materially harm our cash flow position, revenues and earnings**

As on February 01, 2019, our Order Book stands at ₹ 211.95 lakhs. Our Order Book reflects the estimated revenues from the unexecuted portions of all our ongoing works. Contracts can remain in our Order Book for extended periods because of the nature of the services required to be provided by us. The risk of contracts in Order Book being cancelled or suspended generally increases during periods of wide spread economic slowdowns. In addition, even where the time required exceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed.

Delays, modifications in the scope or cancellations may occur from time to time due to any of the reasons above or due to defaults by our clients or our own defaults, incidents of force majeure, adverse cash flows, regulatory delays and other factors beyond our control. Our inability to complete or monetize such works in a timely manner, or at all, may adversely affect our business and results of operations. In addition, our clients may also be entitled to terminate the agreement in the event of delay in completion of the work if the delay is not on account of the agreed exceptions.

Hence, our Order Book may not be indicator of our future results due to various factors including delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default regarding our Order Book, or disputes with clients in respect of any of the foregoing, which could adversely affect our cash flow position, revenues and earnings.

**4. Our company has not complied with certain statutory provisions of the Companies Act. Such non-compliance may attract penalties and prosecution against our Company and its directors which could**

***impact the financial position of us to that extent.***

Our Company has not complied with certain statutory provisions under the Companies Act 1956 /2013, for instance our Company in the past has not complied with the provision of Section 139 regarding the appointment of auditor for a consecutive period of 5 years in the past, however as on date, the company affirms to make the appointment of the Statutory auditor for the period of 5 years in compliance with the provisions of the Companies Act, also our company has not complied with section 123 of the Companies Act, regarding opening of separate bank account for the payment of dividend, however no amount of dividend is due to be paid as on date. Although no show cause notice have been issued for the said matters however we cannot assure any penal actions may be taken against the Company and its directors, in which event the financials of the Company and its directors shall be affected.

Further, there are certain forms which are filed with delayed fees or not filed with Registrar of Companies in the past for instance, our Company has not filed relevant ROC Form for satisfaction of charge for certain loan, the Company is under discussion with the Bank for satisfaction of the said charge. Also there are certain irregularities with the forms filed with RoC such as transfer details has been erroneously attached in the annual returns filed with RoC. Also, our Company has not complied with some Accounting Standards in the past such as AS-18 by not recording certain transaction with related parties in the disclosures and AS-15 i.e. our Company has not obtained actuarial valuation reports in respect of provisioning of gratuity, however, our Company has secured the liability for gratuity expenses by taking a LIC policy which has been properly recorded in the accounts of the Company.

Although, no show cause notice has been issued against the Company till date in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, penal actions may be taken against the Company and its directors, in which event the financials of the Company and its directors shall be affected.

***5. The success of our business process is largely dependent on the timely supply of specific materials and components in the requisite quantity used in repairing and re-winding.***

Our Company is on the basis of the assessment can design, develop and manufacture some of the components for carrying out re-winding and repairing work based on requirement of the order in hand and maybe a one off requirement. For the said critical components and on random requirements our company is dependent mainly on the various materials and components such as copper, electric insulation, coils etc which are used for their manufacturing in time bound manner for in the repair and re-winding of the machines. The components required in the process of repairing and re-winding have certain fixed specifications which if not met may restrict our operations. Further the quantity required for the service if not available or available in short quantity or available at a price higher than the estimated price may impact our operations and profitability. However, we on the basis of the assessment can design, develop and manufacture some of the components mentioned above for carrying out re-winding and repairing work. Thus, we are exposed to risk of upward fluctuations in the prices of various raw materials and their non-availability/short availability. Also, we have not entered into any supply agreements with our suppliers for the components bought by our Company. Any upward fluctuation in the prices of the major components or shortage in supply would result in increase of cost of production which may adversely impact the business and profitability of the Company. In case, we are not able to pass on any such increase to the consumers because of competition or otherwise, it may affect the profitability of the Company.

***6. Certain of our corporate records relating to forms filed with the Registrar of Companies prior to the year 2006 in respect of allotment of Equity Shares, increase in authorized capital, appointment & resignation of directors, filing of financial statements etc. and certain other records such as Minutes Book, Share Transfer deeds, Statutory Registers etc. prior to 2000 are not traceable.***

We do not possess some of the prescribed forms filed with the Registrar of Companies, Mumbai, particularly relating to forms filed prior to the year 2006 including, inter alia, in respect of allotments of Equity Shares, increase in authorized share Capital, appointment & resignation of directors, change in registered office, filing of financial statements etc. However, we have obtained a search report dated February 27, 2019 from a Practicing Company Secretary in relation to records maintained by RoC in the physical form. Thus, the history of our company with regards to share allotments, change in authorized share capital, change in director, registered office etc presented in this Prospectus is based on the said report. While our Company believes that these ROC forms were duly filed on a timely basis, we cannot assure you that all the aforementioned forms filed with ROC will be available in the future.

Also, the original Memorandum of Association of our Company executed in 1951 states that one of the main objects of the Company was to acquire the business of Evans Electric co. at Bombay with all its assets and liabilities, however no documents with regards to the acquisition are currently available with the Company. Further, certain other statutory records such as Minutes Book and Statutory Registers pertaining to the years prior to year 2000 and certain share transfer deeds for the transfers taken place prior to the year 2000 are not traceable by us and also that we have not lodged any FIR with respect to the same with relevant police station.

Due to the non-availability of the requisite data and incase of any action being taken against our company, we may be able to present the requisite documentary evidence to validate our point which may lead to any penal actions being taken against the Company and its operations may get adversely affected.

**7. *Our Statutory Auditors have included certain qualifications and Emphasis of Matters in their Audit Reports on our financial statements for the period Mar.'17 and Mar.'16.***

Our Statutory Auditors have included certain qualifications in their Audit Reports on our financial statements for the period Mar.'17 and Mar.'16. Our Statutory Auditors has made an observation in their Audit Report, which is reproduced hereunder:-

*“Undisputed statutory dues including provident fund, employee’s state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.”*

**8. *Majority of our revenue is based on the contracts and thus the revenue is not comparable.***

Majority of our business is based on the contracts and work orders procured from the customers, which largely depends upon the demand for repairing and re-winding. The demand for the repairing and re-winding are largely dependent on the machine breakdown, wear and tear. In case, we fail to obtain new contracts or the contracts obtained are of lower values which may be reduced due to lower level of breakdown, wear and tear, the same can have an adverse effect on our revenue. Also, our revenue cannot be compared on a year on year basis due to the same. For instance, our re-stated total revenue has decreased from ₹ 1,071.58 Lakhs in FY 2016-17 to ₹586.91 Lakhs in fiscal year ended March 31, 2018. As explained by our management, this increase in revenue in FY 2016-17 was majorly due to 2 major orders we have executed in 2016-17. We cannot assure such quantum of work orders we will receive in future. For further details please refer section titled “*Financials Information of the Company*” on page 117 of this Prospectus.

**9. *Majority of our business is dependent on the contractual arrangements entered into by us with our customer. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties.***

We enter into contracts with our clients which impose several contractual obligations upon us. If we are unable to meet these contractual obligations and / or our clients perceive any deficiency in our service, we may face legal liabilities and consequent damage to our reputation which may in-turn adversely impact our business, financial condition and results of operations. There are also some contracts, which can be terminated by our clients upon any breach or non-observance of any conditions of the Agreements entered into with them.

While, we consider all factors internally prior to entering into such contractual agreements, we cannot assure you that such clients may choose to terminate their agreements with our Company based on the terms stated above. Further, the non-compliance or breach of the terms of the contractual arrangements by either party to the agreements may lead to, among other things, damages, penalties or termination of the agreements, which may consequently result in our inability to attract further business for such clients in future.

**10. *Significant portion of our revenue is generated from few of our key clients. The loss of any such key clients, significant reduction in the demand for our services from such clients or deterioration in their financial condition may adversely affect our business, financial condition, result of operations and cash flows.***

We derive and may continue to derive a significant portion of our revenue from a relatively limited number of clients. During the fiscal year ended 2018 and 2017, we derived, 51.37% and 73.64%, respectively, of our



revenue came from our top five clients, which includes Bokaro Power Supply Co. (P) Ltd, Saif Powertec, Bharat Petroleum Corp Ltd, etc.

Significant dependence on certain clients may increase the potential volatility of our results of operations, if we are unable to expand the volumes of our business with our existing clients, maintain our relationship with our key clients or diversify our client base. Further, we may experience material fluctuations or decline in our revenue and reduction in our operating margins if our clients decrease the demand of services we provide or terminate all services due to any reason including those beyond our control, including adverse business and financial conditions. The loss of any of our key client or reduced demand from any of such clients for our services could further materially and adversely impact our results of operations and financial conditions.

**11. We do not own our Registered Office and other premises from which we operate.**

We do not own our Registered Office premise situated at 430, Orchard Mall, 3rd Floor, Royal Palms Estate, Aarey Milk Colony, Goregaon East, Mumbai, Maharashtra, 400065, India and the same have been taken by the company on leave and license basis from the whole time director of our company namely Ms Iyleen Matilda Fernandes who is also wife of our managing director namely Mr Nelson Lionel Fernandes. Further, our Corporate Office situated at 431, Orchard Mall, 3rd Floor, Royal Palms Estate Aarey Milk Colony, Goregaon East, Mumbai, Maharashtra, 400065 has been taken for business use from our Managing Director. For further details in relation to our properties, please refer to the chapter titled "Our Business" beginning on page 78 of this Prospectus. Further, the rent agreement for the property situated at "Hira Bhivan", Palghar is expired on December 31, 2018 which is not yet renewed by our Company. We cannot assure you that we will be able to renew our leases on commercially acceptable terms or at all. We also cannot assure you that we will be permitted to use any of our leased properties on a continuous basis. If we are required to vacate the aforementioned premises, we would be required to make new arrangements for offices and other infrastructure and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**12. We are exposed to foreign currency exchange rate fluctuations, which may impact our results of operations and cause our quarterly results to fluctuate.**

Our revenue from international operations for the fiscal year ended 2018 and 2017 as a percentage of total revenue was 26.46% and 37.15% respectively. Our financial statements are presented in Indian Rupees. The fluctuation of the exchange rate between the Indian Rupee and foreign currency has affected us in past and may impact our business in future. Since, our international operations are exposed to foreign exchange rate fluctuations; it may give rise to circumstances where our operating results may differ materially from our expectations.

**13. We have certain contingent liabilities that have not been provided for in our Company's financials which if materialized, could adversely affect our financial condition.**

Our contingent liabilities as on October 31, 2018 is as under:

Particulars	Amount Outstanding (₹ In Lakhs)*
Guarantees given by bank on behalf of the company	14.86
<b>Total</b>	<b>14.86</b>

\*apart from the above mentioned amount, the company has availed Bank Guarantees amounting to ₹227 lakhs to different parties which are outstanding as on date of this Prospectus.

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled "Financial information of Company" on page 137 of this Prospectus.

**14. If we are unable to service our debt obligations in a timely manner or to comply with various financial and other covenants and other terms and conditions of our financing agreements, it may adversely affect our business, prospects, results of operations and financial condition.**

Our total debt obligations payable on account of Cash credit facility availed by our Company are from Union Bank of India. The said loans have been secured, inter-alia, by way of hypothecation of Stock and Book Debts and the factory premises situated at Palghar. Any failure to pay our dues in time or comply with any requirement or other condition, may lead to a payment of interest, and may adversely affect our business, prospects, results of operations and financial condition. For further information on the indebtedness of our Company, please refer the Section “*Financial information of the Company*” on page 117 of this Prospectus.

Our significant indebtedness results in substantial amount of debt service obligations which could lead to:

- 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.

If the loans are recalled on a short notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see “*Statement of Financial Indebtedness*” on page 154 of this Prospectus.

**15. An inability to recruit, train and retain qualified and experienced personnel who meet the requirements of our clients may adversely affect our reputation, business prospects and future financial performance.**

Our business largely depends on our ability to attract and retain qualified personnel who possess the skills and experience necessary to meet the requirements of our clients. Our business operations and financial performance may be adversely affected if we are unable to find sufficient personnel for our clients. In addition, we must continually evaluate and upgrade our database of available qualified personnel through recruiting and training programs to keep pace with changing client needs and emerging technologies. Competition for individuals with proven professional skills and experience is intense, and we expect demand for such individuals to remain strong in the foreseeable future. Qualified personnel may not be available to us in sufficient numbers and on terms of employment acceptable to us. We may not be able to effectively meet the expectations of our clients due to our failure to identify personnel with the requisite skills, experience or other attributes, and our training programs may not succeed in developing effective skills in a timely manner or at all. There can be no assurance that candidates for employment will continue to seek employment through us. Any shortage of candidates could materially and adversely affect our business prospects.

**16. Changes in technology may render our current technologies obsolete or may require us to make substantial investments.**

Modernization and technology up gradation is essential to reduce costs. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed updated technology, we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case any further technological advancements are introduced in the market pertaining to our core business, we may be required to implement or acquire the new technology or upgrade the machineries and other equipment’s employed by us. Further, the costs involved in upgrading our technology and modernizing the plant and machineries may be significant which could substantially affect our finances and operations

**17. Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations adversely.**

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors, and inventories. As on February 04, 2019, we have been sanctioned working capital of 78.80 lakhs from Union Bank of India. Our growing scale and expansion, if any, may result in increase in the quantum of current assets due to funds being blocked in the inventories and the trade receivable. Our inability to maintain

sufficient cash flow, credit facility and other sources of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

**18. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business may have an adverse effect on our business & operations.**

Pursuant to change in name of our Company from “Evans Electric Private Limited” to “Evans Electric Limited” subsequent to our conversion into limited Company in March’19, we need to apply for change in name in all our registrations and statutory approvals which are in previous name of our Company. Any delay or failure to do so could have an adverse effect on our business and results of operations.

Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied regularly by us. Any default by our Company in complying with the same, may result in inter alia the cancellation of such licenses, consents and registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

**19. 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.**

Our business involves many risks and hazards which may adversely affect our profitability, including natural calamities, third party liability claims, employee disturbances, employee fraud, liabilities towards labours hired through contractors etc. We believe that our Company has covered itself against some of the risks except for the risks covered under machinery breakdown insurance, cash in transit insurance, employee compensation, Employer’s liability for contracted labour, keyman insurance policy and director or officer’s liability/indemnity policy. Our Company cannot assure you that the operation of our business will not be affected by any of the incidents and hazards not covered under these insurances. Further, our Company may not have obtained or may not timely renew insurance cover for any of our asset that expressly requires us to maintain insurance. If our arrangements for insurance or indemnification are not adequate to cover claims, including those exceeding policy aggregate limitations or exceeding the resources of the indemnifying party, our Company may be required to incur substantial payments for restoration of smooth business operations which may adversely affect our results of operations and financial condition. For further details on our insurance arrangements, see “Our Business– Insurance” on page 78 of this Prospectus.

**20. Our net cash flows from operating, investing and financing activities have been negative in some years in the past. Any negative cash flow in the future may affect our liquidity and financial condition.**

Our cash flow from our operating, investing and financing activities have been negative in the past. Following are the details of our cash flow position during the last three financial years and for the stub period ending October 31, 2018 on the basis of restated financial statements.

Particulars	For the year ended (in ₹ Lakhs)			
	31.10.2018	31.03.2018	31.03.2017	31.03.2016
Net cash flow from/ (used in) Operating activities	36.39	102.55	263.68	(35.46)
Net cash flow from/ (used in) Investing activities	0.54	13.19	(52.61)	5.25
Net cash flow from/ (used in) Financing activities	(0.82)	(55.40)	29.32	0.47

For details, please see the chapter titled “Financial Information of Our Company” on page 117 of this Prospectus. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

**21. The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution.**

We intend to use Issue Proceeds towards meeting the Working Capital Requirements. We intend to deploy the Net Issue Proceeds in financial year 2019-20 and such deployment is based on certain assumptions and strategy

which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” beginning on page 63 of this Prospectus.

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled ‘Objects of the Issue’ beginning on page 63 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue.

However, in accordance with Section 27 of the Companies Act, 2013, and relevant provisions of SEBI ICDR Regulations, 2018, a company shall not vary the objects of the Issue without our Company being authorize to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

***22. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

***23. Clients may delay or default in making payments for services rendered by us which could affect the cash-flows and liquidity of the Company.***

As of October 31, 2018, we had receivables of ₹ 125.30 lakhs based on Restated Financial Statements, which represented 14.35% of our total assets as of such date. Our business depends on our ability to successfully obtain payment from our clients for services provided. Recovery of our receivables and timely collection of client balances also depends on our ability to complete our contractual commitments and bill and collect our contracted revenues. If we are unable to meet our contractual requirements, we might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected. Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our clients, and as a result could cause clients to delay payments to us, request modifications to their payment arrangements that could increase our receivables balance or working capital requirements, or default on their payment obligations to us.

***24. Loans availed by our Company have been secured on personal guarantees of our Promoter and Promoter Group member. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected in case of invocation of any personal guarantees or securities of the collateral provided by our Promoter and Promoter Group members.***

Our Promoter and Promoter Group Member has provided personal guarantees as security to secure a significant portion of our existing borrowings taken from Union bank of India, and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter and Promoter Group Member may be invoked, which could negatively impact the reputation and networth of our Promoter. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoter and Promoter Group Member may be required to liquidate his shareholding in our Company to settle the claims of the lenders, thereby diluting his shareholding in our Company. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial

condition and cash flows. For further details regarding loans availed by our Company, please refer “*Statement of Financial Indebtedness*” on page 154 of this Prospectus.

**25. We operate in a highly competitive and fragmented industry with low barriers to entry and may be unable to compete successfully against existing or new competitors.**

We operate in an industry which is highly fragmented and competitive. Our continued success depends on our ability to compete effectively against our existing and future competitors. With the potential influx of new competitors, our ability to retain our existing clients and to attract new clients is critical to our continued success. As a result, there can be no assurance that we will not encounter increased competition in the future. Nor can there be any assurance that our Company will, in light of competitive pressures, be able to remain profitable or, if profitable, maintain its current profit margins.

**26. Certain of Our Group Companies have incurred losses in past and any losses in the future could adversely affect the results of operations and financial conditions of our group company.**

The details of profit and loss of our Group Companies in past years are as follows:

Company	Profit/ (Loss) for the year ended on		
	March 31, 2018	March 31, 2017	March 31, 2016
Jason High Voltage Private Limited	(6.35)	15.15	(5.68)
Iyleen Fluxpower Private Limited	(6.15)	4.42	(8.57)

(₹ in lacs)


Any operating losses by our Group Companies could adversely affect the overall operations of the group and financial conditions. For more information, regarding the Companies, please refer chapter titled “**Our Group Companies**” beginning on page 165 of this Prospectus.


**27. If we are unable to attract new clients or our existing clients do not renew their contract, the growth of our business and cash flows will be adversely affected.**

To increase our revenue and cash flows, we must regularly add new clients. If we are unable to add new clients, or if our existing or new clients do not perceive our services to be of sufficiently high value and quality, we may not be able to increase sales and our operating results would be adversely affected. In addition, our existing clients have no obligation to renew their contracts, and renewal rates may decline or fluctuate due to a number of factors, including customers’ satisfaction with our services, our prices and the prices of competing service providers. If we fail to sell our services to new customers or if our existing customers do not renew their contracts, our operating results will suffer, and our revenue growth, cash flows and profitability may be materially and adversely affected.

**28. We may not be able to implement our business strategies or sustain and manage our growth, which may adversely affect our business, results of operations and financial condition.**

Our growth strategy includes expanding our existing business and service portfolio. We cannot assure you that our growth strategies will be successful or that we will be able to continue to expand further or diversify our service portfolio. Our ability to sustain and manage our growth depends significantly upon our ability to manage key issues such as selecting, recruiting, training and retaining marketing representatives, maintaining effective risk management policies, continuing to offer services which are consumer centric, developing and maintaining our data base and ensuring a high standard of service quality. Our failure to do any of the preceding could adversely affect our business, results of operations and financial condition.

**29. Our Company’s logo  registered as on date of this Prospectus with words ‘Private Limited’ however status of company has changed as on date to ‘Public Limited’. We may be unable to adequately protect our intellectual property rights till we get the registration of our logo without the words ‘Private Limited’.**

As on date of this Prospectus, we have registered our logo  appearing in this Prospectus. However, due to inclusion of words ‘Private Limited’ in our registered logo, which is not the present status of our company as it has been converted in to a public limited company, we may have to file an afresh registration of our registered logo without the words ‘Private Limited’. In view of this changed status of use of our logo, we

may be unable to adequately protect our business rights vested in our logo, which may adversely affect our brand image, goodwill and customer relations. In the event that we become involved in litigation in order to defend our intellectual property claims, we may become subject to significant legal costs and there is no assurance that any such litigation will be resolved in our favour. Further, there can be no assurance that third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. We may not be able to detect any unauthorized use of our logo which may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed.

**30. Excessive dependence on Union Bank of India for obtaining financial facilities.**

Most of our fund based and non fund based financial assistance has been sanctioned by Union Bank of India. We have been sanctioned the financial assistance on the security of assets mainly stock, book debts and factory unit situated at Palghar. Any default under such arrangement or non renewal or renewal of the sanction on adverse term with such lender may result into difficulty in arranging of funds for re-payment and may also adversely affect our operations and financials.

For further details on the Cash Credit Limits and other banking facilities, please see “*Statement of Financial Indebtedness*” on page 154 of the Prospectus.

**31. We have issued Equity Shares in the last 12 months at a price lower than the Issue Price.**

During the last 12 months, we have issued Equity Shares at a price that may be lower than the Issue Price, as set forth below. For further details regarding such allotments, see “*Capital Structure*” on page 46.

Date of Issue	No. of Equity Share	Face Value (₹)	Issue Price (₹)	Nature of Allotment
February 14, 2019	5,00,000	10	-	Bonus Issue

For details of Allottee, please refer to section titled “*Capital Structure*” on page 46 of this Prospectus.

**32. We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.**

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, changes in fixed assets, creation of any other charge, undertake any guarantee obligation etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows.

For further details on the Cash Credit Limits and other banking facilities, please see “*Statement of Financial Indebtedness*” on page 154 of the Prospectus.

**33. Our success depends heavily upon our Promoters and Senior Management for their continuing services, strategic guidance and financial support.**

Our success depends heavily upon the continuing services of our Promoter and Senior Management who are entrusted with the work of managing the operations of our Company. Their rich experience and vision have played a key role in obtaining our current market position and the growth of the business as a whole. We would depend significantly on our Key Managerial Persons for continuing our operation and executing the proposed expansion plan. If our Managing Director, Executive Directors or any member of the senior management team are unable or unwilling to continue in their present position, we may not be able to replace them easily or replace at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

**34. *There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the Stock Exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**35. *Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.***

Our Promoter along with the Promoter Group will continue to hold collectively 58.31% of the Equity Share capital of the Company posts the Initial Public Offer. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our Company. In addition to the above, our Promoters will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

**36. *Our Group Companies are engaged in the line of business similar to our Company. There are no non-compete agreements between our Company and such Group Companies. We cannot assure that our Director will not favour the interests of such entity over our interest or that the said entities will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.***

Our Group Companies Jason High Voltage Private Limited and Iyleen Fluxpower Private Limited may be considered as being in similar line of business as of our Company to a limited extent. We have not entered into any non compete agreement with the said entities. We cannot assure that our Director who has common interest in said entities will not favour the interest of the said entities. As a result, conflicts of interests may arise on account of common suppliers/customers and in allocating business opportunities amongst our Company and our Group Companies in circumstances where our respective interests diverge. In cases of conflict, our Director may favour other entity/entities in which our Director has interests. There can be no assurance that our Director, Promoter or our Promoter Group entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, please refer to Chapter titled "Our Group Companies" on Page 165 of this Prospectus.

**37. *Our process requires regular power supply for running of the machines. Any power cut may affect our power needs and process. Any such disruptions may affect our operations, business and financial condition.***

Our business processes require power supply for running the machines. Any disruption in the power supply may affect our process of repairing, re-winding and re-designing. We have installed a generator to assure regular supply of power for the running of the machines in case of power failure. But in case of any prolonged power cut we may not be able to run the generator for a long period or running the generator may become less cost effective for our operations. This may have an adverse impact on our operations and cash flows.

**38. *We depend on third parties for a major portion of our transportation needs. Any disruptions may affect our operations, business and financial condition.***

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of raw material from our suppliers and for transportation of the machines for repairing, re-winding or re-designing purpose. For this purpose, we hire services of transportation companies. However, we have not entered into any definitive agreements with

any third party transport service providers and engage them on a needs basis. Additionally, availability of transportation solutions in the markets we operate in is typically fragmented. The cost of our goods carried by such third party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods.

Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost efficient manner. Accordingly, our business is vulnerable to increased transportation costs including as a result of increase in fuel costs, transportation strikes, delays, damage or losses of goods in transit and disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events. Also we seek transit insurance only in the work orders from government clients and in case of all other clients, clients are asked to seek the insurance if they so require. In case any of the transportation is not insured, our company may have to face claims and/or losses on account of damages to assets of clients during transit.

Although we have not experienced any disruptions in the past, but any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may be cost inefficient, thereby affecting our operations, profitability, reputation and market position.

***39. Our Promoter, Directors and Key Management Personnel have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Promoter, Directors and Key Management Personnel can be deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlement and personal guarantee, if any provided by them to/for the Company, and benefits deriving from the directorship in our Company. Our Promoter is interested in the transactions entered into our Company and our Promoter Group. Our Managing Director Mr Nelson Lionel Fernandes and our Whole time Director Ms Iyleen Matilda Fernandes may be considered interested to the extent of rent amount being paid by company to the WTD, who is also wife of our Managing Director for taking on lease the premises being used as registered office of the company. For further information, please refer to the chapters titled “Our Business”, “Our Promoter and Promoter Group” and “Related Party Transactions- Annexure-XXVIII”, beginning on pages 78, 112 and 137 respectively of this Prospectus.

***40. The price of the Equity Shares may be volatile, and you may be unable to sell the Equity Shares at or above the Issue Price.***

Prior to the Issue, there has been no immediately public market for the Equity Shares, and an active trading market on the Indian Stock Exchange may not develop or be sustained after the Issue. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the stock market in India, developments relating to India and volatility in the Stock Exchange and securities markets elsewhere in the world.

***41. Our present operations are geographically located in one area and therefore, any localized social unrest, or breakdown of services or any other natural disaster in and around Maharashtra could have material adverse effect on our business and financial condition.***

Our facility is based at Palghar, Maharashtra. As a result, any localized social unrest, natural disaster, adverse weather conditions, earthquakes, fires, explosives, power loss, or breakdown of services and utilities in and around Maharashtra could have material adverse effect on our business, financial position and results of operations. Further, any failure of our systems or any shutdown of any part of our manufacturing units, networks, operations because of operational disruptions, natural disaster or other factors, could disrupt our services and adversely affect our goodwill result of operations and financial condition.

***42. Any future issuance of Equity Shares by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.***

After the completion of the Issue, our Promoters and Promoter Group will own, directly and indirectly, approximately 58.31% of our outstanding Equity Shares. Any future issuance of the Equity Shares or securities linked to the Equity Shares by us may dilute your shareholding in our Company, adversely affect the trading



price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares or will not sale any shares in future. Any such event of perception by investor that such events will occur can have an adverse affect on the price and trading of the Equity Shares of our Company.

**43. *Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations***

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original machinery manufacturers. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect our business, cash flows, financial condition and results of operations For further details of our Plant and Machineries, please refer to chapter titled “**Our Business**” beginning on page 78 of the Prospectus.

**44. *Any Penalty or demand raised by statutory authorities in future will affect the financial position of our Company.***

Our Company is engaged in business of repairing, re-winding and re-designing of motors, generators and transformer which attracts tax liability such as Goods and Service tax, Income tax, and professional tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund. Though, we have deposited the required returns and taxes under various applicable Laws but any demand or penalty raised by the concerned authority in future for any previous year and current year may adversely affect the financial position of the Company.

**45. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into related party transactions with our Promoter, group companies and Directors. For details of these transactions, refer “Annexure XXVIII - *Related Party Transactions*” on page 137 of this Prospectus.

We cannot assure you that we will be able to maintain the terms of such transactions or in the event that we enter future transactions with related parties, that the terms of the transactions will be favourable to us. Additionally, while it is our belief that all our related party transactions have been conducted on an arm’s-length basis, we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. We may also enter into related party transactions in the future, which could involve conflicts of interest, although going forward, all related party transactions that we may enter will be subject to audit committee or board or shareholder approval, as applicable, as under the Companies Act, 2013 and the SEBI (LODR) Regulations. As such, we can provide no assurance that these transactions will not adversely affect our business, results of operation, cash flows and financial condition.

**46. *The average cost of acquisition of Equity Shares by our Promoters, is lower than the face value of Equity Share.***

The average cost of acquisition of Equity Shares by our Promoter is lower than the face value of Equity Shares i.e. ₹ 10/-. For further details regarding the average cost of acquisition of Equity Shares by our Promoters in our Company and buildup of Equity Shares of our Promoters in our Company, please see section titled “*Capital Structure*” on page 46 of this Prospectus, respectively.

**47. *We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.***

The proposed fund requirement for additional working capital requirement, as detailed in the section titled "*Objects of the Issue*" is to be funded from the proceeds of this IPO. However, we have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled "*Objects of the Issue*" beginning on page 63 of this Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we 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 of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section "*Dividend Policy*" on page 116 of the Prospectus.

**49. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage after submitting an Application and Retail Individual Investors are not permitted to withdraw their Application after closure of the Issue.***

Pursuant to the SEBI ICDR Regulations, Investors other than retail (including non institutional investors and Corporate Bodies) are not permitted to withdraw or lower their Application (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an Application. While our Company is required to complete Allotment pursuant to the issue within six Working Days from the issue Closing Date, events affecting the Applicants decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition, may arise between the date of submission of the Application and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the applicant's ability to sell the Equity Shares Allotted pursuant to the issue or cause the trading price of the Equity Shares to decline on listing.

**50. *Certain data mentioned in this Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

## **EXTERNAL RISK FACTORS**

**51. *Terrorist attacks, civil disturbances, wars, regional and communal conflicts, natural disasters, fuel shortages, and epidemics may have a material adverse effect on our Company's business and on the market for securities in India.***

Our Company is subject to operating risks, such as the risk of substantial disruption or shutdown due to natural disasters, storms, fires, explosions, earthquakes, floods and other catastrophic events, actual, potential or suspected epidemic outbreaks, terrorist attacks and wars, loss of services of our external contractors, and industrial accidents. The occurrence of any such event could result in a temporary or long-term closure of our manufacturing facilities which will severely disrupt our business operations and materially -and adversely affect our financial condition. Additionally, any of these events could lower confidence in India's economy and create a perception that investments in companies with Indian operations involve a high degree of risk, which could

have a material adverse effect on the price of the Equity Shares. Any discontinuation of business or loss of profits due to such extraneous factors may affect our operations.

***52. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy, especially the power and capital goods sectors. The business and the market price and liquidity of the Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The Government of India has in recent years sought to implement economic reforms and the current government has implemented policies and undertaken initiatives that continue the economic liberalization policies pursued by previous governments. There can be no assurance that liberalization policies will continue in the future. The rate of economic liberalization could change, and specific laws and policies and other matters affecting investment in the securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

***53. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely impact the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other government agency can be obtained on any particular terms or at all.

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

We are incorporated in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

***55. Inflation in India could have a material adverse effect on our profitability, our business, results of operations and financial condition.***

In the recent past, India has experienced fluctuating wholesale price inflation as compared to historical levels due to the global economic downturn. An increase in inflation in India could cause a rise in the price of raw materials and wages, or any other expenses that we incur. If this trend continues, we may be unable to accurately estimate or control our costs of production and this could have an adverse effect on our business and results of operations.

***56. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business, results of operations, future prospects and cash flows.***

Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business, results of operations, future prospects and cash flows.

There can be no assurance that the GoI may not implement new regulations and policies which will require us to obtain approvals and licenses from the GoI or other regulatory bodies or will impose onerous requirements and conditions on our business and operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have an adverse effect on our business, results of operations and cash flows. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also affect our results of operations and cash flows. For further details, see "Key Industry Regulations and Policies" on page 88 for details of the laws, rules and regulations currently applicable

to us.

The regulatory and policy changes, may adversely affect our business, results of operations, financial condition and future prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

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

The Companies Act, 2013 and related rules, articles of association of our Company and the listing agreement that will be entered with the stock exchange govern the corporate affairs of our Company. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder than as a shareholder of a corporation in another jurisdiction.

## SECTION IV - INTRODUCTION

### THE ISSUE

Following table summarises the present Issue in terms of this Prospectus:

Particulars	Details of Equity Shares
<b>Issue of Equity Shares<sup>(1)</sup></b>	Issue of 3,72,000 Equity Shares of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ 52.00 per Equity Share aggregating to ₹ 193.44 Lakhs.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	20,000 Equity Shares of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ 52.00 per Equity Share aggregating to ₹ 10.40 Lakhs.
<b>Net Issue to the Public</b>	3,52,000 Equity Shares of ₹ 10 each fully paid-up of our Company for cash price of ₹ 52.00 per Equity Share aggregating to ₹ 183.04 Lakhs.
	<b>Out of which:</b>
	At least 1,76,000 Equity Shares of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ 52.00 per Equity Share aggregating to ₹ 91.52 Lakhs will be available for allocation to Retail Individual Investors <sup>(a)</sup> .
	Not more than 1,76,000 Equity Shares of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ 52.00 per Equity Share aggregating to ₹ 91.52 Lakhs will be available for allocation to investor other than Retail Individual Investors including Non- Institutional Investors and Qualified Institutional Buyers <sup>(b)</sup>
<b>Pre and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	10,00,000 Equity Shares of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	13,72,000 Equity Shares of ₹ 10 each
<b>Objects of the Issue</b>	Please refer to the section titled " <i>Objects of the Issue</i> " beginning on page 63 of this Prospectus.

<sup>(1)</sup>Public issue of 3,72,000 Equity Shares of ₹ 10.00 each for cash at a price of ₹ 52.00 per Equity Share of our Company aggregating to ₹ 193.44 Lakhs. This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to section 'Terms of the Issue' on page 180 of this Prospectus.

The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on March 14, 2019 and by our Equity Shareholders pursuant to a special resolution passed pursuant to Section 62(1) (c) of the Companies Act, 2013 at the extraordinary general meeting held on March 14, 2019.

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

<sup>(a)</sup>Retail Individual Investors will be allocated not less than fifty (50) percent

<sup>(b)</sup>Non-Institutional investors and qualified institutional buyers will be allocated not more than fifty (50) percent

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

**SUMMARY OF FINANCIAL INFORMATION****ANNEXURE-I  
RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
<b>A) EQUITY AND LIABILITIES</b>				
1. Shareholders' Funds				
(a) Share Capital	50.00	50.00	50.00	50.00
(b) Reserves & Surplus	715.29	657.23	617.22	392.58
	<b>765.29</b>	<b>707.23</b>	<b>667.22</b>	<b>442.58</b>
2. Non- Current Liabilities				
(a) Long Term Borrowings	-	-	-	-
(b) Deferred Tax Liabilities(net)				-
(c) Other Long-Term Liabilities	-	-	-	-
(d) Long-Term Provisions	-	-	-	-
	-	-	-	-
3. Current Liabilities				
(a) Short Term Borrowings	-	-	47.81	5.59
(b) Trade Payables	69.95	104.04	121.46	100.40
(c) Other Current Liabilities	8.51	3.10	2.66	4.54
(d) Short-Term Provisions	29.52	25.28	109.39	7.38
	<b>107.98</b>	<b>132.42</b>	<b>281.32</b>	<b>117.91</b>
<b>Total</b>	<b>873.27</b>	<b>839.65</b>	<b>948.54</b>	<b>560.49</b>
<b>B) ASSETS</b>				
1. Non-Current Assets				
(a) Fixed Assets				
(i) Tangible Assets	<b>219.01</b>	231.19	258.76	229.95
(ii) Intangible Assets	-	-	-	-
(iii) Capital Work-in-Progress	-	-	-	-
(iv) Intangible Assets under Development	-	-	-	-
	<b>219.01</b>	<b>231.19</b>	<b>258.76</b>	<b>229.95</b>
(b) Non-Current Investments	-	-	-	-
(c) Deferred Tax Asset (Net)	4.31	4.07	2.56	2.16
(d) Long-Term Loans and Advances	8.52	15.30	10.07	16.01
(e) Other Non-Current Assets	14.93	-	-	-
	<b>27.76</b>	<b>19.37</b>	<b>12.63</b>	<b>18.17</b>
2 Current Assets				
(a) Current Investments			-	-
(b) Inventories	26.73	50.25	42.96	25.93
(c) Trade Receivables	125.30	91.18	151.72	160.73
(d) Cash and Cash Equivalents	438.69	402.58	342.24	101.85
(e) Short-Term Loans and Advances	35.78	45.08	140.23	23.86
(f) Other Current Assets	-	-	-	-
	<b>626.50</b>	<b>589.09</b>	<b>677.15</b>	<b>312.37</b>
<b>Total</b>	<b>873.27</b>	<b>839.65</b>	<b>948.54</b>	<b>560.49</b>

**ANNEXURE II**  
**RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
<b>INCOME:</b>				
Revenue From Operations	376.90	561.16	1,060.49	502.69
Other Income	23.40	25.75	11.09	8.96
<b>A. Total Revenue</b>	<b>400.30</b>	<b>586.91</b>	<b>1,071.58</b>	<b>511.65</b>
<b>EXPENDITURE:</b>				
Cost of Material Consumed	0.00	0.00	-	-
Purchase of Stock In trade	79.84	170.89	260.56	130.98
Change in Inventory of Finished Goods, WIP and Stock in Trade	23.52	(7.30)	(17.01)	5.98
Employee Benefit Expense	144.33	244.43	303.63	193.91
Finance Costs	1.31	2.83	2.56	2.61
Depreciation and Amortization Expense	18.24	37.06	30.80	25.50
Other Expenses	48.24	70.44	147.12	93.49
<b>B. Total Expenditure</b>	<b>315.48</b>	<b>518.35</b>	<b>727.66</b>	<b>452.47</b>
<b>Restated Profit/(Loss) Before Exceptional, Extraordinary Items &amp; Prior Period Items &amp; Tax</b>	<b>84.82</b>	<b>68.56</b>	<b>343.92</b>	<b>59.18</b>
Exceptional Items	-	-	-	-
<b>Restated Profit/(Loss) Before Extraordinary Items &amp; Prior Period Items &amp; Tax</b>	<b>84.82</b>	<b>68.56</b>	<b>343.92</b>	<b>59.18</b>
Extraordinary Items		2.50	-	0.27
Prior Period items	-	-	-	-
<b>Profit Before Taxes</b>	<b>84.82</b>	<b>66.06</b>	<b>343.92</b>	<b>58.91</b>
Provision For Taxation				
Current Tax	(27.00)	(21.27)	(107.63)	(17.90)
(Less): MAT Credit Entitlement u/s 115JB				
<b>Net Current Tax Expense</b>				
Deferred Tax	0.24	1.51	0.40	0.47
<b>Net Tax Expense</b>	<b>(26.76)</b>	<b>(19.76)</b>	<b>(107.23)</b>	<b>(17.43)</b>
<b>Restated Profit/(Loss) for the year</b>	<b>58.06</b>	<b>46.30</b>	<b>236.69</b>	<b>41.48</b>

## Annexure III Restated Summary Statement of Cash Flows

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
<b>A</b>	<b>Cash Flow From Operating Activities</b>			
Net Profit/(Loss) Before Tax	84.82	66.06	343.92	58.91
<i>Adjustment For:</i>				
Depreciation	18.24	37.06	30.80	25.50
Preliminary Expenses w/o	-	-	-	-
Interest Expenses	0.82	1.31	0.85	0.32
Interest Income	(19.57)	(25.20)	(6.99)	(7.80)
Impairment of assets	-	2.50	-	0.27
Profit on sale of investments	(1.93)	-	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>82.38</b>	<b>81.73</b>	<b>368.58</b>	<b>77.20</b>
<i>Changes in Working Capital</i>				
Change in Sundry Debtors	(34.12)	60.54	9.01	(81.98)
Change in Loans and Advances	9.91	(4.47)	(5.09)	(5.66)
Change in Inventories	23.52	(7.29)	(17.03)	5.99
Change in Other Current Assets & Non-Current Assets	-	-	-	-
Change in Trade Payables	(34.09)	(17.42)	21.06	(23.29)
Change in Provisions	(1.49)	2.26	(5.63)	-
Change in Provisions tds	-	-	-	-
Change in Other Current Liabilities	5.39	0.44	(1.88)	3.48
<b>Cash Generated From Operations</b>	<b>51.50</b>	<b>115.79</b>	<b>369.02</b>	<b>(24.26)</b>
Direct Taxes Paid	15.11	13.24	105.34	11.20
<b>Net Cash Flows From Operating Activities(A)</b>	<b>36.39</b>	<b>102.55</b>	<b>263.68</b>	<b>(35.46)</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>			
Purchase/Sale of Fixed Assets (Net)	(6.03)	(12.01)	(59.60)	(2.55)
Purchase of Long term Investments	(100.00)	-	-	-
Sale proceeds of long term investment	87.00	-	-	-
Interest Received	19.57	25.20	6.99	7.80
<b>Net Cash Flow From Investing Activities (B)</b>	<b>0.54</b>	<b>13.19</b>	<b>(52.61)</b>	<b>5.25</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>			
Proceeds From Issue of Equity Shares	-	-	-	-
Proceeds From Deposits	-	-	-	-
Proceeds From Long Term Borrowings	-	-	-	-
Proceeds from Short Term Borrowings	-	(47.82)	42.23	5.60
Payment of Long term borrowings	-	-	-	-
Payment of Short term borrowings	-	-	-	-
Interest Paid	(0.82)	(1.31)	(0.85)	(0.32)
Dividend paid	-	(6.27)	(12.06)	(4.81)
<b>Net Cash Flow From Financing Activities (C)</b>	<b>(0.82)</b>	<b>(55.40)</b>	<b>29.32</b>	<b>0.47</b>
<b>Net Change in Cash (A+B+C)</b>	<b>36.11</b>	<b>60.34</b>	<b>240.39</b>	<b>(29.74)</b>
Cash and Cash Equivalents at the Beginning of Years	402.58	342.24	101.85	131.59
<b>Cash and Cash Equivalents at the End of Year</b>	<b>438.69</b>	<b>402.58</b>	<b>342.24</b>	<b>101.85</b>



### GENERAL INFORMATION

Our Company was incorporated as “Evans Electric Private Limited” under the provisions of the Companies Act, VII of 1913 vide Certificate of Incorporation dated December 29, 1951 issued by the Registrar of Joint Stock Companies, Bombay bearing Registration no. 008715. Subsequently, our Company was converted into a public limited company pursuant to a Shareholders' Resolution passed at the Extra-Ordinary General meeting of our Company held on February 18, 2019 and the name of our Company was changed to “Evans Electric Limited” vide a fresh certificate of incorporation dated March 13, 2019 bearing CIN: U74999MH1951PLC008715 issued by the Registrar of Companies, Mumbai. For further details, please refer to chapter titled “History and Certain Corporate Matters” beginning on page 96 of this Prospectus.

#### Brief Company and Issue Information

<b>Registered Office Address</b>	430, Orchard Mall, 3rd Floor, Royal Palms Estate Aarey Milk Colony, Goregaon East Mumbai, 400065, Maharashtra, India Tel No: - 91 22 28729506 E-mail: <a href="mailto:info@evanselectric.com">info@evanselectric.com</a> Website: <a href="http://www.evanselectric.co.in">www.evanselectric.co.in</a>
<b>Corporate Office Address</b>	431, Orchard Mall, 3rd Floor, Royal Palms Estate Aarey Milk Colony, Goregaon East Mumbai, 400065, Maharashtra, India Tel No: - 91 22 28729506 E-mail: <a href="mailto:info@evanselectric.com">info@evanselectric.com</a> Website: <a href="http://www.evanselectric.co.in">www.evanselectric.co.in</a>
<b>Corporate Registration No.</b>	008715
<b>Corporate Identification No.</b>	U74999MH1951PLC008715
<b>Address of Registrar of Companies</b>	Registrar of Companies, Mumbai, Maharashtra 100, Everest, Marine Drive Mumbai, 400002, Maharashtra, India. Phone: 022-22812627/22020295/22846954 Fax: 022-22811977 Website: <a href="mailto:roc.mumbai@mca.gov.in">roc.mumbai@mca.gov.in</a>
<b>Designated Stock Exchange</b>	Our Company proposed to list its Equity Shares on SME platform of BSE limited (‘BSE SME’) <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai, 400001, Maharashtra, India Website: <a href="http://www.bseindia.com">www.bseindia.com</a>

#### **Board of Directors of our Company**

The Board of Directors of our Company consists of:

<b>Name</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Mr. Ivor Anthony Desouza	Chairman and Non-Executive Director	Del House, 7 Central Avenue, Near Rose Manor School, Santacruz, Mumbai, 400054 Maharashtra, India.	00978987
Mr. Nelson Lionel Fernandes	Managing Director	Shamrock, 52 St Andrew's Road Bandra, West, Mumbai 400050, Maharashtra, India.	00985281
Mrs. Iyleen Matilda Fernandes	Whole Time Director	Shamrock, 52 St. Andrew's Road Bandra West, Mumbai, 400050, Maharashtra, India.	01322540
Mr. Anil Vasudev Kamath	Independent Director	3B, Belair Cooperative Housing Society Limited, Union Park, Pali Hill Road, Near Dr. Babasaheb Ambedkar Statue, Khar West, Mumbai, 400052, Maharashtra, India.	07940476
Mr. Frederick Joseph Vaz	Independent Director	402, Reballo Apartment, St. Roque Road, Bandra (West), Mumbai, 400050, Maharashtra, India.	08380402

For further details of the Directors of our Company, please refer to the chapter titled “Our Management” on page 100 of this Prospectus.

#### Company Secretary and Compliance Officer

Mr. Deepak Y Patil  
**Evans Electric Limited**  
 430, Orchard Mall, 3rd Floor, Royal Palms Estate  
 Aarey Milk Colony, Goregaon (E)  
 Mumbai, 400065, Maharashtra, India.  
 Tel No: - 91 22 28729506  
**E-mail:** [cs@evanselectric.com](mailto:cs@evanselectric.com)  
**Website:** [www.evanselectric.co.in](http://www.evanselectric.co.in)

#### Chief Financial Officer

Rajkumar Mohan Keswani  
**Evans Electric Limited**  
 430, Orchard Mall, 3rd Floor, Royal Palms Estate  
 Aarey Milk Colony, Goregaon (E)  
 Mumbai, 400065, Maharashtra, India  
 Tel No: - 91 22 28729506  
**E-mail:** [cfo@evanselectric.com](mailto:cfo@evanselectric.com)  
**Website:** [www.evanselectric.co.in](http://www.evanselectric.co.in)

*Note: Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.*

All grievances may be addressed to the Registrar to the issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form number, applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the applicant.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/ information mentioned hereinabove.

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

#### Details of Key Intermediaries pertaining to this Issue and our Company:

LEAD MANAGER TO THE ISSUE	LEGAL ADVISOR TO THE ISSUE
<b>HEM SECURITIES LIMITED</b> Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, India Tel No.:+91-22-4906 0000 Fax No.:+91-22-22625991 Email: <a href="mailto:jb@hemsecurities.com">jb@hemsecurities.com</a> Investor Grievance Email: <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> Website: <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> Contact Person: Mr. Anil Bhargava SEBI Regn. No.:INM000010981	<b>VEDANTA LAW CHAMBERS</b> 1 <sup>st</sup> Floor, SKK House, B-62 Sahkar Marg, Lal Kothi Jaipur – 302015 Rajasthan, India Tel No.: +91- 141 -4014091 Email: <a href="mailto:vedantalawchambers@gmail.com">vedantalawchambers@gmail.com</a> Website: <a href="http://www.vedantalawchambers.com">www.vedantalawchambers.com</a> Contact Person: Advocate Nivedita Ravindra Sarda
REGISTRAR TO THE ISSUE	BANKERS TO THE COMPANY
<b>BIGSHARE SERVICES PRIVATE LIMITED</b>	<b>UNION BANK OF INDIA</b>

1st Floor, Bharat Tin Works Building, Opp.Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Maharashtra, India. Tel: +91 22 62638200, Fax: +91 22 62638299 Email: ipo@bigshareonline.com Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> Investor Grievance Id: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Contact Person: Ashok Shetty SEBI Registration Number: INR000001385	Andheri (East) Branch, Mayani Manaoor, Sir M.V. Road, 22 Gundavali Mumbai, 400069 Tel. No.: +91-22-26844005, 26831518 Fax No. – 022 – 26843420 Email: cbsandherieast@unionbankofindia.com Contact person: Mr. M Krishna Murthy
<b>STATUTORY AUDITOR</b>	<b>BANKERS TO THE ISSUE/SPONSOR BANK</b>
<b>M/s ANAY GOGTE &amp; CO.</b> <b>CHARTERED ACCOUNTANTS</b> Address: 1/F-6, Krishna Nagar, Chandavarkar Road, Borivali West, Mumbai-400092 Tel. No.: -28903450, 28943101 Email: anaygogte@gmail.com Firm Registration No.: 100398W Contact Person: A. R.Gogte Membership No.:037046 Peer Review Certificate No: 009483	<b>HDFC Bank Limited</b> ALFA Building, FIG-OPS Department, Lodha 1, Think Techno Campus, Level O-3, Next to Kanjurmarg Railway Station, Kanjurmarg (E), Mumbai – 400 042, Tel: +91 22 3075 2928/ 2929 / 2914 Fax: +91 25799801 Email: Vincent.Dsouza@hdfcbank.com, Siddharth.Jadhav@hdfcbank.com, <a href="mailto:prasanna.uchil@hdfcbank.com">prasanna.uchil@hdfcbank.com</a> SEBI Registration Number: - INBI00000063

#### STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Hem Securities Limited is the sole Lead Manager to this issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them, hence a statement of inter-se allocation of responsibilities is not required.

#### SELF CERTIFIED SYNDICATE BANKS (“SCSBS”)

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and as updated from time to time. For more information on the Designated Branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, see the above mentioned SEBI link.

#### REGISTERED BROKERS

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

#### REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS

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

#### 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 websites of Stock Exchange as updated from time to time and SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>;

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time

### **BROKERS TO THE ISSUE**

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

### **CREDIT RATING**

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

### **IPO GRADING**

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

### **DEBENTURE TRUSTEES**

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

### **TRUSTEES**

As the Issue is of equity Shares, the appointment of Trustees is not mandatory.

### **MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹10,000.00 Lakhs and hence our Company has not appointed a monitoring agency for this issue.

However, as per the Companies Act, 2013 and SEBI Listing Regulations, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

### **APPRAISING ENTITY**

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

### **FILING OF OFFER DOCUMENT**

This Prospectus shall be filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Maharashtra, India.

A soft copy of this Prospectus along with Due Diligence Certificate including additional confirmation shall be filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> as per SEBI (ICDR) Regulations.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 to be delivered for registration to the Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India.

### **UNDERWRITING**

The Company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by Altina Securities Private Limited and Hem Securities Limited in the in the capacity of Underwriters to the Issue.

Pursuant to the terms of the Underwriting Agreement dated March 22, 2019 and the addendum to the agreement dated April 09, 2019 entered into by Company, Underwriters i.e. Altina Securities Private Limited and Hem Securities Limited, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

<b>Details of the Underwriter</b>	<b>No. of shares underwritten</b>	<b>Amount Underwritten</b>	<b>% of Total Issue Size</b>
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		(₹ in Lakhs)	Underwritten
<b>ALTINA SECURITIES PRIVATE LIMITED</b> 303, Anand House, 13th Road, Off Linking Road, Khar West, Mumbai, 400052 Maharashtra, India Tel-022-66942416/17/18 e-mail: <a href="mailto:info@altinasecurities.com">info@altinasecurities.com</a> website: <a href="http://www.altinasecurities.com">www.altinasecurities.com</a> Contact Person: Clifton Desilva SEBI Regn No.INB231085235	3,16,000	164.32	85.00%
<b>HEM SECURITIES LIMITED</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai- 400013, India Tel No.:+91-22-4906 0000 Fax No.:+91-22-22625991 Email: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> Investor Grievance Email: <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> Website: <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> Contact Person: Mr. Anil Bhargava SEBI Regn. No.:INM000010981	56000*	29.12	15.00%

\*Includes 20,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Hem Securities Limited as Market maker in its OWN account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.

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

In the opinion of the Board of Directors of our Company, the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective obligations in full.

#### Change in Auditors during the last three (3) years

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years:

Details of Auditor	Date of Change	Reason
<b>VIVEK V. JOSHI &amp; ASSOCIATES</b> <b>CHARTERED ACCOUNTANTS</b> Address: A 708, 7 <sup>th</sup> Floor, Zaitoon Apartments Station Road, Goregaon West, Mumbai-400062, Maharashtra Tel. No.:- 022-40135571 Email: <a href="mailto:vvjcamumbai@gmail.com">vvjcamumbai@gmail.com</a> Firm Registration No.: 121829W Contact Person: Richa Ghosh M. No.:134029	January 21, 2019	Resignation due to proposed listing of shares
<b>M/s ANAY GOGTE &amp; CO.</b> <b>CHARTERED ACCOUNTANTS</b> Address: 1/F-6, Krishna Nagar, Chandavarkar Road, Borivali West, Mumbai-400092 Tel. No.: - 28903450, 28943101 Email: <a href="mailto:anaygogte@gmail.com">anaygogte@gmail.com</a> Firm Registration No.: 100398W Membership No.:037046 Peer Review Certificate No: 009483	February 18, 2019	Appointment

#### DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager has entered into Market Making Agreement dated March 22, 2019 and the addendum to the agreement dated April 09, 2019 with the following Market Maker, to fulfill the obligations of Market Making for this issue:

<b>Name</b>	Hem Securities Limited
<b>Correspondence Address:</b>	203, Jaipur Tower, M. I. Road, Jaipur - 302001, Rajasthan, India
<b>Tel No.:</b>	(0141) 4051000
<b>E-mail:</b>	mm@hemsecurities.com
<b>Website:</b>	www.hemsecurities.com
<b>Contact Person:</b>	Mr. Anil Bhargava
<b>SEBI Registration No.:</b>	INZ000168034
<b>Market Maker Registration No.</b>	SMEMM0024801022013

The Market Maker shall fulfill 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 Limited 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(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the BSE Limited and SEBI from time to time.
- 3) 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(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 4) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE Limited (in this case currently the minimum trading lot size is 2000 equity shares; however the same may be changed by the BSE Limited from time to time).
- 5) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- 6) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- 7) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 8) There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 9) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Share on the Stock Exchange.”
- 10) The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.

- 11) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final
- 12) The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

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, as amended. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

- 13) **Risk containment measures and monitoring for Market Makers** BSE Limited 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.
- 14) **Punitive Action in case of default by Market Makers:** BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- 15) **Price Band and Spreads:** 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.
- 16) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and are as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹20 Crore	25%	24%
₹ 20 to ₹50 Crore	20%	19%
₹50 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 Equity Share capital of our Company, as on the date of this Prospectus and after giving effect to this Issue, is set forth below:

(₹ in lakhs except share data)

Sr No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
<b>A.</b>	<b>Authorized Capital</b>		
	15,00,000 Equity Shares of face value of ₹10.00 each	150.00	-
<b>B.</b>	<b>Issued, Subscribed And Paid-Up Equity Capital before the Issue</b>		
	10,00,000 Equity Shares of ₹10.00 each fully paid-up before the Issue	100.00	-
<b>C.</b>	<b>Present Issue to public in terms of this Prospectus*</b>		
	3,72,000 Equity Shares having Face Value of Rs 10.00 each for cash at a price of ₹ 52.00 per share at a Premium of Rs. 42.00 per share	37.20	193.44
	<b>Which Comprises of:</b>		
I	<b>Reservation for Market Maker Portion</b> 20,000 Equity Shares of ₹10.00 each for cash at a price of ₹ 52.00 per share at a Premium of ₹ 42.00 per share	2.00	10.40
II	<b>Net Issue to the Public</b> 3,52,000 Equity Shares of ₹10.00 each for cash at a price of ₹ 52.00 per share (including a Premium of Rs. 42.00 per share)	35.20	183.04
	<b>Out of which:</b> At least 1,76,000 Equity Shares of ₹10.00 each at Issue Price ₹52 per equity share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lakhs.	17.60	91.52
	Not more than 1,76,000 Equity Shares of ₹10.00 each at Issue Price of Rs. 52.00 per equity share will be available for allocation for allotment to Investors other than Retail Individual Investors (including Non Institutional Investors and QIB)	17.60	91.52
<b>D.</b>	<b>Paid-up Equity Capital after the Issue</b>		
	13,72,000 Equity Shares of ₹10.00 each	137.20	-
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		156.24

\*The present Issue of 3,72,000 Equity Shares in terms of this Prospectus has been authorized pursuant to a resolution of our Board of Directors dated March 14, 2019 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on March 14, 2019.

## Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹10.00 each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

**NOTES TO THE CAPITAL STRUCTURE****1. Details of Changes in Authorized Share Capital of our Company:**

Date of Meeting	AGM/EGM	Changes in Authorized Share Capital
Upon Incorporation		Authorized Share Capital of ₹1,00,000 divided into 600 Ordinary Shares of ₹ 100 each and 400 deferred shares of ₹100/- Each.
-*	-*	Reclassification Of Authorized Share Capital Of ₹1,00,000 Divided Into 600 Ordinary Shares Of ₹ 100 Each And 400 Deferred Shares Of ₹100/-



Date of Meeting	AGM/EGM	Changes in Authorized Share Capital
		Each to ₹ 1,00,000 divided into 1000 Equity shares of ₹ 100 each.
-*	-*	Increase in authorized share capital from ₹1,00,000 divided into 1,000 Equity shares of ₹100/- each to ₹5,00,000 divided into 5,000 Equity shares of ₹100/- each.
December 04, 1989	EGM	Increase in authorized share capital from ₹5,00,000 divided into 5,000 Equity shares of ₹100/- each to ₹10,00,000 divided into 10,000 Equity shares of ₹100/- each.
August 28, 1991	EGM	Increase in authorized share capital from ₹10,00,000 divided into 10,000 Equity shares of ₹100/- each to ₹30,00,000 divided into 30,000 Equity shares of ₹100/- each.
October 15, 1996	EGM	Increase in authorized share capital from ₹30,00,000 divided into 30,000 Equity shares of ₹100/- each to ₹60,00,000 divided into 60,000 Equity shares of ₹100/- each.
December 16, 2018	EGM	Sub-division of face value of Equity Share Capital from ₹ 100 each to ₹ 10 each. The Authorised Share Capital on sub-division of the face value of Share then amounted to 6,00,000 Equity Shares of ₹10 each.
December 16, 2018	EGM	Increase in authorized share capital from ₹60,00,000 divided into 6,00,000 Equity shares of ₹10/- each to ₹1,50,00,000 divided into 15,00,000 Equity shares of ₹10/- each.

\*The form filed with the RoC for the said allotment is not available with the RoC and the Company, thus date and nature of meeting cannot be traced. These details have been inserted here based on information received from company. Please refer to Risk Factor "Certain of our corporate records relating to forms filed with the Registrar of Companies prior to the year 2006 in respect of allotment of Equity Shares, increase in authorized capital, appointment & resignation of directors, filing of financial statements etc. and certain other records such as Minutes Book, Share Transfer deeds, Statutory Registers etc. prior to 2000 are not traceable." on page 19 of this Prospectus.

## 2. Equity Share Capital History of our Company

The following table sets forth details of the history of the Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Capital (₹)
On Incorporation	5	100	100	Cash	Subscription to MOA <sup>(1)</sup>	5	500
<sup>(1)</sup>	531	100	100	Other than Cash	Further Allotment	536	53600
<sup>(2)</sup>	5,464	100	100	Cash	Further Allotment	6,000	6,00,000
February 25, 1994	6,000	100	-	Other than Cash	Bonus Issue <sup>(ii)</sup>	12,000	12,00,000
March 16, 1994	8,000	100	100	Cash	Further Allotment <sup>(iii)</sup>	20,000	20,00,000
November 11, 1996	30,000	100	-	Other than Cash	Bonus Issue <sup>(iv)</sup>	50,000	50,00,000
<i>At the Shareholders Meeting held on December 16, 2018 a resolution was passed for Sub-division of the face value of Equity Shares from ₹100 to ₹10. The Equity Shares on sub-division of the face value then amounted to 5,00,000 Equity Shares ₹10 each., after sub-division the paid-up share capital was as follows:</i>							
Post subdivision	5,00,000	10	-	-	-	5,00,000	50,00,000
February 14, 2019	5,00,000	10	-	Other than Cash	Bonus Issue <sup>(v)</sup>	10,00,000	1,00,00,000

(1) The form filed with the RoC for the said allotment is not available with the RoC and the Company, thus date of allotment and details of the allottees cannot be traced. However as per the available records, the said

allotment was made to the Vendors and Technical Director pursuant to the contract for consideration other than Cash.

(2) The form filed with the RoC for the said allotment is not available with the RoC and the Company, thus date of allotment and details of the allottees cannot be traced. Please refer to Risk Factor "Certain of our corporate records relating to forms filed with the Registrar of Companies prior to the year 2006 in respect of allotment of Equity Shares, increase in authorized capital, appointment & resignation of directors, filing of financial statements etc. and certain other records such as Minutes Book, Share Transfer deeds, Statutory Registers etc. prior to 2000 are not traceable." on page 19 of this Prospectus.

**Notes:**

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

Sr. No.	Names of Allottees	Number of Equity Shares
1.	S. L. Evans	1
2.	R. Pinto	1
3.	Armando Francisco Desouza	1
4.	Anslekar D'Mello	1
5.	Dr. E. R. D' Mello	1
		<b>5</b>

**ii. Bonus Issue of 6000 Equity Shares of Face Value of ₹100/- each in the ratio of 1:1 i.e. One Equity shares for every one equity shares held by shareholders as per details given below:**

Sr. No.	Names of Allottees	Number of Equity Shares
1.	Armando Francisco Desouza	3000
2.	Fleurette Hatam Desouza	1125
3.	Ivor Anthony Desouza	1125
4.	Jason Ian Desouza	375
5.	Daniel Ivor Desouza	375
		<b>6000</b>

**iii. Further Allotment of 8000 Equity Shares of Face Value of ₹100/- each fully paid at par:**

Sr. No.	Names of Allottees	Number of Equity Shares
1.	Armando Francisco Desouza	4000
2.	M. N. F Desouza	1500
3.	Ivor Anthony Desouza	1500
4.	Jason Ian Desouza	500
5.	Daniel Ivor Desouza	500
		<b>8000</b>

**iv. Bonus Issue of 30,000 Equity Shares of Face Value of ₹100/- each in the ratio of 3:2 i.e. One Equity shares for every one equity shares held by shareholders as per details given below:**

Sr. No.	Names of Allottees	Number of Equity Shares
1.	Armando Francisco Desouza	15000
2.	Fleurette Hatam Desouza	5625
3.	Ivor Anthony Desouza	5625
4.	Jason Ian Desouza	1875

5	Daniel Ivor Desouza	1875
		<b>30,000</b>

v. **Bonus Issue of 5,00,000 Equity Shares of Face Value of ₹10/- each in the ratio of 1:1 i.e. One Equity shares for every one equity shares held by shareholders on December as allotted on February 14, 2019 as per details given below:**

Sr. No.	Names of Allottees	Number of Equity Shares
1.	Ivor Anthony Desouza	3,37,497
2.	Nelson Lionel Fernandes	1,00,000
3.	Daniel Joseph Desouza	31250
4.	Jason Ian Desouza	31,250
5.	Clarence Stephen D'sa	1
6.	Jeanne Marie Desouza	1
7.	Britto Menezes	1
		<b>5,00,000</b>

As on the date of this Prospectus, our Company does not have any preference share capital.

### 3. Details of Allotment made in the last two years preceding the date of this Prospectus:

Except as mentioned in point 1(vii) above, we have not issued any Equity Share in the last two years preceding the date of Prospectus.

### 4. Details of Equity Shares issued for consideration other than cash:

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price(₹)	Reasons for Allotment	Benefits Accrued to our Company
February 25, 1994	6000	100	-	Bonus in the ratio of 1:1 i.e. 1 Equity Shares for every 1 Equity Share held	Capitalization of Reserves & Surplus
November 11, 1996	30,000	100	-	Bonus in the ratio of 3:2 i.e. 3 Equity Shares for every 2 Equity Share held	Capitalization of Reserves & Surplus
February 14, 2019	5,00,000	10	-	Bonus in the ratio of 1:1 i.e. 1 Equity Shares for every 1 Equity Share held	Capitalization of Reserves & Surplus

5. Except as mentioned above in point 1 above, our Company has not issued any equity shares lower than the Issue Price during the preceding 1 (One) year.

6. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-233 of the Companies Act, 2013 or under Sections 391-394 of the Companies Act, 1956.

7. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

8. Our Company has not issued equity shares under any employee stock option schemes.

### 9. Capital Build Up in respect of shareholding of Promoter:

As on the date of this Prospectus, our Promoter Ivor Anthony Desouza holds 6,74,993 Equity Shares each of our company.

None of the Equity Shares held by our Promoter are subject to any pledge.

Date of Allotment / Transfer	No. of Equity Shares	Face Value Per Share	Issue/ Acquisition/Transfer Price	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre issue equity share capital	% of post issue equity share capital
<b>Ivor Anthony Desouza</b>							
Before 1993	1125	100	-	-	-	1.13	0.82
February 25, 1994	1125	100	-	Other than Cash	Bonus	1.13	0.82
March 16, 1994	1500	100	-	Cash	Further Allotment	1.5	1.09
November 11, 1996	5625	100	-	Other than Cash	Bonus	5.63	4.10
October 24, 2005	34375	100	100	Cash	Acquisition by way of transfer	34.38	25.05
August 29, 2016	(1)*	100	-	Cash	Joint name was added	negligible	negligible
August 29, 2016	(1)**	100	-	Cash	Joint name was added	negligible	negligible
<i>At the Shareholders Meeting held on December 16, 2018 a resolution was passed for Sub-division of the face value of Equity Shares from ₹100 to ₹10 per share. Post sub-division the paid-up share capital of the company had become 5,00,000 Equity Shares of Rs 10 each.,</i>							
<i>Deletion of second holder name on receipt of request letter from first holder and simultaneously consolidates the folio of joint holder into individual holding on February 14, 2019.</i>							
Post consolidation of folio	4,37,500	10	-	-	Consolidation of joint holding into Individual holding	43.75	31.89
February 14, 2019	(1,00,000)	10	-	Other than Cash	Transfer of Shares by way gift	10.00	7.29
February 14, 2019	(1)	10	-	Other than Cash	Transfer of Shares by way gift	negligible	negligible
February 14, 2019	(1)	10	-	Other than Cash	Transfer of Shares by way gift	negligible	negligible
February 14, 2019	(1)	10	-	Other than Cash	Transfer of Shares by way gift	negligible	negligible
February 14, 2019	3,37,497	10	-	Other than cash	Bonus	33.75	24.60
March 14, 2019	(1)	10	-	Other than Cash	Transfer of Shares by way gift	negligible	negligible
<b>Total</b>	<b>6,74,993</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67.50</b>	<b>49.20</b>

\*1 Equity Share is jointly held with Mrs. Rowena Anne Ribeiro.

\*\*1 Equity share is jointly held with Mr. Sameer Verma.

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

Pursuant to Regulation 236 and Regulation 238 of the SEBI (ICDR) Regulations, 2018 an aggregate of 20% of the post-Issue Equity Share capital of our Company held by our Promoter shall be considered as Promoters' Contribution ("Promoters' Contribution") and shall be locked-in for a period of three years from the date of

allotment of equity shares issued pursuant to this Issue. The lock in of Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares. We further confirm that Minimum Promoters' Contribution of 20.55% of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

Details of the Equity Shares (eligible for inclusion in the Minimum Promoters Contribution, in terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018) forming part of Minimum Promoters Contribution and proposed to be locked-in for a period of three years from the date of allotment are as follows:

Details of Promoter's Contribution								
Date of Allotment	No. of Equity Shares	Face Value	Issue Price	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre issue equity share capital	% of post issue equity share capital	Lock in period
<b>Ivor Anthony Desouza</b>								
February 14, 2019	2,82,000	10	-	Other than Cash	Bonus	28.20	20.55	3 Years

For details on the build-up of the Equity Share capital held by our Promoters, please refer to "*Build-up of our Promoter's shareholding in our Company*" beginning on page 49 of this Prospectus.

Our Promoter has given consent to include such number of Equity Shares held by him as may constitute 20.55% of the fully diluted post-Issue Equity Share capital of our Company as Minimum Promoter's Contribution. Our Promoter has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoter's Contribution from the date of filing this Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI (ICDR) Regulations, except as may be permitted, in accordance with the SEBI (ICDR) Regulations.

The minimum Promoter's Contribution has been brought in to the extent of not less than the specified minimum lot and from persons identified as "promoter" under the SEBI (ICDR) Regulations.

In this regard, we confirm that:

- (i) Equity Shares acquired during the three (3) years preceding the date of this Prospectus for consideration other than cash and where revaluation of assets or capitalisation of intangible assets was involved or bonus issue out of revaluations reserves or unrealised profits or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;
- (ii) the Minimum Promoter's Contribution does not include Equity Shares acquired during the one (1) year preceding the date of this Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- (iii) Our Company has not been formed by conversion of a partnership firm into a company and hence no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion of a partnership firm; and
- (iv) the Equity Shares held by our Promoters and offered as part of the Minimum Promoter's Contribution are not subject to any pledge.

#### **b) Details of Equity Shares Locked-in for One (1) Year**

Other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Issue Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

#### **c) Other requirements in respect of lock-in**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters and locked-in for one (1) year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Minimum Promoters' Contribution for three (3) years can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters may be transferred between our Promoters and Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations").

Further, in terms of Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of one (1) year, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in applicable to the transferee and compliance with the provisions of the Takeover Regulations.

### Our Shareholding pattern

The table below presents the current shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of shareholder (II)	No. of shareholders (II I)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares under lying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)	No.	As a % of total Shares held (b)	No.		As a % of total Shares held (b)
								Class eg: Equity	Class eg: Preference	Total								
A	Promoter & Promoter Group	5	7,99,997	-	-	7,99,997	80.00	7,99,997	-	7,99,997	80.00	-	-	-	-	-	7,99,997	
B	Public	3	2,00,003	-	-	2,00,003	20.00	2,00,003	-	2,00,003	20.00	-	-	-	-	-	2,00,003	
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	8	10,00,000	-	-	10,00,000	100.00	10,00,000	-	10,00,000	100.00	-	-	-	-	-	10,00,000	

II – Shareholding pattern of the Promoter and Promoter Group

S. No.	Category & Name of the Shareholders	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of A+B+C2	Number of Locked in shares		Number of Shares pledged or otherwise		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total shares held (b)	
								Class Equity Shares of ₹10/- each	Class Y	Total								
	I	III	IV	V	VI	VII=IV+V+VI	VIII	IX				X	XI = VII+X	XII	XIII	XIV		
(1)	Indian																	
(a)	Individuals/ Hindu undivided Family	5	7,99,997	-	-	7,99,997	80.00	7,99,997	-	7,99,997	80.00	-	80.00	-	-	-	-	7,99,997
1.	Mr. Ivor Anthony Desouza	1	6,74,993	-	-	6,74,993	67.50	6,74,993	-	6,74,993	67.50	-	67.50	-	-	-	-	6,74,993
2.	Mr. Jason Ian Desouza	1	62,500	-	-	62,500	6.25	62,500	-	62,500	6.25	-	6.25	-	-	-	-	62,500
3.	Mr. Daniel Joseph Desouza	1	62,500	-	-	62,500	6.25	62,500	-	62,500	6.25	-	6.25	-	-	-	-	62,500
4.	Mr. Clarence Stephen D'sa	1	2	-	-	2	Negligible	2	-	2	Negligible	-	Negligible	-	-	-	-	2
5.	Ms. Jeanne Marie Desouza	1	2	-	-	2	Negligible	2	-	2	Negligible	-	Negligible	-	-	-	-	2
(b)	Central Government/ State Government(s)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other Body Corporate	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



**Evans Electric Limited**

	Sub-Total (A)(1)	5	7,99,997	-	-	7,99,997	80.00	7,99,997	-	7,99,997	80.00	-	80.00	-	-	7,99,997
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	5	7,99,997	-	-	7,99,997	80.00	7,99,997	-	7,99,997	80.00	-	80.00	-	-	7,99,997

\* As on the date of this Prospectus 1 Equity Share holds 1 vote

^ We have only 1 class of Equity Shares of face value of ₹10 each

\$ As on the date of this Prospectus, all the Equity Shares are held in dematerialized form.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity Shares.

III- Shareholding pattern of the Public shareholder

S. No.	Category & Name of the Shareholders	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total shares held (b)	No. (not applicable) (a)	As a % of total shares held (not applicable) (b)	
								Class Equity Shares of ₹10/- each	Class Y	Total								
	I	III	IV	V	VI	VII=IV+V+VI	VIII	IX				X	XI= VII+X	XII		XIII		XIV
(1)	Institutions																	
(a)	Mutual Funds	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/ Banks	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Government/ State Government(s)/ President of India															
	Sub-Total (B)(2)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non-institutions															
(a)	Individuals															
	i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	2	3	-	-	3	0.00	3	-	3	0.00	-	0.00	-	-	3
	ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	1	2,00,000	-	-	2,00,000	20.00	2,00,000	-	2,00,000	20.00	-	2,00,000	-	-	2,00,000
(b)	NBFCs registered with RBI	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other Body Corporate	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(3)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>3</b>	<b>2,00,003</b>	<b>-</b>	<b>-</b>	<b>2,00,003</b>	<b>20.00</b>	<b>2,00,003</b>	<b>-</b>	<b>2,00,003</b>	<b>20.00</b>	<b>-</b>	<b>2,00,003</b>	<b>-</b>	<b>-</b>	<b>2,00,003</b>

IV - Shareholding pattern of the Non Promoter- Non Public shareholder

S. No.	Category & Name of the Shareholders	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957)  As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in Share dematerialized form (Not applicable)	
								No of Voting Rights					Total as a % of Total Voting rights	No.	As a % of total Shares held	No. (not applicable)		As a % of total shares held (not applicable)
								Class Equity Shares of ₹10/- each	Class Y	Total								
	I	III	IV	V	VI	VII=IV+V+VI	VIII	IX			X	XI= VII+ X	XII	XIII	XIV			
(1)	Custodian/DR Holder																	
(a)	Name of DR Holder (if available)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Sub Total (c ) (1)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Sub Total (C ) (2)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Total Non- Promoter Non-Public shareholding (C )= (C )(1)+ (C ) (2)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		

10. The Lead Manager and its associates do not hold any Equity Shares as on the date of this Prospectus.
11. The Lead Manager and its affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.
- 12. Pre Issue and Post Issue Shareholding of our Promoter and Promoters' Group**

Set forth is the shareholding of our Promoter and Promoter Group before and after the proposed issue:

Name	Pre Issue		Post Issue	
	No. of Equity Shares	% of Pre Issue paid up Equity Shares	No. of Shares	% of Post Issue paid up Equity Shares
<b>Promoters</b>				
Mr. Ivor Anthony Desouza	6,74,993	67.50	6,74,993	49.20
<b>Total (A)</b>	<b>6,74,993</b>	<b>67.50</b>	<b>6,74,993</b>	<b>49.20</b>
<b>Promoter Group</b>				
Mr. Jason Ian Desouza	62,500	6.25	62,500	4.56
Mr. Daniel Joseph Desouza	62,500	6.25	62,500	4.56
Mr. Clarence Stephen D'sa	2	Negligible	2	Negligible
Mrs. Jeanne Marie Desouza	2	Negligible	2	Negligible
<b>Total (B)</b>	<b>1,25,004</b>	<b>12.50</b>	<b>1,25,004</b>	<b>9.11</b>

**13. Details of Major Shareholders:**

(A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held (Face Value ₹ 10each) <sup>^</sup>	% of Paid up Capital <sup>#</sup>
1	Mr. Ivor Anthony Desouza	6,74,993	67.50
2.	Mr. Nelson Lionel Fernandes	2,00,000	20.00
3.	Mr. Jason Ian Desouza	62,500	6.25
4.	Mr. Daniel Joseph Desouza	62,500	6.25

<sup>^</sup>The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.

<sup>#</sup> the % has been calculated based on existing (pre-issue) Paid up Capital of the Company

(B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company two years prior to the date of the Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held (Face Value ₹ 100 each) <sup>^</sup>	% of Paid up Capital <sup>#</sup>
1	Mr. Ivor Anthony Desouza	43,750*	87.50
2.	Mr. Jason Ian Desouza	3125**	6.25
3.	Mr. Daniel Joseph Desouza	3125***	6.25

<sup>^</sup>The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.

<sup>#</sup>the % has been calculated based on existing Paid up Capital of the Company

\*1 Equity Share jointly held with Mrs. Rowena Anne Ribera and 1 Equity Share jointly held with Mr. Sameer Verma.

\*\* 1 Equity Share jointly held with Ms. Jeanne Marie Desouza

\*\*\* 1 Equity Share jointly held with Mr. Clarence Stephen D'sa

Note: For calculation of % of Paid up Share Capital two years prior to the date of the Prospectus, Face Value of 1 Equity Share is taken as ₹100:

(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company one year prior to the date of the Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held(Face Value ₹ 100 each) <sup>^</sup>	% of Paid up Capital <sup>#</sup>
1	Mr. Ivor Anthony Desouza	43,750*	87.50
2.	Mr. Jason Ian Desouza	3125**	6.25
3.	Mr. Daniel Joseph Desouza	3125***	6.25

<sup>^</sup>The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.

<sup>#</sup>the % has been calculated based on existing Paid up Capital of the Company

\*1 Equity Share jointly held with Mrs. Rowena Anne Riberio and 1 Equity Share jointly held with Mr. Sameer Verma.

\*\* 1 Equity Share jointly held with Ms. Jeanne Marie Desouza

\*\*\* 1 Equity Share jointly held with Mr. Clarence Stephen D'sa

Note: For calculation of % of Paid up Share Capital One year prior to the date of the Prospectus, Face Value of 1 Equity Share is taken as ₹100:

(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company ten days prior to the date of the Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held(Face Value ₹ 10 each) <sup>^</sup>	% of Paid up Capital <sup>#</sup>
1	Mr. Ivor Anthony Desouza	6,74,994	67.50
2.	Mr. Nelson Lionel Fernandes	2,00,000	20.00
3.	Mr. Jason Ian Desouza	62,500	6.25
4.	Mr. Daniel Joseph Desouza	62,500	6.25

<sup>^</sup>The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.

<sup>#</sup> The % has been calculated based on existing (pre-issue) Paid up Capital of the Company

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

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition* (₹ Per share)
1.	Mr. Ivor Anthony Desouza	6,74,993	4.23**

<sup>^</sup>As certified by our Statutory Auditor vide their certificate-dated March 15, 2019

\*\*some of the details for transfers/allotment details of Equity Shares done prior to 2005 are not traceable hence for calculation of cost of Acquisition cost of share transfer/allotment for the same period has been taken as ₹ 100 being the face value of shares.

15. Shareholding of our Directors and Key Managerial Personnel in our Company

Set forth below is the shareholding of our Directors and Key Managerial Personnel in our Company, as on the date of this Prospectus.

Sr. No.	Names of Our Directors	No. of Equity Shares	% of Pre Issue paid up Equity Shares
1.	Mr. Ivor Anthony Desouza	6,74,993	67.50
2.	Mr. Nelson Lionel Fernandes	2,00,000	20.00
3.	Mrs. Iyleen Matilda Fernandes	1	Negligible
	<b>Total</b>	<b>8,74,994</b>	<b>87.50</b>

16. None of our Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of this Prospectus.
17. Neither, we nor our Directors and the Lead Manager to this Issue have entered into any buy-back and/or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person
18. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments, which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.
19. As on the date of this Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
20. Our Company has not raised any bridge loan against the proceeds of the Issue.
21. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
22. As on the date of this Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
23. We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares offered have been listed or application moneys refunded on account of failure of Issue.
24. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.
25. Except as disclosed below, there have been no purchase or sell of Equity Shares by Promoter Group, and our Directors and relatives of our Directors during a period of six months preceding the date on which this Prospectus is filed with BSE Limited

Date of Allotment/ Transfer	Name of Shareholder	No. of Equity Shares allotted /Transferred/ Acquired	% of Pre-Issue Capital	Subscribed/Acquired/ Transfer	Category of Allottees (Promoter/ Promoter Group)
February 14, 2019	Mr. Ivor Anthony Desouza	(3)	Negligible	Gift	Promoter
	Mrs. Jeanne Marie Desouza	1	Negligible	Gift	Promoter Group
	Mr. Clarence Stephen D'sa	1	Negligible	Gift	Promoter Group
	Mr. Ivor Anthony Desouza	3,37,497	33.75	Bonus	Promoter
	Mr. Jason Ian Desouza	31,250	3.13	Bonus	Promoter Group
	Mr. Dannial Joseph Desouza	31,250	3.12	Bonus	Promoter Group
	Mrs. Jeanne Marie Desouza	1	Negligible	Bonus	Promoter Group
	Mr. Clarence Stephen D'sa	1	Negligible	Bonus	Promoter Group
	Mr. Nelson Lionel Fernandes	1,00,000	10.00	Bonus	Director
	Mr. Ivor Anthony Desouza	(1,00,000)	10.00	Gift	Promoter
March 14, 2019	Mr. Nelson Lionel Fernandes	1,00,000	10.00	Gift	Director
	Mr. Ivor Anthony Desouza	(1)	Negligible	Gift	Promoter
	Mrs. Iyleen Matilda Fernandes	1	Negligible	Gift	Director

26. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.

27. 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 i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
28. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
29. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
30. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
31. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
32. As on the date of this Prospectus, Our Company has not issued any Equity Shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
33. There are no Equity Shares against which depository receipts have been issued.
34. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of this Prospectus.
35. We have 8 (Eight) Shareholders as on the date of filing of this Prospectus.
36. There are no safety net arrangements for this Public issue.
37. Our Promoters and Promoter Group will not participate in this Issue.
38. This Issue is being made through Fixed Price method.
39. Except as disclosed in this Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of this Prospectus.
40. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
41. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.
42. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
43. As per RBI regulations, OCB's are not allowed to participate in the Issue.



### OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 3,72,000 Equity Shares of our Company at an Issue Price of ₹52.00 per Equity Share at a premium of ₹ 42.00 per Equity Share..

#### **The Fresh Issue**

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

- To Meet Working Capital Requirements
- General Corporate purpose and
- To Meet the Issue Expenses

(Collectively referred as the “Objects”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the Emerge Platform of BSE (“BSE SME”). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum of Association (MOA) enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association (MOA).

#### **Net Proceeds**

The details of the Net Proceeds are set forth below:

Particulars	Amt (₹ in Lakhs)
Gross Proceeds of Issue	193.44
Less: Issue Related Expenses	45.44
<b>Net Issue Proceeds</b>	<b>148.00</b>

#### **Requirement of Funds and Utilization of Issue Proceeds: -**

The Issue Proceeds are proposed to be used in accordance with the details as set forth below:

S. No	Particulars	Amt (₹ in Lakhs)
1.	To meet working capital requirement	111.00
2.	General Corporate Expenses	37.00
3.	To meet the Issue Expenses	45.44
	<b>Total</b>	<b>193.44</b>

#### **Means of Finance:**

We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

Particulars	Amount (₹ in Lakh)
Net Issue Proceeds	148.00
<b>Total</b>	<b>148.00</b>

*Since, the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.*

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

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be

used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of this Prospectus.

Our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 19 of this Prospectus.

#### Details of Use of Net Issue Proceeds:

##### 1. To meet the Working Capital requirement

Our business is working capital intensive. The Company will meet the requirement to the extent of ₹ 111.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings and internal accruals at an appropriate time as per the requirements.

Details of Estimation of Working Capital requirement are as follows (based on restated figures):

S. No.	Particulars	Actual	Actual	Actual	Estimated	Estimated
		31-March-17	31-March-18	31- October-18	31-March-19	31-March-20
I	<b>Current Assets</b>					
	Inventories	42.96	50.25	26.73	50.25	62.82
	Trade Receivables	151.72	91.18	125.30	114.30	173.40
	Cash and Cash Equivalents	342.24	402.58	438.69	421.95	445.57
	Short-Term Loans and Advances	140.23	45.08	35.78	52.91	61.19
	<b>Total(A)</b>	<b>677.15</b>	<b>589.09</b>	<b>626.50</b>	<b>639.41</b>	<b>742.98</b>
II	<b>Current Liabilities</b>					
	Trade payables	121.46	104.04	69.95	97.55	74.56
	Other Current Liabilities	2.66	3.10	8.51	8.63	9.49
	Short Term Provisions	109.39	25.28	29.52	21.27	30.54
	<b>Total (B)</b>	<b>233.51</b>	<b>132.42</b>	<b>107.98</b>	<b>127.45</b>	<b>114.59</b>
III	<b>Total Working Capital Gap (A-B)</b>	<b>443.64</b>	<b>456.67</b>	<b>518.52</b>	<b>511.96</b>	<b>628.39</b>
IV	<b>Funding Pattern</b>					
	Short term borrowing & Internal Accruals	443.64	456.67	518.52	511.96	517.39
	IPO Proceeds					<b>111.00</b>

#### Justification:

Particulars	Holding Period
<b>Inventories</b>	We procure our raw material required for repair and re-winding based on estimated requirement. Hence we have estimated the inventory levels at an average 30 days.
<b>Trade</b>	Trade receivables are based on the average standard payment terms across our clients. Our

<b>receivables</b>	general credit terms vary across geographies and type of clients and our assumptions are based on past trends. Our trade receivables turnover ratio based on the restated Financial Statements were 54 days and 79 days for Fiscal 2017 and 2018, respectively. We expect Debtors Holding days to be at 83 days in FY 19-20 based on existing rising trend in debtor collection period.
<b>Trade Payables</b>	This is based on the average standard payment terms of creditors and suppliers. The days of outstanding for trade payables are based on the restated Financial Statements were 170 days and 222 day for Fiscal 2017 and 2018. We expect Creditors payments days to be 115 days in FY 19-20 based on anticipated business conditions.

## 2. General Corporate Purpose

We propose to deploy ₹ 37.00 lakhs, aggregating to 19.13 % of the Proceeds of the Fresh 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 general expenses of the company or any other purposes as may be approved by our Board.

We confirm that any Issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## 3. Public Issue Expenses: -

The total estimated Issue Expenses are ₹ 45.44, which is 23.49 % of the total Issue Size. The details of the Issue Expenses are tabulated below:

Activity	(Rs .in Lakh)*	As a % of Estimates Issue Expenses	As a % of Issue Size
Lead Manger Fees	22.00	48.41	11.37
Underwriting Commission and Brokerage*, Processing Fees for Application	7.44	16.37	3.85
Fees Payable to Registrar to the Issue	0.50	1.10	0.26
Fees Payable to Advertising and Marketing Expenses	3.50	7.71	1.81
Fees Payable to Regulators including Stock Exchanges	3.00	6.61	1.55
Payment for Printing & Stationery, Distribution, Postage, etc	3.50	7.70	1.81
Others (Fees Payable to Peer Review Auditor, Fees to Legal Advisors, Marketing Expenses and Miscellaneous Expenses)	5.50	12.10	2.84
<b>Total</b>	<b>45.44</b>	<b>100.00</b>	<b>23.49</b>

\* Includes commission/Processing fees of ₹ 10.00 per valid application forms for SCSB's. In case the total processing fees payable to SCSBs exceeds ₹ 1.00 lakh, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total Processing Fees payable does not exceed ₹ 1.00 lakh.

## Fund Deployment

The details of the amount spent by our Company as on April 12, 2019 towards the objects of the Issue as certified by our Statutory Auditors, M/s. Anay Gogte & Co., Chartered Accountants, vide their certificate dated April 12, 2019 are provided in the table below:

Deployment of Funds	Amount (in Rs Lakhs)
<b>Issue Expense</b>	<b>4.64</b>
<b>Total</b>	<b>4.64</b>

## Source of Funds

Source of Funds	Amount (in Rs Lakhs)
Internal Accruals	4.64
<b>Total</b>	<b>4.64</b>

**Proposed Schedule of Implementation:**

The entire Fresh issue size is proposed to be deployed in the Financial Year 2019-20.

**Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

**Shortfall of funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and/or secured/unsecured Loans.

**Bridge Financing Facilities**

As on the date of this Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Issue Proceeds.

**Monitoring Utilization of Funds**

As the size of the Issue will not exceed ₹10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our Audit Committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

**Interim Use of Proceeds**

Pending utilization of the Net Issue proceeds of the Issue for the purposes described above, our Company will deposit with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Issue Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

**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 authorized 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 and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other confirmations**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

**BASIS FOR ISSUE PRICE**

Investors should read the following summary with the section titled "Risk Factors", the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial information of the Company" beginning on pages 19, 78 and 117 including important profitability and return ratios, as set out in "Annexure XXXI" to the Financial Information of the Company on page 117 of this Prospectus to have a more informed view. The issue price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price will be determined by the Company in consultation with the Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹ 10.00 each and the Issue Price is ₹ 5.2times of the face value.

**Qualitative Factors**

- Versatility in taking on the most complex machines irrespective of Capacity, Size, Design or Country of manufacture
- Experienced Promoter Management team supported by skilled work force
- Substantial space for Factory site with infrastructure required for business needs
- Customer centric approach and focus on customer satisfaction
- Quality Compliance

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to section titled "Our Business" beginning on page 78of this Prospectus.

**Quantitative Factors**

The information presented below relating to our Company is based on the Restated Financial Statements for the period ended October 31, 2018 and financial years ended March 31, 2018, 2017, 2016 prepared accordance with Indian GAAP, the Companies Act and restated accordance with SEBI ICDR Regulations. For details, please refer section titled "Financial Information of our Company" on page 117 of this Prospectus.

**1. Basic and Diluted Earnings per share (EPS) as per Accounting Standard 20 (as adjusted for changes in Capital):****Based on Restated Financial Statements:**

Sr. No.	Year ended on	Basic and Diluted EPS (in ₹)	Weights
1.	March 31, 2016	4.15	1
2.	March 31, 2017	23.67	2
3.	March 31, 2018	4.63	3
	<b>Weighted Average</b>	<b>10.90</b>	
	Six months Period ended October 31,2018*	5.81	

\*not annualized

Notes:

1. Earnings per share calculations are done in accordance with Accounting Standard 20 Earnings Per Share ('AS 20'), notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.
2. As on the date of this Prospectus, the face value of each Equity Share is ₹10/- each. However the above EPS have been calculated based on the face value of the Equity shares as ₹100 each.
3. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year / Total of weights.
4. Basic Earnings per Share (in Rupees) = Net profit as restated, attributable to equity shareholders/weighted average number of equity shares
5. Diluted Earnings per share (in Rupees) = Net profit as restated, attributable to equity shareholders/weighted average number of dilutive equity shares.

**Price Earning (P/E) Ratio in relation to the Issue Price of ₹ 52.00**

Particulars	(P/E) Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2017-18.	11.23
P/E ratio based on the Weighted Average EPS, as restated.	4.77

**2. Peer Group P/ E\***

Particulars	P/E
Highest	NA
Lowest	NA
Average	NA

\*We believe that there are no listed companies which are operating in all the business segments as of our Company.

**3. Return on Net worth (RONW)****Based on Restated Financial Information:**

Sr. No.	Period	RONW (%)	Weights
1.	March 31,2016	9.37	1
2.	March 31, 2017	35.47	2
3.	March 31, 2018	6.55	3
	<b>Weighted Average</b>	<b>16.66</b>	
	<b>Seven months Period ended October 31, 2018*</b>	<b>7.59</b>	

\*Not Annualized

Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.

**4. Net Asset Value (NAV) per Equity Share (adjusted for bonus) as per Restated Financial Statements**

As at	NAV (₹)
October 31, 2018	76.53
NAV after Issue	66.57
Issue Price	52.00

**Note:**

- i. The NAV per Equity Share has been computed by dividing restated networth with total number of equity shares outstanding at the end of the year/period
- ii. Face value of the Equity share as on October 31, 2018 was ₹100 each.

**5. Comparison of Accounting Ratios with Industry Peers**

We believe that there are no listed companies which are operating in all the business segments as of our Company.

6. The Issue Price of ₹52.00 per share is determined by our Company in consultation with the Lead Manager and justified by our Company in consultation with the lead manager 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 Auditors' Report in the Offer Document to have more informed view about the investment.

**STATEMENT OF SPECIAL TAX BENEFITS**

To,  
The Board of Directors,  
Evans Electric Limited  
430, 3<sup>rd</sup> Floor, Orchard Rd Mall,  
Royal Palms Estate, Survey No. 169,  
Aarey Milk Colony, Goregaon East,  
Mumbai-400065

Dear Sir,

**Sub: Statement of Possible Tax Benefits ('The Statement') available to Evans Electric Limited ("The Company") and its shareholders prepared in accordance with the requirement in SCHEDULE VIII-CLAUSE (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended ("The Regulation")**

We hereby report that the enclosed annexure prepared by Evans Electric Limited, states the possible special Tax benefits available to Evans Electric Limited ("the Company") and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company Further , the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and 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 proposed initial public offering of equity shares ("the Issue") by the Company.

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

- a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been / would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Anay Gogte & Co.  
Chartered Accountants  
FRN 100398W**

**(CA. A. R. Gogte)  
Proprietor  
M. No. 037046  
Place: Mumbai  
Date: March 15, 2019**

**ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS**

*The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 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.**

**A. SPECIAL TAX BENEFITS TO THE COMPANY NIL**

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER NIL**

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. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.



## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but 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.*

### OVERVIEW OF GLOBAL ECONOMY

Global economic growth is projected to soften from a downwardly revised 3 percent in 2018 to 2.9 percent in 2019 amid rising downside risks to the outlook, the World Bank said on Tuesday. International trade and manufacturing activity have softened, trade tensions remain elevated, and some large emerging markets have experienced substantial financial market pressures.

Growth among advanced economies is forecast to drop to 2 percent this year, the January 2019 Global Economic Prospects says. Slowing external demand, rising borrowing costs, and persistent policy uncertainties are expected to weigh on the outlook for emerging market and developing economies. Growth for this group is anticipated to hold steady at a weaker-than-expected 4.2 percent this year.

“At the beginning of 2018 the global economy was firing on all cylinders, but it lost speed during the year and the ride could get even bumpier in the year ahead”, said World Bank Chief Executive Officer Kristalina Georgieva. “As economic and financial headwinds intensify for emerging and developing countries, the world’s progress in reducing extreme poverty could be jeopardized. To keep the momentum, countries need to invest in people, foster inclusive growth, and build resilient societies.”

The upswing in commodity exporters has stagnated, while activity in commodity importers is decelerating. Per capita growth will be insufficient to narrow the income gap with advanced economies in about 35 percent of emerging market and developing economies in 2019, with the share increasing to 60 percent in countries affected by fragility, conflict, and violence.

A number of developments could act as a further brake on activity. A sharper tightening in borrowing costs could depress capital inflows and lead to slower growth in many emerging market and developing economies. Past increases in public and private debt could heighten vulnerability to swings in financing conditions and market sentiment. Intensifying trade tensions could result in weaker global growth and disrupt globally interconnected value chains.

“Robust economic growth is essential to reducing poverty and boosting shared prosperity,” said World Bank Group Vice President for Equitable Growth, Finance and Institutions, Ceyla Pazarbasioglu. “As the outlook for the global economy has darkened, strengthening contingency planning, facilitating trade, and improving access to finance will be crucial to navigate current uncertainties and invigorate growth.”

### **Regional Outlooks:**

**East Asia and Pacific:** East Asia and Pacific remains one of the world’s fastest-growing developing regions. Regional growth is expected to moderate to 6 percent in 2019, assuming broadly stable commodity prices, a moderation in global demand and trade, and a gradual tightening of global financial conditions. Growth in China is expected to slow to 6.2 percent this year as domestic and external rebalancing continue. The rest of the region is expected to grow at 5.2 percent in 2019 as resilient demand offsets the negative impact of slowing exports. Indonesia’s growth is expected to hold steady at 5.2 percent. The expansion of the Thai economy is expected to slow in 2019 to 3.8 percent.

**Europe and Central Asia:** The lingering effects of financial stress in Turkey are anticipated to weigh on regional growth this year, slowing it to 2.3 percent in 2019. Turkey is forecast to experience weak activity and slow to a 1.6 percent pace due to high inflation, high interest rates, and low confidence, dampening consumption and investment. Growth in the western part of the region, excluding Turkey, is projected to slow. Poland is

anticipated to slow to 4 percent as Euro Area growth slows. Growth in the eastern part of the region is also anticipated to slow as large economies including Russia, Kazakhstan, and Ukraine decelerate.

**Latin America and the Caribbean:** Regional growth is projected to advance to a 1.7 percent pace this year, supported mainly by a pickup in private consumption. Brazil is forecast to expand 2.2 percent, assuming fiscal reforms are quickly put in place, and that a recovery of consumption and investment will outweigh cutbacks to government spending. In Mexico, policy uncertainty and the prospect of still subdued investment is expected to keep growth at a moderate 2 percent, despite the fall in trade-related uncertainty following the announcement of the U.S.-Mexico-Canada Agreement. Argentina is forecast to contract by 1.7 percent as deep fiscal consolidation leads to a loss of employment and reduced consumption and investment.

**Middle East and North Africa:** Regional growth is projected to rise to 1.9 percent in 2019. Despite slower global trade growth and tighter external financing conditions, domestic factors, particularly policy reforms, are anticipated to bolster growth in the region. Growth among oil exporters is expected to pick up slightly this year, as GCC countries as a group accelerate to a 2.6 percent rate from 2 percent in 2018. Iran is forecast to contract by 3.6 percent in 2019 as sanctions bite. Algeria is forecast to ease to 2.3 percent after a rise in government spending last year tapers off. Egypt is forecast to accelerate to 5.6 percent growth this fiscal year as investment is supported by reforms that strengthen the business climate and as private consumption picks up.

**South Asia:** Regional growth is expected to accelerate to 7.1 percent in 2019, underpinned by strengthening investment and robust consumption. India is forecast to accelerate to 7.3 percent in FY 2018/19 as consumption remains robust and investment growth continues, Bangladesh is expected to slow to 7 percent in FY2018/19 as activity is supported by strong private consumption and infrastructure spending. Pakistan's growth is projected to decelerate to 3.7 percent in FY2018/19, with financial conditions tightening to help counter rising inflation and external vulnerabilities. Sri Lanka is anticipated to speed up slightly to 4 percent in 2019, supported by robust domestic demand and investment boosted by infrastructure projects. Nepal's post-earthquake momentum is forecast to moderate, and growth should slow to 5.9 percent in FY2018/19.

**Sub-Saharan Africa:** Regional growth is expected to accelerate to 3.4 percent in 2019, predicated on diminished policy uncertainty and improved investment in large economies together with continued robust growth in non-resource intensive countries. Growth in Nigeria is expected to rise to 2.2 percent in 2019, assuming that oil production will recover and a slow improvement in private demand will constrain growth in the non-oil industrial sector. Angola is forecast to grow 2.9 percent in 2019 as the oil sector recovers as new oil fields come on stream and as reforms bolster the business environment. South Africa is projected to accelerate modestly to a 1.3 percent pace, amid constraints on domestic demand and limited government spending.

(Source - [www.worldbank.org/en/news/press-release/2019/01/08/darkening-prospects-global-economy-to-slow-to-29-percent-in-2019-as-trade-investment-weaken](http://www.worldbank.org/en/news/press-release/2019/01/08/darkening-prospects-global-economy-to-slow-to-29-percent-in-2019-as-trade-investment-weaken))

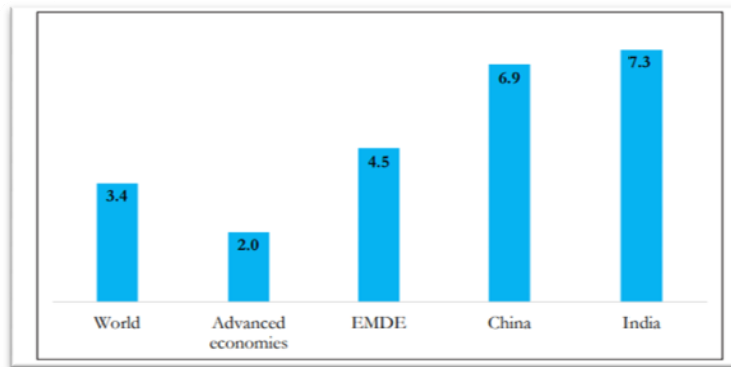
## **OVERVIEW OF INDIAN ECONOMY**

After registering GDP growth of over 7 per cent for the third year in succession in 2016-17, the Indian economy is headed for somewhat slower growth, estimated to be 6.5 per cent in 2017- 18, as per first Advance Estimates released by CSO. This is slightly lower than the range of 6.5 per cent to 6.75 per cent being currently projected based on recent developments. Even with this lower growth for 2017-18, GDP growth has averaged 7.3 per cent for the period from 2014-15 to 2017-18, which is the highest among the major economies of the world. That this growth has been achieved in a milieu of lower inflation, improved current account balance and notable reduction in the fiscal deficit to GDP ratio makes it all the more creditable. In addition to the introduction of GST, the year also witnessed significant steps being undertaken towards resolution of problems associated with non-performing assets of the banks, further liberalization of FDI, etc., thus strengthening the momentum of reforms. After remaining in negative territory for a couple of years, growth of exports rebounded into positive one during 2016-17 and strengthened further in 2017-18. There was an augmentation in the spot levels of foreign exchange reserves to close to US\$ 414 billion, as on 12th January 2018.

### ➤ GDP GROWTH IN 2017-18

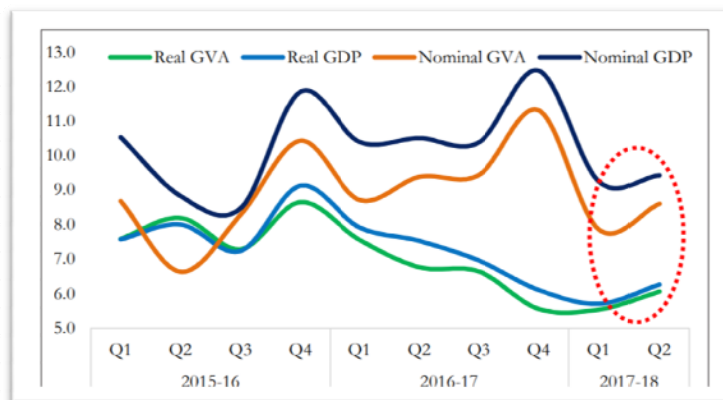
With Gross Domestic Product (GDP) growth averaging 7.5 per cent between 2014- 15 and 2016-17, India can be rated as among the best performing economies in the world on this parameter. Although growth is expected to decline to 6.5 per cent in 2017-18, bringing the 4-year average to 7.3 per cent, the broad story of India's GDP growth to be significantly higher than most economies of the world does not alter. The growth is around 4

percentage points higher than global growth average of last 3 years and nearly 3 percentage points more than the average growth achieved by emerging market & developing economies (EMDE)



Average growth of GDP during 2014-17

From a low of 5.5 per cent in 2012-13, growth in GDP steadily improved for 3 years and peaked in 2015-16, particularly in fourth quarter (Q4) when it printed 9.1 per cent (GVA growth also peaked in Q4 of 2015-16). However, growth started slowing down from first quarter (Q1) of 2016-17. GDP and GVA growth slowed to 6.1 per cent and 5.6 per cent respectively in Q4 of 2016-17. GDP growth further declined to 5.7 per cent in Q1 of 2017-18. However, the second quarter (Q2) of 2017-18 witnessed reversal of declining trend of GDP growth, with growth increasing to 6.3 per cent. The nominal GDP and GVA growth also picked up to 9.4 per cent and 8.6 per cent respectively in Q2 of 2017-18



Quarterly growth in GDP and GVA (per cent)

➤ **INDUSTRIAL, CORPORATE AND INFRASTRUCTURE PERFORMANCE**

As per the Index of Industrial Production (IIP), which is a volume index with base year 2011-12, the industrial output increased by 3.2 per cent during April-November 2017-18 vis-à-vis the corresponding period of previous year. This was a composite effect of growth in electricity generation at 5.2 per cent and growth in mining and manufacturing sectors at 3.0 per cent and 3.1 per cent respectively. In November 2017, the IIP registered a growth of 8.4 per cent to take the April-November growth to 3.2 per cent over the corresponding period of previous year. The eight Core infrastructure supportive industries, viz. coal, crude oil, natural gas, petroleum refinery products, fertilizers, steel, cement and electricity that have a total weight of nearly 40 per cent in the IIP attained a cumulative growth of 3.9 per cent during April-November 2017-18 over the corresponding period of previous year. The production growth of coal, natural gas, refinery products, steel, cement and electricity were positive. The steel production increased substantially, while the production of crude oil and fertilizers fell marginally during the period

➤ **PRICES AND MONETARY MANAGEMENT**

Inflation in the country continued to moderate during 2017-18. Headline inflation as per Consumer Price Index – Combined (CPI-C) declined to 3.3 per cent in 2017-18 (Apr-Dec) from 4.8 per cent in the corresponding

period of 2016- 17. CPI inflation, which was below 3.0 per cent in the first quarter of 2017-18 mainly due to lower food inflation, especially pulses and vegetables, rose marginally and stood at 3.0 per cent in the Q2 of 2017-18. Food inflation in terms of the Consumer Food Price Index (CFPI) declined to 1.2 per cent during 2017-18 (Apr-Dec) from 5.1 per cent in 2016-17 (Apr-Dec). CPI-based core (non-food, non-fuel) inflation also declined to 4.5 per cent in 2017-18 (Apr-Dec) from 4.8 per cent in 2016-17 (Apr-Dec). Inflation for all the major subgroups of CPI-C, except housing and fuel & light groups, declined in 2017-18 (Apr-Dec) over 2016-17 (Apr-Dec). The decline was sharpest for food & beverages. 1.33 Average inflation based on the Wholesale Price Index (WPI) stood at 2.9 per cent in 2017-18 (Apr-Dec) as compared to 0.7 per cent in 2016- 17 (Apr-Dec). WPI inflation which remained subdued for several months, surged during February and March 2017 due to sudden spurt in global crude oils prices. Thereafter, with the moderation in the global crude prices, inflation also moderated in the next four months till July, reaching a low of 0.9 per cent in June 2017. As oil prices bounced back and moved upwards in the successive months, coupled with rising food prices, inflation too rose and reached the level of 3.6 per cent in December 2017.

➤ EXTERNAL SECTOR

The global economy has been gathering pace and is expected to accelerate from 3.2 per cent in 2016 to 3.7 per cent in 2018. World trade volume growth is projected to increase from 2.4 per cent in 2016 to 4.2 per cent and 4.0 per cent respectively in 2017 and 2018. Commodity prices (fuel and nonfuel) are also expected to grow in contrast to decline in the last few years. India’s external sector has continued to be resilient and strong in 2017-18 so far and the balance of payments (BoP) situation continued to be comfortable. Current account deficit (CAD) was 1.8 per cent of GDP, merchandise exports grew by 12 per cent, net services receipts grew by 14.6 per cent, net foreign investment grew by 17.4 per cent, and external debt indicators improved in H1 of 2017-18.

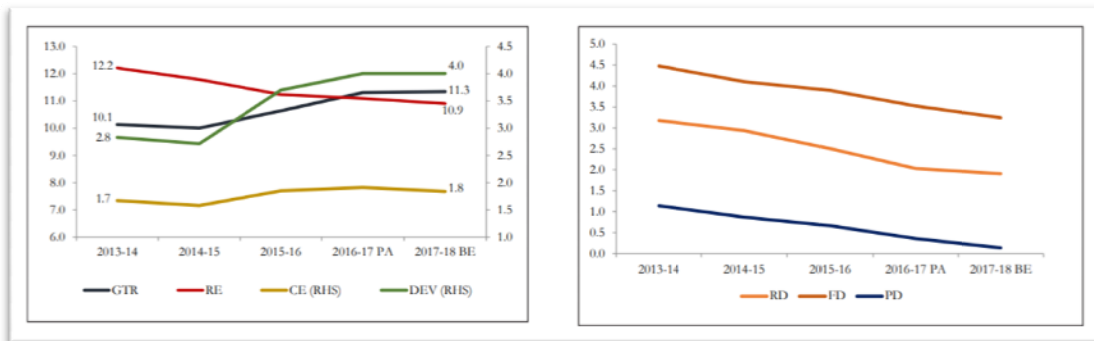
➤ FOREIGN EXCHANGE RESERVES

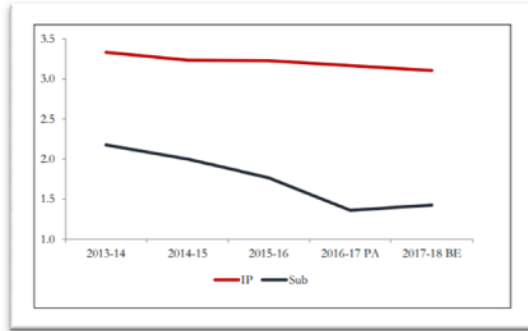
India’s foreign exchange reserves reached US\$ 409.4 billion on December 29, 2017, with a growth of 14.1 per cent on a YoY basis from end December 2016 and growth of 10.7 per cent from end-March 2017. The foreign exchange reserves were US\$ 413.8 billion on 12th January 2018. The foreign exchange reserves in nominal terms (including the valuation effects) increased by US\$ 30.3 billion during H1 of 2017 as compared to an increase of US\$ 11.8 billion during the same period of preceding year. The import cover of India’s foreign exchange reserves increased to 11.1 months at end-September 2017.

➤ FISCAL DEVELOPMENTS

Sound public financial management has been one of the pillars of India’s macro-economic stability in the last three years. Based on this firm footing, the Government, in partnership with the States, ushered in the long-awaited GST era. The GST was unveiled after comprehensive preparations, calculations and multi-stage consultations, yet the sheer magnitude of change meant that it needed to be carefully managed. The Government is navigating the change and challenges, including the possibility that a substantial portion of the last-month GST collections may spill over to the next year. Meanwhile, direct tax collections are expected to meet targets. And spending plans are broadly on track.

The firm footing afforded by the Government to unleash tax reforms in the current year could be perused from the Charts below. Most fiscal indicators-revenue buoyancy, expenditure quality, devolution and deficits improved discernibly in the last three years.



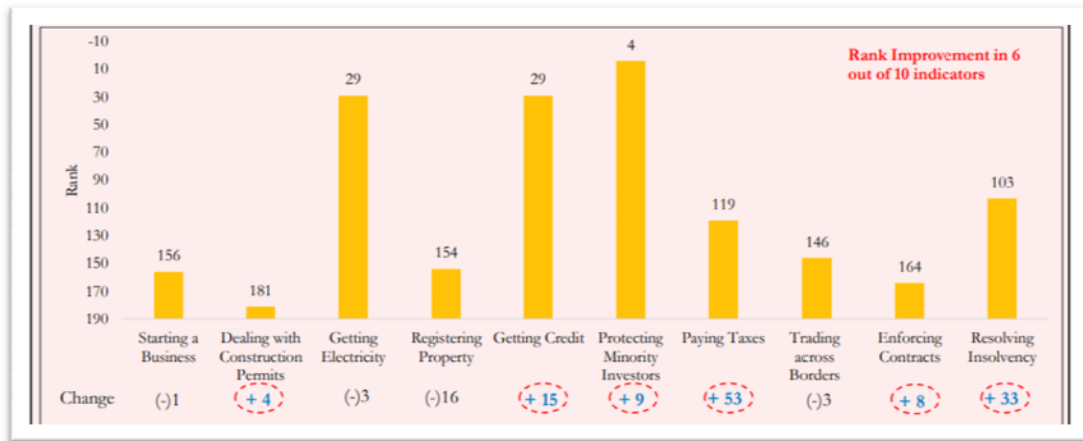


Fiscal indicators as percentage of GDP

**Note:** GTR=gross tax revenue; RE=revenue expenditure; CE=capital expenditure; DEV=tax devolution to States; IP=interest payments; Sub=subsidies; RD=revenue deficit; FD=fiscal deficit; PD=primary deficit; PA=provisional actuals; BE=budget estimates

➤ EASE OF DOING BUSINESS

The year 2017-18 has been remarkable for India’s global image as a promising investment destination. In recognition of the reforms carried out by the Government, Moody’s Investor Service upgraded India’s sovereign credit rating to Baa2 from the lowest investment grade of Baa3 after a period of 13 years. India ranked 100 among 190 countries assessed by the Doing Business Team in the Ease of Doing Business Report, 2018 with an improvement of 30 ranks over its rank of 130 in the Ease of Doing Business Report 2017. India saw an improvement in six out of ten indicators namely – Dealing with construction permits, getting credit, protecting minority investors, paying taxes, enforcing contracts and resolving insolvency

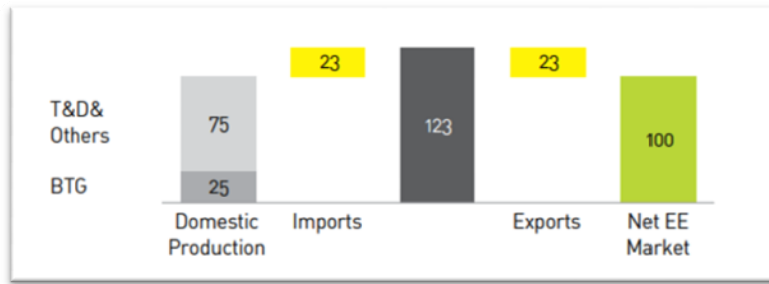


Ranking on Doing Business Topics

These improvements in rankings have been a result of various reform measures undertaken by the Government including Structural and deep-seated reforms such as Goods and Services Tax (GST) and Insolvency and Bankruptcy Code (IBC); reforms aimed at strengthening India’s institutions – Demonetization, mechanism for inflation targeting via the Monetary Policy; progress in Aadhaar enrollment and use in targeted delivery of benefits; and announcement of the Government’s decision for recapitalization of public sector banks. (Source: Economic Survey 2017-18- www.indiabudget.nic.in)

**OVERVIEW OF INDIAN ELECTRICAL EQUIPMENT INDUSTRY**

The generation equipment segment is targeted to reach a size of ₹ 125,000 crore (US\$ 25 billion) and the T&D equipment segment is targeted to reach a size of ₹ 375,000 crore (US\$ 75 billion) by 2022. The electrical equipment industry, comprising these two segments, is targeted to reach a size of ₹ 500,000 crore (US\$ 100 billion) by 2022.



Estimated EE Market in India in 2021-22 (US\$ billion)

(T&D - Transmission & Distribution)

(BTG - Boilers, Turbines, Generators)

Import of EE into India has been significant in the last few years. With increasing domestic industry competitiveness and levelling of the playing field, the rate of growth of imports is likely to reduce to 7-8% in the long term.

### INDIAN ELECTRICAL EQUIPMENT INDUSTRY MISSION PLAN (2012-22)

Indian Electrical Equipment Industry Mission Plan (2012-22), aims to make India, a country for production of electrical equipment achieving an output of USD 100 billion, and thus balancing the present trade deficit of the sector. By 2022, domestic demand for generation equipment and transmission & distribution sector is expected to be in the range of USD 25-30 billion and USD 70-75 billion respectively. Market-oriented reforms, such as the target of 'Power for All' plans to add 93 GW during 2017-2022, will further generate huge demand for power transmission & distribution equipment. Incentives for capacity addition in power generation will increase the demand for electrical machinery. Indian manufacturers are becoming more competitive with respect to their product designs, manufacturing and testing facilities. A large pool of human resources and adequate workforce available, also the sector is projected to provide direct employment to 1.5 million people and indirect employment to 2 million people by 2022. As consequences it is increasing scope for direct exports to neighboring countries. Investments in research and development in the electrical machinery industry are amongst the largest in India's corporate sector. The industry enjoys comparative advantage in terms of manufacturing costs, market knowledge, technology and creativity. Also, with a robust supply chain, the sector has a diversified, matured and strong manufacturing base.

### DATA ANALYSIS OF INDIA'S ELECTRICAL EQUIPMENT INDUSTRY

- Electrical equipment industry broadly comprises of two segments: Generation Equipment (boilers, turbines, generators) and transmission & distribution (T&D) and allied equipment like transformers, cables, transmission lines, switchgears, capacitors, energy meters, instrument transformers, etc. The T&D equipment sector, dominates the sector making up for 85% of the industry whereas generation equipment sector accounts for the rest 15%.
- The industry registered a double-digit growth rate of 12.8% over 2017-18 as compared to 2016-17.
- For 2017-18, exports of Indian electrical equipment industry stood at USD 6.5 billion.
- And, for 2016-17, Exports stood at approximately USD 6 billion.
- The sector contributes about 8% to manufacturing sector in terms of value, and 1.5% to the overall GDP.
- The subsector of heavy industry provides direct employment to 0.5 million persons, indirect to 1 million, and over 5 million across the entire value chain. Additionally, India has state of the art technology that is at par with the global standards.
- Major export markets for the sector are United States of America, United Arab Emirates, Germany and United Kingdom. And, India is a major exporter of Switchgear and Control gear, Transformers & Parts, Industrial Electronics, Cables, Transmission Line Towers, Conductors, Rotating Machines (Motors, AC Generators, and Generating Sets) & Parts, within the sector.
- Within the sector, high output growth sub sectors are Power Generation Systems and Cables, having industry size worth USD 6.92 billion and USD 6.34 billion.
- The demand for inter-regional transmission system (transmission lines and associated substations) is projected to have a peak demand of 226 GW in the 2021-22-time frame.

- Making electricity accessible has been the key concern, and with various initiatives taken, India has managed to scale itself up to 26th position in terms of electricity accessibility, from 99th in 2014. Alongside, transmission lines witnessed a 26 % increase from 2, 91,336 circuit kilometres (ckm) in March 14 to 3,66,634 ckm in March 17.

(Source: <http://www.makeinindia.com/sector/electrical-machinery>)

With the rapid the rise in economic growth and living standards more & more people used Generators, Motor and Pump sets in Residential, Commercial, Industries, Hospital, and Agriculture, Institution, Govt. establishments etc. which becomes a necessity in daily life. And since frequent power failure & long duration load shedding where, these devices are more needed. And with the continual used, these devices became defective and inefficient due to wear & tear in the mechanical parts, and deterioration in electrical insulation & Lub. oil etc. In order to have a smooth, optimum and efficient operation, the devices need timely repair & preventive maintenance services. Therefore, units catering to Repair, Service and maintenance of these devices have very good scope.

With the rapid industrialization, modernization and increased commercial activity, coupled with expansion of electrification in rural and urban areas, Generators, motor operated devices and pumps finds extensive and inevitable application. And electric motors are prime mover of modern industries besides they are also find used in consumer products in domestic, commercial, institution, Govt. establishment, hospitals, Diagnostic center etc. And for domestic & commercial application, electric motors are available in Single phase, for industrial application in three phase. The requirement of Generators is both as Prime power as well as standby (back-up). The Govt. has also set to achieved additional installed capacity of 100,000MW by 2012 after taking into account the ever increasing electricity consumption and to bridge ever increasing demand – supply gap.

Further, Generators and pumps are used as the common in industrial houses, institutions, commercial, Hospitals and households. And continuous and uninterrupted power supply in theses places played a very important role in smooth production and services. Similarly water pumps also found divers application in our daily life such as in multi-storey building, fountains, cooling plants, industries, irrigations etc. Since more and more development takes place in coming years, it is expected that, demand for such repair & service unit is bound to have good scope.

Source: <http://msme-diimphal.gov.in/wp-content/uploads/2013/05/Target13.pdf>

Motors are widely used for various industrial agricultural and commercial and domestic appliances with the development of power generators, rural electrification, domestic usage etc. the demand for electric motor is growing rapidly, consequently the demand for motor servicing and repair activity which is one of the major repair activity in any motor repair shop, is in great demand, specially in the semi-urban and rural areas.

Motors are used as a prime mover for driving various machines and pump sets in industry, agriculture and domestic application. Electric motor has over riding advantages of easy starting and control, clean operation, easier maintenance and lesser space, The function of an electric motor is to convert electrical energy in to mechanical energy and consists of a stator housed in the body with a rotor mounted on shaft, which is free to rotate in bearings. When AC electric supply is applied to the starter, it causes the rotor to rotate due to electromagnetic induction. The rotation of the rotor causes the shaft to rotate, which is in turn coupled to, rotate the desired equipments. In electric motor, the winding is one of the main part of any motor. It gets damaged frequently due to wear and tear and needs rewinding.

Source: [https://smallb.sidbi.in/sites/default/files/knowledge\\_base/electrical\\_motor\\_winding.pdf](https://smallb.sidbi.in/sites/default/files/knowledge_base/electrical_motor_winding.pdf)

## OUR BUSINESS

*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 Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion & Analysis of Financial Condition and Results of Operations” and “Financial Information of the Company” beginning on page 19,142 and 117 respectively of this Prospectus. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated consolidated audited financial statements. Further, all references to “Evans”, “Evans Electric Limited”, ‘the Company’, ‘our Company’ and the terms ‘we’, ‘us’ and ‘our’, are to “Evans Electric Limited.”*

### OVERVIEW

Incorporated in 1951, Our Company is engaged in the business of repairing, re-winding and re-designing including inhouse manufacturing of replacement components of small, medium and large electric motors, generators and transformers, which are used in Thermal, Hydro, Diesel, Gas & Nuclear Electric Power Generation, Petroleum Refineries, Chemicals & Fertilizers, Cement Plants, Steel Plants, Tyre Manufacturing, Sugar Mills, Oil & Gas Exploration, Shipping, Mining and Railway Traction. We on the basis of the damage and assessment of the repairs or rewinding required for any AC & DC Machines, design, develop and manufacture components in-house for carrying out said re-winding and repairing work of aforementioned items. Some of the replacement components manufactured by us includes Coils, Insulators, Slip Rings, Retaining Rings, Carbon Brushes, Brush Holders, Complete winding kits, Insulation Components, Wedges, Packers and stampings, as well as allied specialized tools and equipment.

We have a factory unit admeasuring to 30,000 sq. ft. located in Palghar, Maharashtra which is used for providing re-winding and repairing services as well as for manufacturing replacement components. We also provide on-site services for large Electric Motors, Generators and Transformers that are too large and cannot be transported to our Factory.

We started our business with repairing and rewinding of low voltage AC and DC electric motors and generators and then later in 1958, diversified into repairing and rewinding of high voltage power & distribution transformers and then in 1960 we started with manufacturing of allied products such as commutators for DC machines, specialized contacts for Switchgear and strip Heaters. With time our capabilities grew and we have been successful in executing orders received from foreign countries such as Bangladesh, Malaysia & Sri Lanka which includes contract based services. We provide contract based services for repairing of various electric products which includes low Voltage and High Voltage AC and DC Electric Motors, Generators and Transformers, Turbo Generator Stators, Turbo Rotors (including high speed balancing), Hydro Generator Stators, Hydro Rotors and Field poles, also included are Dynamic balancing, Vacuum Impregnation, High Voltage Coil Manufacturing, RLA studies, Vibration Reduction, Diagnostic Testing, Machining, Fabrication and allied services.

Our Company was founded by Late Mr. Armando F. De Souza, Late Mr. Silus L. Evans, Late R. Pinto, Late Anlekar D’Mello and Late Dr. E. R. D’ Mello. Presently, our Company is managed by Mr. Ivor Anthony Desouza, son of Late Mr. Armando F. de Souza, (Promoter, Chairman and Non- Executive Director) who is an Electrical Engineer having an experience of around 46 years in the field of Electrical Repairs and Mr. Nelson Lionel Fernandes, Managing Director, a management Graduate with an experience of 34 years in field of supervision of Factory and other manufacturing process of the Company. The management team of our Company exhibits a synergy of both, experience and enthusiasm in the field of engineering and operations.

Over the past, we have evolved and adopted new methods and the use of new materials in high Voltage Rewinds, which gave us the opportunity to embark on the Repairing and Rewinding of Large Motors & Generators, which traditionally was the domain of the Original Equipment Manufacturers (OEMs) who were mainly foreign Companies. Our success in this area of our business put us on the Electro-Mechanical Service map and in 1978 we achieved a major breakthrough as we successfully repaired 40,000 KVA – 11,000 volts generating sets of Uttar Pradesh State Electricity Board, for which we got recognition from various publication houses. In the year 1989, we successfully rewound the Big Rotating component of a Nuclear-Powered Generator. In 2004 we successfully Rewound and commissioned a complex 33KV rated Turbo-Generator

Our clientele covers a wide range of industries from Thermal, Hydro, Nuclear, Gas & Diesel Power Generation to Chemicals & Fertilizers, Cement, Oil & Gas Refineries, Steel Plants, Shipping, Off shore Oil & Gas Exploration, Railways & and Renewable Energy.



**QUALITY CERTIFICATION**

- ISO 9001: 2015 Certified
- Membership of EASA (Electrical Apparatus Service Association) since 1978

**FINANCIALS**

As per Restated Financial statements for the Seven (7) months period ended October 31, 2018 and fiscal 2018, 2017 and 2016, our total revenues were ₹ 400.30 lakhs, ₹ 586.91 lakhs, ₹ 1071.58 lakhs, and ₹ 511.65 lakhs, respectively. Our Profit after Tax for the similar period mentioned above was ₹ 58.06 lakhs, ₹ 46.30 lakhs, ₹ 236.69 lakhs, and ₹ 41.48 lakhs, respectively.

Major portion of our Revenue is derived from the re-winding and repairing work done for the Power Generation sector. We also draw heavily on the repairing and re-winding of large High Voltage Motor which has been our core business for many years, which we have successfully illustrated with our extensive experience, problem solving capability and component modification and designing.

Breakup of our revenue from operations, for power, oil & Refinery and mining industry for past 3 years are as follows:

(Amount in Rs Lakhs)

Industry	Amount	2017-18	Amount	2016-17	Amount	2015-16
Power sector	260.25	46.38%	733.15	69.13%	171.18	34.05%
Oil & refinery	31.12	5.55%	107.84	10.17%	125.31	24.93%
Mining sector	13.54	2.41%	35.20	3.32%	37.47	7.45%
<b>Total</b>	<b>304.91</b>	<b>54.34%</b>	<b>876.19</b>	<b>82.62%</b>	<b>333.96</b>	<b>66.43%</b>

As much of our work involves Machines of very large capacities and sizes, we are specialised in trouble shooting problems and conducting Repairs and Rewinds on site often with the machine in situ (at client's place). This is an area of business which forms an important part of our total work load.

Breakup of Location wise revenue from operations for past 3 years:

(Amount in Rs Lakhs)

Location	2017-18	2016-17	2015-16
Domestic Sales	443.74	773.25	502.69
Export Sales	117.42	287.24	0.00
<b>Total</b>	<b>561.16</b>	<b>1060.49</b>	<b>502.69</b>

**OUR SERVICES**

We provide repairing and rewinding services including High Speed Balancing and component replacement, on-site services (core re-stacking Services), for:

➤ **Repairing and Rewinding Services for the below mentioned items: -**

1. AC/DC Motors, Generators and Transformers (any voltage rating)
2. Large AC Hydro Generator Rotor Field Pole Coils,
3. Large AC Turbo Generator Stators (Steam, Gas or Nuclear, any Voltage rating)

➤ **Redesigning Services for the below mentioned items: -**

1. Electric Motor Windings for improved performance and life extension, including Efficiency enhancement, AC Stator Coils & Roebel Bars for improved performance and life extension,
2. AC Electric Motor Rotors for improved performance and life extension, Redesigning of AC Electric Motors for complex Vibration elimination, Vacuum Pressure Impregnation facility, Dynamic Balancing, Machining and fabrication facility,
3. Test Facilities: Motorised Meggers up to 10KV, AC Hi-Pot Test 0 - 60 KV, DC Hi-Pot test 0 - KV, Tan Delta Tests up to 11 KV, Surge Comparison Tests up to 25 KV, Micro – Ohm meter Tests, 3 phase AC Variable Voltage Running Test 0 - 6.6 KV.

## **OUR COMPETITIVE STRENGTHS**

We believe that we are well positioned to sustain and strengthen our position in the markets in which we compete as well as to exploit significant growth opportunities that exist. We believe the following, are our principal strengths:

- ***Versatility in repairing and re-winding on the most complex machines irrespective of Capacity, Size, Design or Country of manufacture.***

We have developed our infrastructure, plant and machinery which are capable of handling complex machines irrespective of their size, capacity and design. Also, we serve different industries as per their needs regarding size and voltage of Motors, Generators and Transformers. Now we are in a stage that we can serve even high capacity machines. Apart from this we also provide on-site services for large Electric Motors, Generators and Transformers that are too large and cannot be transported to our Factory. Due to our capabilities and strong stance, we achieved a major breakthrough in year 1978 as we successfully repaired 40,000 KVA – 11,000 volts generating sets of Uttar Pradesh State Electricity Board. Later, in the year 1989, we successfully rewound the largest Rotating component of a Nuclear-Powered Generator. In 2004 we successfully Rewound and commissioned a complex 33KV rated Turbo-Generator.

- ***Experienced Promoter and Management team supported by skilled work force***

Our Board of Directors consists of five experienced personnel. Our Promoter, Chairman and Non-Executive Director, Mr. Ivor Anthony Desouza having experience of 46 years in the field of Electrical Engineering and our Managing Director Mr. Nelson Lionel Fernandes has experience of 34 years in field of management and business activities of Company, Our Whole Time Director Mrs. Iyleen Matilda Fernandes has experience of 19 years in field of Accounts and Finance. Apart from our management, we have skilled in-house trained Engineers, skilled Technicians and associated Staff to cope up our business needs. We have 4 Engineers and 10 skilled Technicians. We follow trend for Regular Training sessions on Weekly Basis for bring out the best in Engineers & skilled Technicians and to drive up operational Efficiency under supervision of Mr. Ivor Anthony Desouza.

- ***Substantial space for Factory site with infrastructure required for business needs***

We have 30,000 sq. ft. fully equipped Factory with 1 x 50 Ton Crane, 2 x 5 Ton Cranes, 10 Ton Balancing Machine, Machine shop, Electrical Test laboratory, Electric Motor Running Test bed with 3 phase AC Variable voltage and Variable Frequency supply, Vacuum Pressure Impregnation, Air circulating Drying Ovens, Carpentry shop, High Voltage Coil manufacturing facility, a range of specially fabricated purpose-built tools and fittings, and a fully furnished commercial Office.

Apart from the size of the factory we also have a competitive advantage as the location of factory is located between Palghar and Boiser, which is near to MIDC (Maharashtra Industrial Development Corporation) and Mumbai Ahmedabad Highway NH-8 where many large industries are located.

- ***Customer centric approach and focus on customer satisfaction***

Customer satisfaction is very important for the success and growth of any organisation. Providing good quality work at affordable pricing is very important for the customer satisfaction and customer retention. The main focus of our company is on providing the best quality services to the clients at affordable costs. By attaining customer satisfaction, we are able to retain the customer which provide repeated business and will also help our organisation to grow. We also offer onsite repair and re-winding for complex machineries which cannot be brought to our factory premises such service has helped the clients saving time as well as cost involved in dismantling and further installation of such complex transformers, motors and generators.

- ***Quality Compliance***

Quality of the work is very important for customer satisfaction and client retention. By providing best quality work at affordable prices and in a timely manner also helps in enhancing the goodwill of the Company. Our Company is ISO 9001: 2015 certified for its quality work and procedures. We also have Membership of EASA (Electrical Apparatus Service Association).

## **OUR BUSINESS STRATEGIES**

### **➤ Increasing our international market presence**

Our customer base currently includes customers from countries such as the Sri Lanka, Bhutan, Bangladesh and Indonesia. We are looking forward to increase our customers in other countries also. We are also focusing on the increase in our exports, both in terms of quantum and markets in the countries we currently operate. With our onsite servicing we can provide the repairing and re-winding of the complex machineries at the customer site which can save our clients from efforts of dismantling, installing and moving the machines from one country to another. We are also in the process of creating a systematic marketing organization for catering to the export demand which can look after the potential in the countries we operate and the new markets.

### **➤ Continue to focus on optimal utilization of resources**

We continue to focus on the optimal utilization of resources. The main raw materials used in our services are coils, brushes, insulators etc which we are currently manufacturing at our facility located the Palghar. By making best and optimum utilization of the resources we can provide our customer better services at reasonable cost and also maintain the operating margins of our Company. Over the period we have developed a team of skilled technicians and engineers who are capable of looking after many complex and large machines. With the help of our team we are continuously working towards making best possible use of the resources and providing the customers with quality work at efficient pricing.

### **➤ Attract and retain talented employee**

Employees are essential for the success of every organization. We constantly intend to continue our focus on improving health, safety and environment for our employees, who continuously work for the repairing and re-winding of machines. We intend to strive to further reduce the employee attrition rate and retain more of our skilled employees for our future expansion by providing them with better, safer and healthier working environment. Over the period of time we have also developed a team of engineers and skilled technician to work at our factory premises. We also provide our employees regular training sessions on Weekly Basis for bring out the best in Engineers &skilled Technicians and to drive up operational efficiency under supervision of Mr. Ivor Anthony Desouza.

## **OUR LOCATION**

<b>Registered Office</b>	430, Orchard Mall, 3rd Floor, Royal Palms Estate Aarey Milk Colony, Goregaon East, Mumbai, Maharashtra, 400065
<b>Factory</b>	Plot 22, Genesis Industrial Complex, Palghar Boisar Road, PALGHAR-401404, Dist. Palghar, Maharashtra
<b>Corporate Office</b>	431, Orchard Mall, 3rd Floor, Royal Palms Estate Aarey Milk Colony, Goregaon East, Mumbai, Maharashtra, 400065

## **INFRASTRUCTURE AVAILABILITY**

### **Raw Materials**

Our Company is engaged in the business of providing services of repairing, re-winding and re-designing of transformers, motors and generators. A majority of the inputs required for repairing and rewinding are manufactured in house i.e. replacement components for all AC & DC Machines such as Coils, Insulators, Slip Rings, Retaining Rings, Carbon Brushes, Brush Holders, Complete winding kits, Insulation Components, Wedges, Packers and stampings, as well as allied specialized tools and equipment. Other than above materials are procured from various local sources.

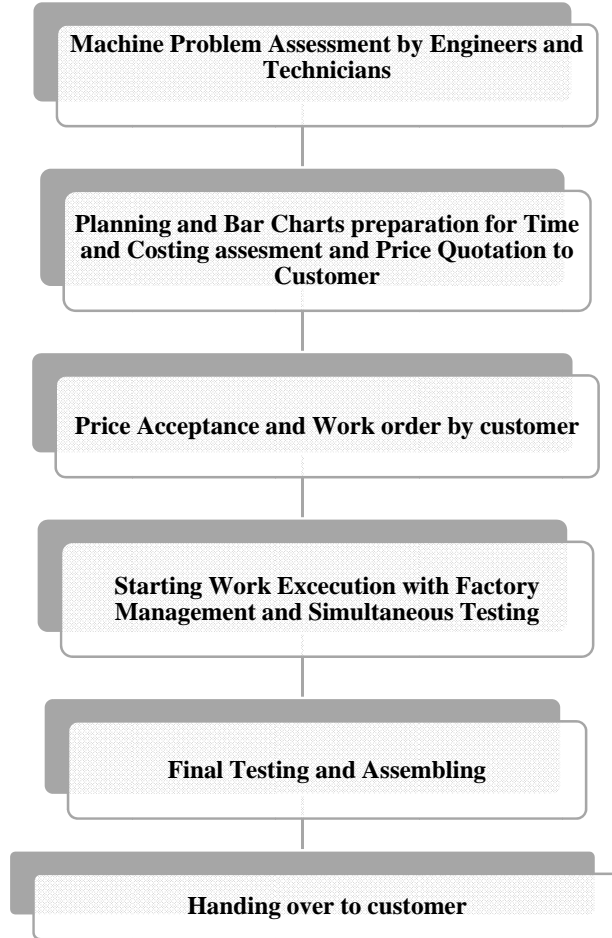
### **Power**

The registered office as well as corporate offices meets the adequate power supply. We get supply from Maharashtra state Electricity Distribution Company Limited. For our factory site also, we have adequate power supply from Adani Electricity

### **Water**

Water is required for human consumption at offices and adequate water sources are available from Local Sources. The water requirement at the factory premises are met through the borewell and pump let at the Factory Premises.

**PROCESS FLOW**



- **Machine Problem Assessment by Engineers and skilled Technicians**  
 Our Engineer and skilled Technician assess the machine problem and identify the repair work required. At this stage the team also ascertain that whether the machines needs to be brought at the factory premises or by visiting customer site if machine is not transportable
- **Planning and Bar Charts preparation for Time and Costing assesment and Price Quotation to Customer**  
 We analyse time and cost to be consumed for repair and Rewinding task with proper documentation of the same. It also helps us in ascertaining the cost required to complete the work and arrive at the final price quote to be shared with customer.
- **Price Acceptance and Work order by customer**  
 Customer will accept the quotation and raises work order for same.
- **Starting Work Excecution with Factory Management and Simultaneous Testing**  
 At this stage the order of the material is placed and the material and workforce are assigned to the job. Our Execution team starts work and there is a system of simultaneous testing so that progress can be analysed. In factory management process we analyse for material to be manufactured in factory i.e replacement components

(Stator Coil, DC Armatures, and Field poles & Interpoles, Stator Roebel etc.) apart from manufacturing if needed we procure materials from vendors.


- **Final Testing and Assembling**

After completing repair and rewinding final test run to be conducted and after that assembling will be done. In some cases clients are also involved in the testing work to make sure the machines are working as per the required standards.

- **Handing over to customer**

Delivery challan to be prepared and machine to be handed over to customer and final invoice to be raised.

### **INTELLECTUAL PROPERTY**

The business logo of our company viz.  is the registered trademark of our company under class 7 as on the date of this Prospectus.

### **EXPORT OBLIGATION**

As on the date of this Prospectus, we do not have any pending export obligation.

### **COLLABORATION AND TIE UPS**

As on the date of this Prospectus, we do not have any Collaboration and Tie Ups.

### **COMPETITION**

The repair and rewinding service business in which we operate is highly competitive and our Company face competition from various domestic and international players, some of the competitors are the Original Equipment Manufacturers (OEMs) who repair the products manufactured by them. Our Company competes with many organised and unorganised players in the industry offering services similar to us. The organized players in the industry compete with each other by providing good repair and rewinding services at affordable costs. We believe that the principal competitive factors include service quality, reliability, price that enable us to comprehensively address varying requirements of different customer segments and specific customer needs. Our Company compete against our competitors by establishing ourselves as knowledge based workforce and well established name with the requisite skills and know-how which enables us to provide our clients with timely, cost effective and best quality work suitable to current trend and market requirements.

### **SALES AND MARKETING**

Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. We have valued Domestic as well as international clients/agents which market our Services. Our promoter and Directors through their experience and good rapport with customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding the sales network of our Company.

### **EMPLOYEES**

We believe that our employees are the key to the success of our business. We focus on hiring and retaining employees. We view this process as a necessary tool to maximize the performance of our employees.

As of March 31, 2019, we employed 55 full time employees. The following table provides information about our full time employees:

S.No.	Particulars	No. of Employees
1.	Engineers	16
2.	Skilled Technicians	16
3.	Administrative staff	13
4.	Semi-skilled and Unskilled Staff	10
<b>Total</b>		<b>55</b>

**PLANT & MACHINERY**

<b>Machinery Section</b>	<b>Machines</b>
Mechanical Section	Drilling Machines, Shaping Machines, Bearing Heater, polisher, Bench Grinder etc.
Carpentry Section	Wood Saw, Band Saw etc.
Fabrication Section	Welding Generator, High Pressure Blow Torches, Heating Machine etc.
Balancing Section	Vibration Meter, Dynamic Balancing Machine etc.
Coil Fabrication Section	Electric Hydraulic coil press, Conductor Taping Machine, Slot Tapping Machine etc.
Varnishing Section	Vacuum Pressure Impregnation Plant, etc.
Material Handling Section	Bearing Puller and Coupling Puller, Mechanical Jacks, Hydraulic Jacks, Heavy Duty brass rollers etc.
Electrical Section	Motor test panel, Auto transformer, Standby diesel generator etc.

**IMMOVABLE PROPERTIES**

As per information received from the Company and the Balance Sheet for the Previous Years of the Company, the details of all the immovable properties whether taken on lease/ rent or owned by the Company are as follows:

<b>S. No.</b>	<b>Details of the Property</b>	<b>Actual Use</b>	<b>Owned/ Leased/ License</b>	<b>Licensor / Lessor / Vendor/ Landlord</b>	<b>Consideration/ Lease Rental/ License Fees</b>
1.	Plot no 22 of Ghat No. 243 (PT), 244 & 295(PT) admeasuring Apx 3851 square yards, equivalent to 3220 square meters, village Kolgaon, Taluka Palghar, District Thane. [Commercial land]	Factory	Owned	Varsha Industrial Township Organizers Private Ltd(a company incorporated under the Companies Act 1956) having its Registered office at Gandhi Building, 1 <sup>st</sup> floor, IInd Fanaswadi, Dady Seth Agiyari Lane, Mumbai, 400 002 through its director Mr. Dipal Rokadla (Vendor)	The Sale deed dated November 12 <sup>th</sup> , 2007 executed between the vendor and the company for the land in consideration of ₹ 41,59,080/-
2.	Office No 430, Built-up: 22.37 Square Meter. Situated on the 3 <sup>rd</sup> Floor of Orchid Mall, Royal Palms, Aarey Milk Colony, Goregoan East, Mumbai 400065	Registered Office	On Leave and License	Mrs. Iyleen Matilda Fernandes aged about 72 years PAN AAAPF1514G, Residing at Flat No 52, Floor No. 2, Building Name, Sharmrock, block Sector, Near Holy Family Hospital, St. Andrews Road, Bandra West, Mumbai, Maharashtra 400050 <b>(Licensor)</b>	The Leave and License Agreement dated January 20 <sup>th</sup> , 2018 executed between Mrs Iyleen Matilda Fernandes (Licensor) and the Company to use the said premises on leave and license basis for a period of 60 months commencing from January 01, 2018 and ending on December 31 <sup>st</sup> , 2022. The License fee schedule for the same is ₹ 48,000/-

					per month for the first 30 months and Rs 58,000/- per month for the next 30 months.
3.	Office No 431, Built-up: 22.37 Square Meter. Situating on the 3 <sup>rd</sup> Floor of Orchid Mall, Royal Palms , Aarey Milk Colony, Goregoan East, Mumbai 400065	Corporate Office	NOC from Owner	Mr Nelson Lionel Fernandes [Managing Director of the Company]	Taken from the owner on 'No rent' bases vide his NOC dated March 30, 2010 and the said NOC shall remain valid till the company is having its leave and license agreement continued for its registered office.
4.	Residential Flat No. 303 admeasuring 540 Sq. Ft. on Third Floor, situated on CT S.R. No. 385,387,388,389,39 0,391,386 in the Building knows as "Hira Bhivan", at Palghar, Tal. Palghar, within the limits of Municipal Council Palghar *	Palghar Office	On Leave and License	Mrs. Jemini Manoj Devani aged 41 years, R/o 8, Satyam Building, First Floor, Devisha Rd. Palghar Tal & Dist. Palghar. <b>(Licensor)</b>	The Leave and License Agreement dated January 16th, April 2016 executed between Mrs Jemini Manoj Devani (Licensor) and the Company to use the said premises on leave and license basis for a period of 33 months commencing from April 01 <sup>st</sup> , 2016 and ending on December 18 <sup>th</sup> , 2018 . The License fee schedule for the same is ₹ 5800/- per month for the first 11 months, 10% increase in License fees for the next 11 months and further 10% increase in License fees for the last 11 months.

*\*the rent agreement for the above property situated at "Hira Bhivan", Palghar is expired on December 31, 2018 which is not yet renewed by our Company*

### **INSURANCE**

The Company has taken insurance from following Insurance Companies: -

1. The New India Assurance Co. Ltd.
2. The Oriental Insurance Company Limited

The Company has insurance policies of the following nature:

1. Standard Fire and Special Perils Policy;
2. Private Car Insurance Policy.
3. Burglary Insurance Policy
4. Marine insurance policy

The details of the Insurance Policies taken by the company are as follows:

**A. For Registered office situated at 430 & 431, 3rd Floor, A-Wing, Orchid Mall, Royal Palm Estate, Aarey Milk Colony, Goregaon (E), Mumbai, MH013, Maharashtra :**

S. No.	Policy No.	Insurance Co.	Name of Insurance Policy	Assets/Location of Assets	Sum Insured (in ₹)	Premium (in ₹)	Expiry date
1.	14030011180100002829	The New India Assurance Co. Ltd	Standard Fire & Special Perils	Computers -5, Printers-4, Fax-1, Copier, time Punching Machine, 2, Televisions, Microwave-2, Weighing Scale, Hotplate Fridge, AC, Camera with Recording Facility, EPABX Tel instrument-12, Router with Switch, FFF-10 tables, chairs-17, filing Cabinet, files	30,00,000/-	1594/-	March 26, 2020
2.	14030046180100000373	The New India Assurance Co. Ltd	Buglary Insurance	On Furniture/Fittings, Electrical Installations, stationary	30,00,000/-	1770/-	March 26, 2020

**B. For Factory situated at Plot no 22, Phase I, Genersis Industrial Complex, Off, Palghar Boisar road, Palghar, Maharashtra:**

S. No.	Policy No.	Insurance Co.	Name of Insurance Policy	Assets/Location of Assets	Sum Insured (in ₹)	Premium (in ₹)	Expiry date
1.	131290/11/2019/398	The Oriental Insurance Company Limited	Standard Fire & Special Perils	Plot No 22, Phase 1, Genesis Industrial Complex Off Paghar-Boisar RD, Palghar, Maharashtra, Thane -401404	50,00,000/-	3340/-	March 22 <sup>nd</sup> , 2020
2.	1403001118010002363	The New India Assurance Co	Standard Fire & Special Perils	On building upper structure, On building – Plinth & foundation, On	11300050/-	13068/-	February 06 <sup>th</sup> , 2020



		Ltd.		Plant & Machinery, On furniture, fittings, fixtures and other contents, on stock and stock in process , on Stock held in trust,			
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**C. VEHICLE INSURANCE:**

S. No.	Policy No.	Insurance Co.	Name of Insurance Policy	Assets/Location of Assets	Sum Insured (in ₹)	Premium (in ₹)	Expiry date
1.	131290/31/2019/215	The Oriental Insurance Company Limited	Private Car Package Policy	Toyoto Innova Crystal MH 48 AK 1767	14,00,000	39,915	May, 24 <sup>th</sup> , 2019
2.	14030031180300009778	The New India Assurance Co. Ltd	Private Car Enhancement Cover Policy	Toyoto Corolla Altis MH 48- AK-9794	15,00,000/-	43039/-	March 21 <sup>st</sup> , 2020
3.		The New India Assurance Company Limited	Private Car package Policy	Maruti Alto LXI BS III MH-43-V-3894	57,768		February 27, 2020
4.	131290/31/2019/872	The Oriental Insurance Company Limited	Private Car package Policy	Maruti Alto LXI BS IV MH-48-A-2539	1,00,800	4353	January 01, 2020
5.	131290/31/2019/656	The Oriental Insurance Company Limited	Private Car package Policy	Maruti SX4 VXI MH-02-BG-8230	1,80,000	13,094	October 19, 2019

In addition to above the company also takes Marine insurance policy for its work orders from government sector clients to cover the risks associated with transit from the site of client to the site of company. However, as on date of the Prospectus we do not have any insurance other than those stated above and that no claims are pending with any insurance company with respect to any of the insurance taken by the company till date.

**KEY INDUSTRY REGULATIONS AND POLICIES**

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “**Government and other Approvals**” on page 161 of this Prospectus.

**This chapter has been classified as under:**

- A. Industrial Laws**
- B. Corporate, Commercial and General laws**
- C. Labour and employment Laws**
- D. Environmental laws**
- E. Tax Laws**
- F. Foreign Regulations**
- G. IPR Laws**

**A. INDUSTRIAL LAWS****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 Lakhs rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five Lakhs rupees but does not exceed five Crores rupees; or a medium enterprise, where the investment in plant and machinery is more than five Crores but does not exceed ten Crores rupees and in the case of the enterprise engaged in the services, “Micro – enterprise”, where the investment in equipment does not exceed ten Lakhs rupees, “Small Enterprise” where the investment in equipment is more than ten Lakhs rupees but does not exceed two Crores rupees, or “Medium Enterprise” where the investment in equipment is more than two Crores rupees but does not exceed five crores rupees.

**INDUSTRIAL (DEVELOPMENT AND REGULATION) ACT, 1951**

This Act has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings have been made exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

**B. CORPORATE , COMMERCIAL & GENERAL LAWS****THE COMPANIES ACT, 2013**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down

transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

**THE COMPETITION ACT, 2002**

The Competition Act, 2002 came into effect on January 14, 2003 and has been enacted to “prohibit anti-competitive agreements, abuse of dominant positions by enterprises” and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

**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 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.

**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.

**INDIAN CONTRACT ACT, 1872**

The Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.

**THE ARBITRATION AND CONCILIATION ACT, 1996**

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

**THE MAHARASHTRA SHOPS AND ESTABLISHMENTS (REGULATION OF EMPLOYMENT AND CONDITIONS OF SERVICE) ACT, 2017**

The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 came into effect August 08, 2017. The 2017 Act replaces the Maharashtra Shops and Establishment Act of 1948. The law is applicable to all commercial establishments in the State, (not covered under the Factories Act), employing 10 or more workers and requires intimation from every establishment employing less than 10

workers to the government authority by submitting an application within prescribed time. . The New Act read with The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Rules 2018 require all commercial establishments to register itself as a commercial establishment without any fee. However, the new Act requires the registered entities to file an Annual return in Form 'R'. The New Act has also introduced a new concept for the safety of women employees by restricting their working hours for between 7:00 am to 9:30 pm. Now, after the new Act the women employees (with consent) shall be allowed to work during 9:30 pm and 7:00 am only if adequate protection of their dignity, honour and safety, protection from sexual harassment and their transportation are provided by the employer. The New Act also limits the total number of overtime hours of the employees which shall not exceed 125 hours in three months.

### **THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

The Insolvency and Bankruptcy Code, 2016 (the "code") cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Insolvency Regulator (The Insolvency and Bankruptcy Board of India) has been established to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities

### **C. LABOUR & EMPLOYMENT LAWS**

#### **FACTORIES ACT, 1948**

The Factories Act, 1948 ("Factories Act") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory. State Government sets out rules in respect of the prior submission of plans, their approval for the registration of the establishment, and licensing of factories.

#### **MINIMUM WAGES ACT, 1948**

The State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages generally consist of a basic rate of wages, cash value of supplies of essential commodities at concession rates and a special allowance, the aggregate of which reflects the cost of living index as notified in the Official Gazette. Workers are to be paid for overtime at overtime rates stipulated by the appropriate State Government. Any contravention may result in imprisonment of upto six months or a fine of upto ₹500.

#### **PAYMENT OF WAGES ACT, 1936**

The Payment of Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments where the monthly wages payable to such persons is less than ₹10,000/-. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

#### **EMPLOYEES' COMPENSATION ACT, 1923**

The Employee's Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Act makes every employer liable to pay compensation in accordance with the Act if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the Act within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

**PAYMENT OF GRATUITY ACT, 1972**

Gratuity is a lump sum payment made by an employer as the retrial reward for his past service when his employment is terminated. The provisions of the Act are applicable on all the establishments in which ten or more employees were employed on any day of the preceding twelve months and as notified by the government from time to time. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A thereafter whenever there is any change in the name, address or in the change in the nature of the business of the establishment a notice in Form B has to be filed with authority. An employee who has been in continuous service for a period of five years will eligible for gratuity upon his retirement, superannuation, death or disablement. The maximum amount of gratuity payable shall not exceed ₹ 3.50 Lakhs. Further, every employer has to obtain insurance for his liability towards gratuity payment to be made under payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

**PAYMENT OF BONUS ACT, 1965**

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. Under the said Act an employee in a factory who has worked for at least 30 working days in a year is eligible to be paid bonus. The minimum bonus to be paid to each employee is 8.33% of the salary or wage or ₹100, whichever is higher, and must be paid irrespective of the existence of any allocable surplus. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to a maximum of 20% of such salary or wage. Contravention of the Act by a company will be punishable by proceedings for imprisonment upto six months or a fine upto ₹1,000 or both against those individuals in charge at the time of contravention of the Payment of Bonus Act. It further requires for the maintenance of certain books and registers and submission of Annual Return in the prescribed form (FORM D) within 30 days of payment of the bonus to the Inspector.

**THE EMPLOYEES PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT, 1952 (“ACT”) AND THE SCHEMES FORMULATED THERE UNDER (“SCHEMES”)**

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

**THE EMPLOYEES STATE INSURANCE ACT, 1948**

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department. The Employees' State Insurance Rules, 1950 ensure implementation of the provisions of the Employees' State Insurance Act, 1948.

**INDUSTRIAL DISPUTES ACT, 1947**

The Industrial Disputes Act, 1947 (“Industrial Disputes Act”) provides for mechanism and procedure to secure industrial peace and harmony by investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act. The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure or layoff or retrenchment. (b) the procedure for prior

permission of appropriate Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labour practices on part of an employer or a trade union or workers.

#### **THE EQUAL REMUNERATION ACT, 1976 AND EQUAL REMUNERATION RULES, 1976**

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

#### **THE MATERNITY BENEFIT ACT, 1961**

The purpose of Maternity Act 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides inter-alia for payment of maternity benefits, medical bonus and enacts prohibition on dismissal, reduction of wages paid to pregnant women etc. It applies in the first instance, to every establishment being a factory, mine or plantation including any such establishment belonging to Government and to every establishment wherein persons are employed for the exhibition of equestrian, acrobatic and other performances. The Government of India vide the Maternity Benefit (Amendment) Act, 2017 has increased the duration of the maternity leave from 12 weeks to 26 weeks which can be availed by the women prior to 8 weeks from the date of her expected delivery (earlier it was 6 weeks prior). The Amendment Act has also introduced the new provisions with respect to work from home, creche facilities etc.

#### **APPRENTICES ACT, 1961**

The Apprentices Act was enacted in 1961 for imparting training to apprentices i.e. a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Every employer shall make suitable arrangements in his workshop for imparting a course of practical training to every apprentice engaged by him in accordance with the programme approved by the apprenticeship adviser. The central apprenticeship adviser or any other person not below the rank of an assistant apprenticeship adviser shall be given all reasonable facilities for access to each apprentice with a view to test his work and to ensure that the practical training is being imparted in accordance with the approved programme.

#### **THE CHILD AND ADOLESCENT LABOUR (PROHIBITION AND REGULATION) ACT, 1986**

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. The Child and Adolescent Labour (Prohibition and Regulation) Amendment Act, 2016 has come into force on July 30, 2016 and vide this amendment the Government of India has completely banned employment of children below 14 in all occupations and enterprises, except those run by his or her own family, provided that education does not hamper. The amendment has also introduced new category of persons called “adolescent” which defines children between 14 to 18 years as adolescents and bars their employment in any hazardous occupation.

#### **THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (“SHWW ACT”)**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for the protection of women at work place and prevention of sexual harassment at work place. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs 50,000/- (Rupees Fifty Thousand Only).

**D. ENVIRONMENTAL LAWS****ENVIRONMENT PROTECTION ACT, 1986**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

**WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974, AS AMENDED**

The Water (Prevention and Control of Pollution) Act, 1974 prohibits the discharge of pollutants into water bodies beyond a given standard, and lays down penalties for non-compliance. The Water Act also provides that the consent of the State Pollution Control Board must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent.

The Water (Prevention and Control of Pollution) Cess Act, 1977 provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

**THE AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981**

The Air (Prevention and Control of Pollution) Act, 1981 requires that any individual or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. National Ambient Air Quality Standards (NAAQS) for major pollutants were notified by the Central Pollution Control Board in April 1994.

**THE NOISE POLLUTION (REGULATION & CONTROL) RULES 2000 ("NOISE REGULATION RULES")**

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

**E. TAX LAWS****INCOME TAX ACT, 1961**

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

**THE MAHARASHTRA STATE TAX ON PROFESSIONS, TRADERS CALLINGS AND EMPLOYMENTS ACT 1975**

The Maharashtra State Tax on Professions, Traders Callings and Employments Act 1975 provides for the Levy and Collection of a Tax on Professions, Trades, Callings and Employments for the benefit of the State. Every person engaged in any profession, trade, calling or employment and falling under one or the other of the classes mentioned in the second column of Schedule I shall be liable to pay to the State Government the tax at the rate mentioned against the class of such persons in the third column of the said Schedule. The tax payable under this Act by any person earning a salary or wage, shall be deducted by his employer from the salary or wage payable to such person, before such salary or wage is paid to him, and such employer shall, irrespective of whether such deduction has been made or not, when the salary or wage is paid to such persons, be liable to pay tax on behalf

of all such person. As per Section 5 of the Act — every person, liable to pay tax u/s. 4, shall obtain a Certificate of Registration, and, every person, liable to pay tax u/s. 3(2), shall obtain a Certificate of Enrolment from prescribed authority in prescribed manner.

### **THE CENTRAL GOODS AND SERVICES TAX ACT, 2017**

The Act received assent of the President on 12th April 2017 and came into force from 1st July 2017. Goods and Service Tax (GST) is an indirect tax levied on the supply of goods and services. This law has replaced many indirect tax laws that previously existed in India such as Service tax, Central Excise Act, Entry Tax, Octroi, Additional customs duty and other draconian indirect taxes. There are 3 taxes applicable under this system- CGST, SGST, IGST.

CGST: is collected by the Central Government on an intra-state sale;

SGST: Collected by the State Government on an intra-state sale;

IGST: Collected by the Central Government for inter-state sale.

Following laws which have been subsumed in GST Acts were applicable to the Company till 30th June 2017 and shall remain applicable here after as stated in the GST ACTS:

#### **(i) CENTRAL SALES TAX ACT, 1956**

Central Sales Tax (“CST”) is levied in accordance with the Central Sales Tax Act, 1956 on movable goods sold in the course of inter-state trade or commerce. CST is payable by a dealer (i.e. a person who carries on the business of buying, selling, supplying or distributing goods) on his sales turnover at the rate prescribed in the VAT statute of the State from where the movement of the goods originate. However, a dealer is entitled to a concessional rate of 2% CST on goods which are sold to another registered dealer who intends to further re-sell them or use them in the manufacture or processing for further sale or for certain other specified purposes, subject to the condition that the purchasing dealer issues a statutory form “C” to the selling dealer.

#### **(ii) VALUE ADDED TAX (“VAT”)**

VAT is a system of multi-point levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

#### **(iii) MAHARASHTRA VALUE ADDED TAX ACT, 2002 (“MVAT) AS AMENDED BY MAHARASHTRA VALUE ADDED TAX (LEVY AND AMENDMENT)ACT, 2005**

This Act was enacted to levy tax on sales and purchases of goods in the State of Maharashtra and came into force on April 1st, 2005.

### **F. FOREIGN INVESTMENTS REGULATIONS**

#### **FOREIGN TRADE (DEVELOPMENT & REGULATION) ACT, 1992**

The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

#### **FOREIGN EXCHANGE MANAGEMENT ACT, 1999 (“THE FEMA”) AND RULES AND REGULATIONS**

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”), read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 ("Export of Goods and Services Regulations 2015") issued by the RBI on January 12, 2016 [last amended on June 23, 2017]. The RBI has also issued a Master Circular on Export of



Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

**G. IPR LAWS**

**THE TRADEMARKS ACT, 1999 (“TRADEMARKS ACT”)**

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“the Registrar”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

**HISTORY AND CERTAIN CORPORATE MATTERS****Brief History of our Company**

Our Company was incorporated as “Evans Electric Private Limited” under the provisions of the Companies Act, VII of 1913 vide Certificate of Incorporation dated December 29, 1951 issued by the Registrar of Joint Stock Companies, Bombay bearing Registration no. 008715. Subsequently, our Company was converted into a public limited company pursuant to a Shareholders' Resolution passed at the Extra-Ordinary General meeting of our Company held on February 18, 2019 and the name of our Company was changed to “Evans Electric Limited” vide a fresh certificate of incorporation dated March 13, 2019 bearing CIN: U74999MH1951PLC008715 issued by the Registrar of Companies, Mumbai.

S.L. Evans, R. Pinto, A.F. Desouza, Anshkar D'Mello and E.R. Demello were the initial subscribers to the Memorandum of Association of our Company and the Promoters of our Company.

Incorporated in 1951, Our Company is engaged in the business of repairing, re-winding and re-designing including inhouse manufacturing of replacement components of small, medium and large electric motors, generators and transformers, which are used in Thermal, Hydro, Diesel, Gas & Nuclear Electric Power Generation, Petroleum Refineries, Chemicals & Fertilizers, Cement Plants, Steel Plants, Tyre Manufacturing, Sugar Mills, Oil & Gas Exploration, Shipping, Mining and Railway Traction. We on the basis of the damage and assessment of the repairs or rewinding required for any AC & DC Machines, design, develop and manufacture components in-house for carrying out said re-winding and repairing work of aforementioned items. Some of the replacement components manufactured by us includes Coils, Insulators, Slip Rings, Retaining Rings, Carbon Brushes, Brush Holders, Complete winding kits, Insulation Components, Wedges, Packers and stampings, as well as allied specialized tools and equipment. We have a factory unit admeasuring to 30,000 sq. ft. located in Palghar, Maharashtra which is used for providing re-winding and repairing services as well as for manufacturing replacement components. We also provide on-site services for large Electric Motors, Generators and Transformers that are too large and cannot be transported to our Factory

For information on our Company's business profile, services, geographical presence, activities, growth, technology, marketing strategy, competition and our clients, the standing of our Company with reference to prominent competitors, please refer to chapters titled "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 78,71 and 142, respectively of this Prospectus.

**Address of the Registered Office****Evans Electric Limited**

430, Orchard Mall, 3rd Floor,  
Royal Palms Estate Aarey Milk Colony,  
Goregaon East, Mumbai, 400065

**Changes in Registered Office**

Except as mentioned below, there has not been any change in our Registered Office since inception till the date of the Prospectus: -

<b>Date of change</b>	<b>From</b>	<b>To</b>	<b>Purpose</b>
April 15, 2005	3-A, Mahakali Caves, Road, Andheri (East), Mumbai Maharashtra, India	Del House, Ground Floor, 7 Central Avenue, Santacruz (W), Mumbai – 400054, Maharashtra, India	Administrative convenience
July 25, 2011	Del House, Ground Floor, 7 Central Avenue, Santacruz (W), Mumbai – 400054, Maharashtra, India	430 Orchard Mall, 3rd Floor, Royal Palms Estate, Aarey Milk Colony, Goregaon (E), Mumbai, Maharashtra, India	Administrative convenience

**Main Objects of our Company**

The main objects of our Company as contained in our Memorandum of Association are as follows:

1. To acquire and take over as a going concern the business now carried on under the styles and names of Evans Electric Co. at Bombay with all or any of the assets and liabilities of the properties of that business in connection therewith
2. To carry on the business of electric repairs, rewinds and conversions to all types of electrical gear and to deal in electric, galvanic magnetic and other apparatuses, appliances devices contrivances
3. To do the business of electrical engineers and contracts, supply, and install new machinery, spare parts and establish armature rewind shops with the equipment, power heat and sound and for that purpose to get or acquire any inventions.
4. To do the Business of electrical engineers and contracts and supply and install new machinery, spare parts and establish armature rewind shops with the equipment, power heat and sound and for that purpose to get or acquire any inventions
5. To manufacture and deal in all contrivances apparatuses and things used or required for all purpose of the Company and its business

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

#### Changes in the Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since inception:

Sr. No.	Particulars of Changes in Memorandum of Association	Date of Meeting	AGM / EGM
1.	Authorized Share Capital of ₹1,00,000 Lakhs divided into 600 Ordinary Shares of ₹ 100 each and 400 deferred shares of ₹100/- Each.	<b>Upon Incorporation</b>	
2.	Re-Classification of authorised Share capital of Company from ₹ 1,00,000 Lakhs divided into 600 Ordinary Shares of ₹ 100 each and 400 deferred shares of ₹100/- Each. to ₹ 1,00,000 Lakhs divided into 1000 Ordinary Equity Shares of ₹ 100/- each.*	-	-
3.	Increase in authorized share capital of the company from ₹1,00,000 divided into 1,000 Equity Shares of ₹100/- each to ₹5,00,000 divided into 5,000 Equity Shares of ₹ 100/- each*	-	-
4.	Increase in authorized share capital of the company from ₹5,00,000 divided into 5,000 Equity Shares of ₹100/- each to ₹10,00,000 divided into 10,000 Equity Shares of ₹ 100/- each	December 04, 1989	EGM
5.	Increase in authorized share capital of the company from ₹10,00,000 divided into 10,000 Equity Shares of ₹100/- each to ₹30,00,000 divided into 30,000 Equity Shares of ₹ 100/- each	August 28, 1991	EGM
6.	Increase in authorized share capital of the company from ₹30,00,000 divided into 30,000 Equity Shares of ₹100/- each to ₹60,00,000 divided into 60,000 Equity Shares of ₹ 100/- each	October 15, 1996	EGM
7.	Sub-division of face value of Equity Share Capital from ₹ 100 each to ₹ 10 each. The Authorized share capital on sub-division of the face value was amounted to 6,00,000 Equity Shares of ₹10 each.	December 16, 2018	EGM
8.	Increase in authorized share capital of the company from ₹ 60,00,000 divided into 6,00,000 Equity Shares of ₹10/- each to ₹ 1,50,00,000 divided into 15,00,000 Equity Shares of ₹ 10/- each	December 16, 2018	EGM
10.	Adoption of new set of Memorandum of Association as per Companies Act, 2013.	February 18, 2019	EGM

\*Form filed with the ROC with respect to the re-classification of capital and Increase of Share Capital is not available in the records of the Company. These details have been inserted here based on information received from company

### Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Year	Details
1951	Incorporation of our Company.
1978	Achieved a major breakthrough as successfully repaired 40,000 KvA – 11,000 volts generating sets of Uttar Pradesh State Electricity Board, for which got recognition from various publication houses
2007	Acquired factory unit admeasuring to 30,000 sq. ft. located in Palghar, Maharashtra
2017	Attained the Revenue milestone of ₹ 1,000 Lakhs
2019	Our Company was converted into a Public Company limited by shares and consequently the name of our Company was changed from Evans Electric Private Limited to Evans Electric Limited.

### Number of Shareholders of our Company:

Our Company has Eight (8) shareholders as on the date of this Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 46 of the Prospectus.

### Capital raising (Debt / Equity)

Our equity issuances in the past have been provided in "Capital Structure" beginning on page 46 of this Prospectus. Further, our Company has not undertaken any public offering of debt instruments since its inception.

### Defaults or Rescheduling of borrowings with financial institutions/banks

There have been no defaults or rescheduling of borrowings with financial institutions, banks or conversion of loans into equity in relation to our Company. Further, there have been no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.

### Time and Cost overruns in setting up projects

Considering the nature of business activities, our Company has not experienced time and cost overruns in the past.

### Revaluation of Assets

Our Company has not revalued its assets in last 10 years from date of this Prospectus.

### Lock-out or strikes

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

### Changes in activities of Our Company during the last five (5) years

There have been no changes in the activities of our Company during the last five (5) years

### Holding Company

As on the date of this Prospectus, our Company is not a subsidiary of any company.

### Subsidiary of our Company

As on date of this Prospectus, our Company doesn't have any subsidiary company.

### **Injunction or restraining order**

Except as disclosed in the section titled “*Outstanding Litigation and Material Developments*” beginning on page 156 of this Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

### **Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets etc.**

Our Company has not made any material acquisitions of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

However, as per the main object clause, the Company was formed with the object to acquire and take over as a going concern the business carried under the styles and names of Evans Electric Co. at Bombay with all or any of the assets and liabilities but no agreements or documents with respect to such acquisition are available in the records of the Company.

### **Shareholders Agreements**

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Prospectus.

### **Collaboration Agreements**

As on date of Prospectus, Our Company has not entered into any collaboration agreement.

### **Agreement with Key Managerial Personnel or Director or Promoter or any other employee of the Company**

There are no agreements entered into by Key Managerial Personnel or Director or Promoter or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

### **Other Material Agreement**

As on the date of this Prospectus, our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

### **Corporate Profile of our Company**

For details on the description of our Company’s activities, the growth of our Company, please see “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” and “*Basis of Issue Price*” on page 78, 142 and 67 respectively of this Prospectus.

## OUR MANAGEMENT

## Board of Directors

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

Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN	Date & term of Appointment	No. of Equity Shares held & % of Shareholding (Pre Issue)]	Other Directorships
<p><b>Mr. Ivor Anthony Desouza</b>  <b>Father's Name:</b> Late Mr. Armando Francisco Desouza  <b>Age:</b> 72 years  <b>Date of Birth:</b> December 22, 1946  <b>Designation:</b> Chairman and Non-Executive Director  <b>Address:</b> Del House, 7 Central Avenue, Near Rose Manor School, Santacruz, Mumbai 400054, Maharashtra, India.  <b>Experience:</b> 46 years  <b>Occupation:</b> Business  <b>Qualification:</b> Diploma in Electrical Engineering  <b>Nationality:</b> Australian  <b>DIN:</b> 00978987</p>	<p>Originally Appointed as Director w.e.f. October 1, 1972</p> <p>Re-designated as Chairman Non-Executive Director w.e.f. March 14, 2019.</p> <p><i>(Liable to retire by rotation)</i></p>	<p>6,74,993 Equity Shares [67.50%]</p>	<p>NIL</p>
<p><b>Mr. Nelson Lionel Fernandes</b>  <b>Father's Name:</b> Mr. Joseph Donomic Fernandes  <b>Age:</b> 68 years  <b>Date of Birth:</b> November 16, 1950  <b>Designation:</b> Managing Director  <b>Address:</b> Shamrock, 52 St. Andrew's Road Bandra West, Mumbai, 400050, Maharashtra, India.  <b>Experience:</b> 34 years  <b>Occupation:</b> Business  <b>Qualification:</b> Bachelor of Science, Diploma in Industrial Management  <b>Nationality:</b> Indian  <b>DIN:</b> 00985281</p>	<p>Originally Appointed as Director w.e.f. June 18, 1984 and re-designated as Whole Time Director for a period of 5 years w.e.f. February 01, 2019</p> <p>Further Re-designated as Managing Director w.e.f. March 14, 2019  <i>(Not Liable to retire by rotation)</i></p>	<p>2,00,000 Equity Shares [20.00%]</p>	<p>Jason High Voltage Private Limited</p>
<p><b>Mrs. Iyleen Matilda Fernandes</b>  <b>Father's Name:</b> Late Mr. Albert Sebastian D'sa  <b>Age:</b> 72 years  <b>Date of Birth:</b> November 12, 1946  <b>Designation:</b> Whole time Director  <b>Address:</b> Shamrock, 52 St. Andrew's Road Bandra West, Mumbai, 400050, Maharashtra, India.  <b>Experience:</b> 19 Years  <b>Occupation:</b> Business  <b>Qualification:</b> M.A from Mumbai University  <b>Nationality:</b> Indian  <b>DIN:</b> 01322540</p>	<p>Appointed as Whole Time Director for a period of 5 years w.e.f. March 14, 2019</p> <p><i>(Liable to retire by rotation)</i></p>	<p>1 Equity Shares [0.00%]</p>	<p>Iyleen Fluxpower Private Limited</p>

Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN	Date & term of Appointment	No. of Equity Shares held & % of Shareholding (Pre Issue)]	Other Directorships
<b>Mr. Anil Vasudev Kamath</b> <b>Father's Name:</b> Mr. Vasudev Kamath <b>Age:</b> 64 Years <b>Date of Birth:</b> January 13, 1955 <b>Designation:</b> Independent Director <b>Address:</b> 3B, Belair Cooperative Housing Society Limited, Union Park, Pali Hill Road, Near Dr. Babasaheb Ambedkar Statue, Khar West, Mumbai, 400052 <b>Experience:</b> 37 years <b>Occupation:</b> Business <b>Qualification:</b> Master of Business Administration from IIM Ahmedabad, Bachelor of Commerce, Mumbai University <b>Nationality:</b> Indian <b>DIN:</b> 07940476	Originally Appointed as Independent Director w.e.f March 14, 2019 for a period of five years.	NIL	Crystal Solutions Limited
<b>Mr. Frederick Joseph Vaz</b> <b>Father's Name:</b> Mr. Joanes Clement Vaz <b>Age:</b> 63 Years <b>Date of Birth:</b> June 27,1955 <b>Designation:</b> Independent Director <b>Address:</b> 402, Reballo Apartment, St. Roque Road, Bandra (West), 400050, Mumbai, Maharashtra, India <b>Experience:</b> 35 years <b>Occupation:</b> Business <b>Qualification:</b> Master of Arts and Bachelor of Law <b>Nationality:</b> Indian <b>DIN:</b> 08380402	Originally Appointed as Independent Director w.e.f. March 14, 2019 for a period of five years.	NIL	NIL

### Brief Biography of Directors

1. **Mr. Ivor Anthony Desouza, aged 72 years** is the Chairman & Non-Executive Director of our company. He holds a Diploma in Electrical Engineering from Board of Technical Exam, Maharashtra. He was originally appointed on the Board as Director on October 1, 1972 and further re-designated as Chairman and Non-Executive Director w.e.f. March 14 2019 vide EGM dated March 14, 2019. He has 46 years of post qualification experience in the field of electrical engineering. He is entrusted with the responsibility of looking after the overall growth, planning and implementation of the strategies of our Company. His leadership abilities have been instrumental in growth and development of our Company
2. **Mr. Nelson Lionel Fernandes, aged 68 years** is the Managing Director of our Company. He has completed his Bachelor of Science from University of Bombay, Maharashtra and Diploma in Industrial Management. He was originally appointed on the Board as Director on June 18, 1984 and further re-designated as Whole Time Director for a term of 5 years w.e.f. February 1, 2019 vide EGM dated February 18, 2019. Further, he was re-designated as Managing Director for a term of 5 years w.e.f. March 14, 2019. He plays a crucial role in supervision of Factory and other manufacturing process of the Company and has an experience of 34 years in the field of factory and production management.He is entrusted with the responsibility of looking after the day-to-day management and business activities of Company.
3. **Mrs. Iyleen Matilda Fernandes, aged 72 years** is the Whole time Director of our Company. She holds a degree as Master of Arts from Mumbai University and has an experience of around 19 years in the field of Accounts and Finance. She has been appointed as Whole Time Director of our Company for a term of 5

years w.e.f. March 14, 2019. She is entrusted with the responsibility of looking after the Accounts, Finance and Office Administration of the Company.

4. **Mr. Anil Vasudev Kamath** is an Independent Director of our Company. He has completed his Bachelor of Commerce Degree from University of Bombay, Maharashtra and holds a certificate of Management education programme conducted by Indian Institute of Management Ahmedabad. He has an overall experience of 37 years in the field of Management. He has been appointed as Independent Director of our Company for a term of 5years w.e.f. March 14, 2019.
5. **Mr. Frederick Joseph Vaz** is an Independent Director of our Company. He has completed his Bachelor of Law from University of Mumbai, Maharashtra in the year 2017 and holds a degree of Master of Arts from University of Bombay, Maharashtra. He has an overall experience of 35 years He has been appointed as Independent Director of our Company for a term of 5-year w.e.f. March 14, 2019.

#### Confirmations

- None of the Directors are Wilful Defaulters as on the date of this Prospectus.
- None of our Directors are declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years, during his/her tenure.
- None of the Directors of our Company are associated with securities market.
- None of our Directors are/ were directors of any entity whose shares were delisted from any Stock Exchange(s).
- Neither our Company nor our Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company are debarred from accessing the capital markets by SEBI.
- Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other regulatory authority.

#### Nature of any family relationship between our Directors and Key Managerial Personnel (KMP)

The Directors and KMPs of the Company are related to each other within the meaning of section 2 (77) of the Companies Act, 2013. Details of which are as follows:

Name of the Director/KMP	Relationship
Mr. Nelson Lionel Fernandes and Mrs. Iyleen Matilda Fernandes	Spouse

#### Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

#### Service Contracts:

The Directors of our Company have not entered into any service contracts with our company, which provides for benefits upon termination of their employment.

#### Details of Borrowing Powers of Directors

Our Company has passed a special resolution in the Extra Ordinary General Meeting of the members held on February 18, 2019 authorizing the Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of ₹100.00 Crores (Rupees One Hundred Crores Only).



### Compensation of our Managing Director & Whole-time Director

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

### The following compensation has been approved for Managing Director & Whole time Director

Particulars	Nelson Lionel Fernandes	Iyleen Matilda Fernandes
Appointment/Change in Designation	Appointed as Director w.e.f June 18,1984; Re-designated as Whole time Director w.e.f February 01, 2019 vide EGM dated February 18, 2019; further Re-designated as Managing Director w.e.f March 14, 2019 vide EGM dated March 14, 2019	Appointed as Whole Time Director w.e.f March 14, 2019 vide EGM dated March 14, 2019
Current Designation	Managing Director	Whole Time Director
Term of Appointment	5 years Not liable to retire by rotation	5 years Liable to retire by rotation
Remuneration & Perquisites	Upto ₹ 60.00 Lakh per annum	Upto ₹ 60.00 Lakh per annum
Compensation paid in the year 2017-18	₹14.52 Lakhs	Nil

### Bonus or Profit Sharing Plan for our Directors

We have no bonus or profit sharing plan for our Directors.

### Sitting Fees

The Articles of Association of our Company provides for payment of sitting fees to each Director not exceeding ₹ 1.00 Lac to be fixed by Directors from time to time, for attending a meeting of the Board or a Committee thereof. Our Board of Directors has resolved in their meeting dated March 14, 2019 for payment of an amount not exceeding ₹ 1.00 Lac as approved by the Board to all Non-Executive Directors and Independent Directors for attending each such meeting of the Board or Committee thereof.

### Shareholding of our Directors as on the date of this Prospectus: -

Sr. No.	Name of the Director	No. of Shares Held	Holding in %
1.	Mr. Ivor Anthony Desouza	6,74,993	67.50%
2.	Mr. Nelson Lionel Fernandes	2,00,000	20.00%
3.	Mrs. Iyleen Matilda Fernandes	1	negligible
	<b>Total</b>	<b>8,74,994</b>	<b>87.50%</b>

*None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Prospectus.*

We do not have any Subsidiary Company as defined under Section 2(6) of the Companies Act, 2013.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

### INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled “*Our Management*” beginning on page 100of this Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans or personal guarantee, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to “*Statement of Financial Indebtedness*” and “*Financial Information of the Company*” on page 154 and 117 respectively of this Prospectus.

Except as stated otherwise in this Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section “*Our Management*” or the section titled “*Financial information of the Company - Related Party Transactions*” beginning on page 100 and 137 respectively of this Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

#### **Interest in the property of Our Company**

Except as mentioned hereunder our Directors do not have any other interest in any property acquired/rented by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of Prospectus.

Sr. No.	Name of Director	Address of Property	Interest and nature of interest
1.	Mrs. Iyleen Matilda Fernandes	Registered Office at 430, Orchard Mall, 3rd Floor, Royal Palms Estate Aarey Milk Colony, Goregaon (E) Mumbai 400065, Maharashtra, India	The said property is provided on leave and licenses basis by our Director Mrs. Iyleen Matilda Fernandes vide Leave and License Agreement executed on January 20, 2018 between her and our Company for a period of 60 months commencing from January 01, 2018 on a monthly rent of ₹ 48000/- for the first 30 Months and ₹ 58000/- for next 30 Months and ending on December 31, 2022
2.	Mr. Nelson Lionel Fernandes	Corporate Office at 431, Orchard Mall, 3rd Floor, Royal Palms Estate Aarey Milk Colony, Goregaon (E) Mumbai 400065, Maharashtra, India	Mr. Nelson Lionel Fernandes has provided a No objection certificate dated March 30, 2010 to our company for use of the said property as Corporate Office without any rent.

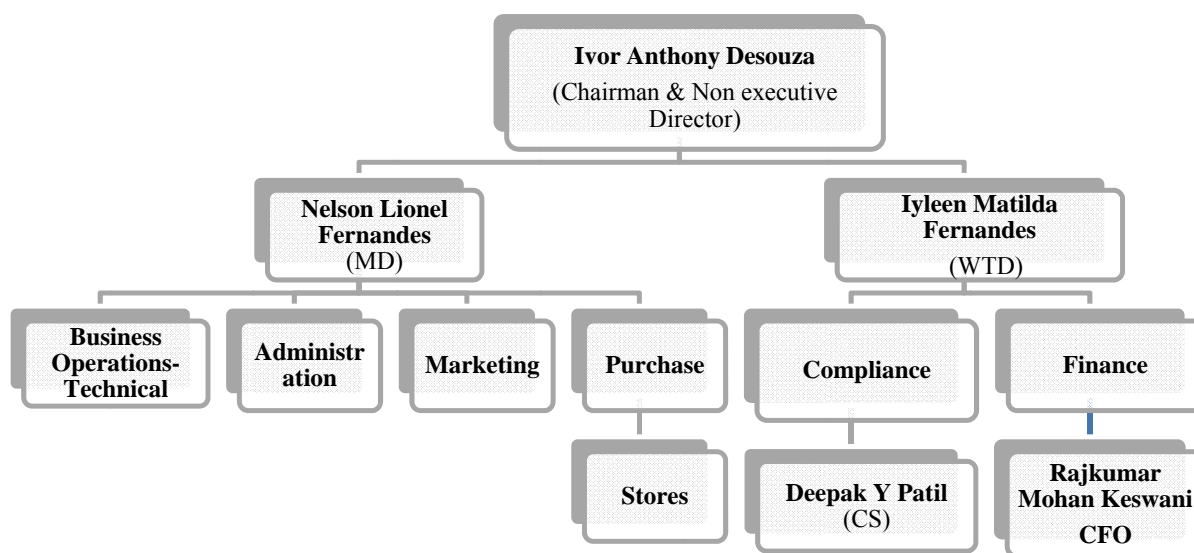
#### **Changes in Board of Directors in Last 3 Years**

Sr. No.	Name	Date of Appointment / Re - Appointment	Reasons for Change
1.	Mr. Nelson Lionel Fernandes	Re-designated as Whole time Director w.e.f. February 01, 2019	To ensure better Corporate Governance and compliance with Companies Act, 2013
2.	Mr. Daniel Joseph Desouza	Cessation as Director w.e.f. March 14, 2019	To ensure better Corporate Governance and compliance with Companies Act, 2013
3.	Mr. Clarence Stephen DSA	Cessation as Alternate Director w.e.f. March 14, 2019	Due to resignation of original director
4.	Mr. Nelson Lionel Fernandes	Re-designated as Managing Director w.e.f. March 14, 2019	To ensure better Corporate Governance and compliance with Companies Act, 2013
5.	Mrs. Iyleen Matilda Fernandes	Appointed as Whole Time Director w.e.f. March 14, 2019	To ensure better Corporate Governance and compliance

			with Companies Act, 2013
6.	Mr. Ivor Anthony Desouza	Re-designated as Chairman & Non-Executive Director w.e.f. March 14, 2019	To ensure better Corporate Governance and compliance with Companies Act, 2013
7.	Mr. Anil Vasudev Kamath	Appointed as Independent Director w.e.f. March 14, 2019	To ensure better Corporate Governance and compliance with Companies Act, 2013
8.	Mr. Frederick Joseph Vaz	Appointed as Independent Director w.e.f. March 14, 2019	To ensure better Corporate Governance and compliance with Companies Act, 2013

### **MANAGEMENT ORGANISATION STRUCTURE**

The following chart depicts our Management Organization Structure: -



### **COMPLIANCE WITH CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2018 will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of BSE. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees, as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Five (5) directors of which two (2) are Independent Directors, and we have one women director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

#### **a. Audit Committee**

Our Company has constituted an Audit Committee, vide Board Resolution dated March 14, 2019 as per the applicable provisions of the Section 177 of the Companies Act, 2013. The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Anil Vasudev Kamath	Chairman	Independent Director
Mr. Frederick Joseph Vaz	Member	Independent Director
Mr. Nelson Lionel Fernandes	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

**A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

**B. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.

**C. Role and Powers:** The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly 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;
  - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the 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;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. 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;
18. 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;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. 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;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- 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
- f) Statement of deviations:
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/Prospectus/notice in terms of Regulation 32(7).

#### b. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated March 14, 2019. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Anil Vasudev Kamath	Chairman	Independent Director
Mr. Frederick Joseph Vaz	Member	Independent Director
Mrs. Iyleen Matilda Fernandes	Member	Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders Relationship Committees shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
  - Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where

- the space at back for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
  - Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
  - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
  - Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
  - Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
  - Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
  - Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

### 3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated March 14, 2019. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Frederick Joseph Vaz	Chairman	Independent Director
Mr. Anil Vasudev Kamath	Member	Independent Director
Mr. Ivor Anthony Desouza	Member	Chairman & Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**B. Meetings:** The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

#### C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;

- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc. and
- To formulate and administer the Employee Stock Option Scheme.

#### KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Age (Years)	Date of joining (current designation)	Compensation paid for F.Y. ended 2018 (in ₹Lacs)	Overall experience (in years)	Previous employment
Mr. Nelson Lionel Fernandes <b>Designation:</b> Managing Director <b>Educational Qualification</b> –Bachelor of Science (B.Sc.)	68	March 14, 2019	14.52	34	Vulcan Engineers
Mrs. Iyleen Matilda Fernandes <b>Designation:</b> Whole time Director <b>Educational Qualification</b> –Master of Arts (MA)	72	March 14, 2019	Nil	19	Iyleen Flux Power Private Limited
Mr. Rajkumar Mohan Keswani <b>Designation:</b> Chief Financial Officer <b>Educational Qualification</b> –Diploma in Mechanical Engineering	53	February 14, 2019	10.40	30	Golden Chemicals Limited
Mr. Deepak Y Patil <b>Designation:</b> Company Secretary and Compliance Officer <b>Educational Qualification</b> – ACS, LLB	38	March 01, 2019	Nil	11	MNSQ Legal

#### BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

**Mr. Nelson Lionel Fernandes-** Please refer to section “Brief Profile of our Directors” beginning on page 101 of this Prospectus for details.

**Mr. Iyleen Matilda Fernandes-**Please refer to section “Brief Profile of our Directors” beginning on page 101 of this Prospectus for details.

**Mr. Rajkumar Mohan Keswani** is the Chief Financial officer of our Company. He holds Diploma in Mechanical Engineer and has an overall experience of more than 30 years in Engineering. He is in employment with the Company since 1992. He has been appointed as Chief Financial Officer w.e.f. February 14, 2019. Our Company paid him a remuneration of ₹ 10.40 Lacs in the Fiscal 2018.

**Mr. Deepak Y Patil** is the Company Secretary and Compliance officer of our Company. He is a qualified Company Secretary from Institute of Company Secretaries of India. He has been appointed as Company Secretary and Compliance Officer w.e.f. March 01, 2019. He looks after the overall corporate governance and secretarial matters of our Company and possesses an experience of 11 years in legal matters.

We confirm that:

- a) All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- b) There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned Key Managerial Personnel have been recruited.
- c) None of our KMPs except Mrs. Iyleen Matilda Fernandes and Mr. Nelson Lionel Fernandes is also part of the Board of Directors.
- d) In respect of all above-mentioned Key Managerial Personnel, there has been no contingent or deferred compensation accrued for the year ended March 2018.

- e) Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- f) Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- g) None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Prospectus except as under: -

Sr. No.	Name of the KMP	No. of Shares held
1	Mrs. Iyleen Matilda Fernandes	1
2.	Mr. Nelson Lionel Fernandes	2,00,000
	<b>Total</b>	<b>2,00,001</b>

- a. Presently, we do not have ESOP/ESPS scheme for our employees.
- b. The turnover of KMPs is not high, compared to the Industry to which our company belongs.

#### **Status of Key Management Personnel in our Company**

All our key managerial personnel are permanent employees of our Company.

#### **Shareholding of Key Management Personnel in our Company**

Other than as provided under “*Capital Structure*”, none of our Key Managerial Personnel hold Equity Shares as on the date of this Prospectus.

#### **Appointment of relatives of Directors to any office or place of profit**

Other than as disclosed above under “*Our Management - Relationship amongst the Key Managerial Personnel*” on page 102, none of the relatives of our Directors currently holds any office or place of profit in our Company.

#### **Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

None of the above Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers or others.

#### **Payment of benefits to officers of Our Company (non-salary related)**

Except as disclosed in the heading titled "Annexure XXVIII" Restated statement of Related Party Transactions" in the section titled "Restated Financial Statements" beginning on page 137 of this Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

Except as disclosed in this Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer’s employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated under section titled "Financial Information of the Company” beginning on page 117 of this Prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter.

#### **Changes in the Key Managerial Personnel in last three years:**

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Sr.	Name	Designation and period	Appointment/	Reasons
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No.			Cessation/Re-designation	
1.	Mr. Nelson Lionel Fernandes	Whole time Director to Managing Director (w.e.f. 14.03.2019)	Re-designation	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
2.	Mr. Nelson Lionel Fernandes	Whole Time Director (w.e.f. 01.02.2019)	Re-designation	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
3.	Mr. Iyleen Matilda Fernandes	Whole Time Director (w.e.f. 14.03.2019)	Appointment	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
4.	Mr. Deepak Y Patil	Company Secretary (w.e.f. 01.03.2019)	Appointment	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
5.	Mr. Rajkumar Mohan Keswani	Chief Financial Officer (w.e.f. 14.02.2019)	Appointment	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance

### Interest of Our Key Managerial Persons

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "*Financial information of the Company - Related Party Transactions*" beginning on page 137 respectively of this Prospectus

### Interest in the property of our Company

Except as mentioned in the section "*Interest of our Directors- Interest in the properties of our Company*" on page103of this Prospectus, our KMPs do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of filing the Prospectus with RoC.

### Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

### Loans given/availed by Directors / Key Managerial Personnel of Our Company

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to "*Annexure XXVIII –Statement of Related Party Transaction*" page137 of this Prospectus.

### Contingent or Deferred Compensation

None of our Key Managerial Personnel have received or are entitled to any contingent or deferred compensation.

### Retirement Benefits

Except as provided for in the terms of appointment, our Company does not provide any specific retirement benefits.

### ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for our employees.

## OUR PROMOTER & PROMOTER GROUP

### OUR PROMOTER

The Promoter of our Company is Mr. Ivor Anthony Desouza. As on the date of this Prospectus, our Promoter holds 6,74,993 Equity Shares in aggregate, which is equivalent to 67.50% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of our Promoters 'shareholding in our Company, please refer the chapter titled "*Capital Structure*" on page 46of this Prospectus.

#### Brief profile of our Promoter is as under:

##### **Ivor Anthony Desouza**



Ivor Anthony Desouza, aged 72 years, is Promoter, Chairman and Non-Executive Director of our Company. He holds a Diploma in Electrical Engineering from Board of Technical Exam, Maharashtra. He has experience of about 46 years in field of Electrical engineering. He has been in our Company since 1972. He has an instrumental role in the growth, planning and implementation of the strategies of our Company. His leadership abilities have lead to the overall growth and development of our Company. For details of his educational qualifications, date of birth, experience, and other directorships, please refers "*Our Management*" on page 100 of this Prospectus.

**Date of Birth:** December 22, 1946

**Nationality:** Australian

**PAN:** AABPD7426N

**Passport No:** PA7547880

**Driving License:** MH0220010082633

**Aadhar No:** 795945506938

**Address:** Del House, 7 Central Avenue, Near Rose Manor School, Santacruz, Mumbai-400054, Maharashtra, India.

##### **Other Interests**

**Directorships in Other Companies:** Nil

**HUF's:** Nil

**Partnership Firms:** Evans Electric (Goa) Company

**Sole Proprietorship Firm:-** Nil

### **Confirmations/Declarations**

Our Company confirms that the details of the PAN, Bank Account Number and Passport Numbers of our Promoter will be submitted to BSE Limited at the time of filing the Prospectus.

### **Undertaking/ Confirmations**

None of our Promoter or Promoter Group member has been:-

(i) prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or

(ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad

None of our Promoter or members of the promoter group is or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, none of our Promoter or members of the Promoter Group have been declared as Willful defaulters.

Also, our Promoter or Directors are not a fugitive economic offender.

Additionally, our Promoter, Promoter's Group or Directors do not have direct or indirect relation with the

companies, its promoter and whole time director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by SEBI.

Except as disclosed in this Prospectus, our Promoter is not interested in any entity which holds any intellectual property rights that are used by our Company.

None of our Promoter or members of the Promoter Group have interest in any companies that have become sick Companies under the Insolvency and Bankruptcy Code, 2016 erstwhile SICA and no application has been made in respect of any of them, to the Registrar of Companies for striking off their names. Further no winding up proceedings have been initiated against the Promoter or the Group Companies except as stated under chapters "Risk Factors" and "Outstanding Litigations and Material Developments" on pages 19 and 156 of this Prospectus, respectively except as stated under chapters "Risk Factors" and "Outstanding Litigations and Material Developments" on pages 19 and 156 of this Prospectus, respectively.

### **Common Pursuits/ Conflict of Interest**

Our Group Companies Jason High Voltage Private Limited and Iyleen Fluxpower Private Limited are engaged in similar line of business to a limited extent, however there are no Non-compete agreements as on date of this Prospectus.

In case of any such situation arising in future, Our Company would adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when it arises.

We cannot assure that our Promoter or Promoter Group will not promote any new entity in the similar line of business and will not favor the interests of the said entities over our interest or that the said Entity will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company. For further details, please see "**Risk Factors**" on page 19 of this Prospectus.

For details of our Promoter Group and Group Companies refer to Section titled "**Our Promoters and Promoter Group**" & "**Our Group Companies**" on page 112 and 165 of this Prospectus.

### **Interest of Promoter**

Our Promoter is interested in our Company to the extent that he has promoted our Company and to the extent of his shareholding and the dividend receivable, if any and other distributions in respect of the equity shares held by him. For details regarding shareholding of our Promoter in our Company, please refer to the chapter titled "**Capital Structure**" beginning on page 46 of this Prospectus.

Our Promoter is not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or otherwise by any person for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our company. Further, our Promoter may also be deemed to be interested to the extent of the personal guarantee provided by our Promoter and their relatives for the loan and financial facility secured by our Company.

Our Promoter who is also Director of the Company may be deemed to be interested to the extent of remuneration and/or sitting fees, and/or reimbursement of expenses payable to him for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any, and the AOA of our Company. For details, please refer to the chapters titled "**Our Management**" and "**Financial Information of the Company**" and "**Capital Structure**" beginning on page 100, 117 and 46 of this Prospectus.

Except our Promoter who is also the Director of the Company, none of our Directors have any interest in the promotion of our Company.

Except as disclosed in this Prospectus, our Promoter do not have any other interest whether direct or indirect in any property acquired by the Company within the preceding three years from the date of filing this Prospectus or proposed to be acquired by our Company or in any transaction by our Company as on the date of this Prospectus for acquisition of land, construction of building or supply of machinery.

Our Promoter is not interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or shares or otherwise by any person for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

#### Other Interest

Other than as disclosed in our Financial Statements, our Company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of this Prospectus. For details of related party transactions entered into by our Company during last financial year with our Promoter, the nature of transactions and the cumulative value of transactions, please refer to the annexure "XXVIII" of "Related Party Transactions" beginning on page 137 of this Prospectus.

#### Payment of benefits to our Promoters

Except as stated in the chapter titled "*Related Party Transactions-Annexure XXVIII*" and "*Our Management*" beginning on pages 137 and 100 respectively, there has been no payment of benefits to our Promoter and Promoter Group during the two years preceding the date of filing of this Prospectus.

There have been no material guarantees, given to third parties by our promoter with respect to specified securities of the Company.

#### Companies with which our Promoter have disassociated in the last three years

Except as mentioned below, our Promoter have not disassociated with any other company or firm during the three years preceding the date of filing of this Prospectus:-

Name of Company	Name of Promoter	Date of disassociation	Reason for disassociation
IDS Electrical Technologies Pty Limited	Mr. Ivor Anthony Desouza	August 16, 2017	The company got de-registered on August 16, 2017

#### Litigations involving our Promoters

For details of legal and regulatory proceedings involving our promoters, refer to the chapter titled "Outstanding Litigations and Material Developments" on page 156 of this Prospectus

#### Changes in Control

There has not been any change in the management or control of our Company during last five years preceding the date of this Prospectus.

#### OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under:

##### A. Individuals who are immediate relatives of our Promoters:

Relationship with Promoter	Ivor Anthony Desouza
Father	Late Mr. Armando Francisco DeSouza
Mother	Late Mrs. Gladys DeSouza
Brother	Late Mr. Ian DeSouza
Sister	Mrs. Fleur Hatam*
Spouse	Mrs. Jeanne Marie DeSouza
Son	Mr. Jason DeSouza Mr. Daniel DeSouza
Spouse's Father	Late Mr. Archibald D'Sa
Spouse's Mother	Late Mrs. Clare D'Sa
Spouse's Brother	Late Mr. Francis D'Sa Mr. Clarence Stephen D'Sa Mr. Noel D'Sa

\*Our Promoter Mr. Ivor Anthony Desouza is not having talking terms with his sister Mrs Fleur Hatam. Therefore, no specific information regarding Mrs Fleur Hatam is available with us.

**B. Entities and Body Corporate forming part of our Promoter Group**

In addition to the Promoter 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:

S.No.	Nature of Relationship	Entity
1	Any Body corporate in which 10% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	Nil
2	Any company in which a company mentioned in (1) above, holds 10% or more, of the equity share capital	Nil
3	Any HUF or Trust or firm in which the aggregate share of the Promoter and his immediate relatives is equal to or more than 10% of the total	<b>Partnership Firm:</b> -Evans Electric (Goa) Company <b>HUF:</b> - Nil <b>Trust:-</b> Nil

**C. Other Natural Persons forming part of our Promoter Group:**

Nil

### DIVIDEND POLICY

In terms of the Companies Act and subject to the provisions of the Articles of Association, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders. 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.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have declared following dividend in last five consecutive financial years:

Particulars	Financial Year		
	2017-18	2016-17	2015-16
Face Value per share (In ₹)	100.00	100.00	100.00
Dividend (In Lakhs)	5.00	10.00	4.00
Dividend per share (In ₹)	10.00	20.00	8.00
Rate of Dividend (%)	10%	20%	8%
Dividend Tax (In Lakhs)	1.28	2.06	0.81

SECTION VI – FINANCIAL INFORMATION OF THE COMPANY

Independent Auditor’s Report on the Restated Financial Statements of  
EVANS ELECTRIC LIMITED

To,  
The Board of Directors  
Evans Electric Limited  
430, Orchard Mall, 3rd Floor, Royal Palms Estate,  
Aarey Milk Colony, Goregaon East, Mumbai,  
Maharashtra, 400065, India

Dear Sir,

**Report on Restated Financial Statements**

1. We have examined the attached Restated Financial Statements along with the significant accounting policies, related notes and Annexures of M/s **Evans Electric Limited**(the “Company”) as at and for the period ended 31<sup>st</sup>October2018, 31<sup>st</sup>March 2018, 31<sup>st</sup> March 2017 and 31<sup>st</sup> March 2016 annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Prospectus/ Prospectus in connection with the proposed Initial Public Offering (IPO) on SME Platform of BSE Limited i.e. BSE SME. These Restated Financial Statements have been prepared by the Company and approved by the Board of Directors of the Company.

2. These Restated Financial Statements have been prepared in accordance with the requirements of:

(i) Part I of Chapter III to the Companies Act, 2013 (“**Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“**ICDR Regulations**”) 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) The terms of reference to our engagements with the Company letter dated 25.01.2019 requesting us to carry out the assignment, in connection with the Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on BSE SME (“**IPO**” or “**SME IPO**”); and

(iv)The Guidance Note on Reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India (“**Guidance Note 2016**”).

3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period ended 31<sup>st</sup>October2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March 2017 and 31<sup>st</sup> March, 2016 which has been approved by the Board of Directors and audited by us (Except Annual Accounts for the year 31<sup>st</sup> March 2017 and 31<sup>st</sup> March, 2016 audited by Vivek V. Joshi & Associates).

4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

(i) The “**Statement of Assets and Liabilities as Restated**” as set out in **Annexure I** to this report, of the Company as at 31<sup>st</sup>October2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March 2017 and 31<sup>st</sup> March, 2016 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully Described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.

(ii) The “**Statement of Profit and Loss as Restated**” as set out in **Annexure II** to this report, of the Company 31<sup>st</sup>October2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March 2017 and 31<sup>st</sup> March, 2016 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our

opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.

(iii) The “**Statement of Cash Flow as Restated**” as set out in **Annexure III** to this report, of the Company for the period ended 31<sup>st</sup>October2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March 2017 and 31<sup>st</sup> March, 2016 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.

5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:

a) Adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.

b) Adjustments for prior period and regrouping of material amounts in the respective financial years/period to which they relate.

c) There are no extra-ordinary items that are required to be disclosed separately in the accounts.

d) Except as disclosed in Annexure IV – Significant Policy and notes to the restated financial statements, there were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on 31<sup>st</sup> March 2018, 31<sup>st</sup> March 2017, and 31<sup>st</sup>March, 2016 which would require adjustments in this Restated Financial Statements of the Company.

e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts.

6. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating tote Company for the financial period/year ended on 31<sup>st</sup>October 2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March 2017 and 31<sup>st</sup> March, 2016 proposed to be included in the Prospectus (“**Offer Document**”).

**Annexure of Restated Financial Statements of the Company:-**

- a) Restated Summary Statement of Assets & Liabilities as appearing in Annexure I to this report;
- b) Restated Summary Statement of Profit and Loss as appearing in Annexure II to this report;
- c) Restated Summary Statement of Cash Flows as appearing in Annexure III to this report;
- d) Significant Accounting Policy and Notes to the Restated Summary Statements as appearing in Annexure IV to this report;
- e) Details of Share Capital as restated as appearing in Annexure V to this report;
- f) Details of Reserve and Surplus as restated as appearing in Annexure VI to this report;
- g) Details of Long Term Borrowings as restated as appearing in Annexure VII to this report;
- h) Restated Statement of principal terms of Secured Loans and Assets charged as security as appearing in Annexure VII(A) to this report;
- i) Restated Statement of terms & conditions of unsecured loans as appearing in Annexure VII(B) to this report;
- j) Details Other Long term liabilities as restated as appearing in Annexure VIII to this report;
- k) Details of Trade Payables as restated as appearing in Annexure IX(A) to this report;
- l) Details of Short term borrowings as restated as appearing in Annexure IX(B) to this report;
- m) Details of Other Current Liabilities as restated as appearing in Annexure IX(C) to this report;
- n) Details of Short Term Provisions as restated as appearing in Annexure IX(D) to this report;
- o) Details of Fixed Assets as restated as appearing in Annexure X to this report;
- p) Details of Capital WIP as restated as appearing in Annexure XI to this report;
- q) Details of Inventories as restated as appearing in Annexure XII to this report;
- r) Details of Long Term and Short Term Loans and Advances as restated as appearing in Annexure XIII to this report;
- s) Details of Trade Receivables as restated as appearing in Annexure XIV to this report;
- t) Details of Cash and Cash Equivalents as restated as appearing in Annexure XV to this report;



- u) Details of Non-Current Assets and Other Current Assets as restated as appearing in Annexure XVI to this report;
- v) Details of Revenue from Operations as restated as appearing in Annexure XVII to this report;
- w) Details of Other Income as restated as appearing in Annexure XVIII to this report;
- x) Details of Cost of Material Consumed as restated as appearing in Annexure XIX to this report;
- y) Details of Purchase of Stock in trade as restated as appearing in Annexure XX to this report;
- z) Details of Change in Inventories as restated as appearing in Annexure XXI to this report;
- aa) Details of Employee Benefit Expenses as restated as appearing in Annexure XXII to this report;
- bb) Details of Finance Cost as restated as appearing in Annexure XXIII to this report;
- cc) Details of Depreciation & Amortization expenses as restated as appearing in Annexure XXIV to this report;
- dd) Details of Other Expenses as restated as appearing in Annexure XXV to this report;
- ee) Details of Deferred Tax (Assets) / Liabilities as restated as appearing in Annexure XXVI to this report;
- ff) Details of Contingent Liabilities as restated as appearing in Annexure XXVII to this report;
- gg) Details of Related Party Transactions as restated as appearing in Annexure XXVIII to this report;
- hh) Statement of Tax Shelter as restated as appearing in Annexure XXIX to this report;
- ii) Capitalisation Statement as appearing in Annexure XXX to this report;
- jj) Details of Accounting Ratios as restated as appearing in Annexure XXXI to this report;

7. We, **M/s Anay Gogte & Co.**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI as on date of signing of this report.

8. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to therein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. In our opinion, the above financial information contained in Annexure I to XXXI of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For Anay Gogte & Co.**  
**Chartered Accountants**  
**FRN: 100398W**

**A. R. Gogte**  
**FCA**  
**(Proprietor)**

**Date: March 25, 2019**  
**Place: Mumbai**  
**Membership No.: 037046**

**ANNEXURE I**  
**RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES**

(₹ In Lakhs)

Particulars	Annexures	As at October 31, 2018	As at March 31,		
			2018	2017	2016
<b>A) EQUITY AND LIABILITIES</b>					
1. Shareholders' Funds					
(a) Share Capital	V	50.00	50.00	50.00	50.00
(b) Reserves & Surplus	VI	715.29	657.23	617.22	392.58
	Sub Total	<b>765.29</b>	<b>707.23</b>	<b>667.22</b>	<b>442.58</b>
2. Non- Current Liabilities					
(a) Long Term Borrowings	VII	-	-	-	-
(b) Deferred Tax Liabilities(net)					-
(c) Other Long-Term Liabilities	VIII	-	-	-	-
(d) Long-Term Provisions		-	-	-	-
	Sub total	-	-	-	-
3. Current Liabilities					
(a) Short Term Borrowings	IX	-	-	47.81	5.59
(b) Trade Payables	IX	69.95	104.04	121.46	100.40
(c) Other Current Liabilities	IX	8.51	3.10	2.66	4.54
(d) Short-Term Provisions	IX	29.52	25.28	109.39	7.38
	Sub total	<b>107.98</b>	<b>132.42</b>	<b>281.32</b>	<b>117.91</b>
<b>Total</b>		<b>873.27</b>	<b>839.65</b>	<b>948.54</b>	<b>560.49</b>
<b>B) ASSETS</b>					
1. Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	X	219.01	231.19	258.76	229.95
(ii) Intangible Assets		-	-	-	-
(iii) Capital Work-in-Progress	XI	-	-	-	-
(iv) Intangible Assets under Development		-	-	-	-
	Sub total	<b>219.01</b>	<b>231.19</b>	<b>258.76</b>	<b>229.95</b>
(b) Non-Current Investments		-	-	-	-
(c) Deferred Tax Asset (Net)	XXVI	4.31	4.07	2.56	2.16
(d) Long-Term Loans and Advances	XIII	8.52	15.30	10.07	16.01
(e) Other Non-Current Assets	XVI	14.93	-	-	-
	Sub total	<b>27.76</b>	<b>19.37</b>	<b>12.63</b>	<b>18.17</b>
2 Current Assets					
(a) Current Investments				-	-
(b) Inventories	XII	26.73	50.25	42.96	25.93
(c) Trade Receivables	XIV	125.30	91.18	151.72	160.73
(d) Cash and Cash Equivalents	XV	438.69	402.58	342.24	101.85
(e) Short-Term Loans and Advances	XIII	35.78	45.08	140.23	23.86
(f) Other Current Assets	XVI	-	-	-	-
	Sub total	<b>626.50</b>	<b>589.09</b>	<b>677.15</b>	<b>312.37</b>
<b>Total</b>		<b>873.27</b>	<b>839.65</b>	<b>948.54</b>	<b>560.49</b>

**Note:** The above statement should be read with the restated summary statement of profit and loss, restated summary statement of cash flows and significant accounting policies and notes on account for preparation of restated financial statements as appearing in Annexures II, III and IV respectively

**ANNEXURE II  
RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS**

(₹ In Lakhs)

Particulars	Annexures	As at October 31, 2018	As at March 31,		
			2018	2017	2016
<b>INCOME:</b>					
Revenue From Operations	XVII	376.90	561.16	1,060.49	502.69
Other Income	XVIII	23.40	25.75	11.09	8.96
<b>A. Total Revenue</b>		<b>400.30</b>	<b>586.91</b>	<b>1,071.58</b>	<b>511.65</b>
<b>EXPENDITURE:</b>					
Cost of Material Consumed	XIX	0.00	0.00	-	-
Purchase of Stock In trade	XX	79.84	170.89	260.56	130.98
Change in Inventory of Finished Goods, WIP and Stock in Trade	XXI	23.52	(7.30)	(17.01)	5.98
Employee Benefit Expense	XXII	144.33	244.43	303.63	193.91
Finance Costs	XXIII	1.31	2.83	2.56	2.61
Depreciation and Amortization Expense	XXIV	18.24	37.06	30.80	25.50
Other Expenses	XXV	48.24	70.44	147.12	93.49
<b>B. Total Expenditure</b>		<b>315.48</b>	<b>518.35</b>	<b>727.66</b>	<b>452.47</b>
<b>Restated Profit/(Loss) Before Exceptional, Extraordinary Items &amp; Prior Period Items &amp; Tax</b>		<b>84.82</b>	<b>68.56</b>	<b>343.92</b>	<b>59.18</b>
Exceptional Items		-	-	-	-
<b>Restated Profit/(Loss) Before Extraordinary Items &amp; Prior Period Items &amp; Tax</b>		<b>84.82</b>	<b>68.56</b>	<b>343.92</b>	<b>59.18</b>
Extraordinary Items		-	2.50	-	0.27
Prior Period items		-	-	-	-
<b>Profit Before Taxes</b>		<b>84.82</b>	<b>66.06</b>	<b>343.92</b>	<b>58.91</b>
Provision For Taxation					
Current Tax		(27.00)	(21.27)	(107.63)	(17.90)
(Less): MAT Credit Entitlement u/s 115JB					
<b>Net Current Tax Expense</b>					
Deferred Tax		0.24	1.51	0.40	0.47
<b>Net Tax Expense</b>		<b>(26.76)</b>	<b>(19.76)</b>	<b>(107.23)</b>	<b>(17.43)</b>
<b>Restated Profit/(Loss) for the year</b>		<b>58.06</b>	<b>46.30</b>	<b>236.69</b>	<b>41.48</b>

**Note:** The above statement should be read with the restated summary statement of assets and liabilities, restated summary statement of cash flows and significant accounting policies and notes on account for preparation of restated financial statements as appearing in Annexures I, III and IV respectively.

**ANNEXURE III**  
**RESTATED SUMMARY STATEMENT OF CASH FLOWS**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,			
		2018	2017	2016	
<b>A</b>	<b>Cash Flow From Operating Activities</b>				
	Net Profit/(Loss) Before Tax	84.82	66.06	343.92	58.91
	<i>Adjustment For:</i>				
	Depreciation	18.24	37.06	30.80	25.50
	Preliminary Expenses w/o	-	-	-	-
	Interest Expenses	0.82	1.31	0.85	0.32
	Interest Income	(19.57)	(25.20)	(6.99)	(7.80)
	Impairment of assets	-	2.50	-	0.27
	Profit on sale of investments	(1.93)	-	-	-
	<b>Operating Profit Before Working Capital Changes</b>	<b>82.38</b>	<b>81.73</b>	<b>368.58</b>	<b>77.20</b>
	<i>Changes in Working Capital</i>				
	Change in Sundry Debtors	(34.12)	60.54	9.01	(81.98)
	Change in Loans and Advances	9.91	(4.47)	(5.09)	(5.66)
	Change in Inventories	23.52	(7.29)	(17.03)	5.99
	Change in Other Current Assets & Non-Current Assets	-	-	-	-
	Change in Trade Payables	(34.09)	(17.42)	21.06	(23.29)
	Change in Provisions	(1.49)	2.26	(5.63)	-
	Change in Provisions tds	-	-	-	-
	Change in Other Current Liabilities	5.39	0.44	(1.88)	3.48
	<b>Cash Generated From Operations</b>	<b>51.50</b>	<b>115.79</b>	<b>369.02</b>	<b>(24.26)</b>
	Direct Taxes Paid	15.11	13.24	105.34	11.20
	<b>Net Cash Flows From Operating Activities(A)</b>	<b>36.39</b>	<b>102.55</b>	<b>263.68</b>	<b>(35.46)</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>				
	Purchase/Sale of Fixed Assets (Net)	(6.03)	(12.01)	(59.60)	(2.55)
	Purchase of Long term Investments	(100.00)	-	-	-
	Sale proceeds of long term investment	87.00	-	-	-
	Interest Received	19.57	25.20	6.99	7.80
	<b>Net Cash Flow From Investing Activities (B)</b>	<b>0.54</b>	<b>13.19</b>	<b>(52.61)</b>	<b>5.25</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>				
	Proceeds From Issue of Equity Shares	-	-	-	-
	Proceeds From Deposits	-	-	-	-
	Proceeds From Long Term Borrowings	-	-	-	-
	Proceeds from Short Term Borrowings	-	(47.82)	42.23	5.60
	Payment of Long term borrowings	-	-	-	-
	Payment of Short term borrowings	-	-	-	-
	Interest Paid	(0.82)	(1.31)	(0.85)	(0.32)
	Dividend paid	-	(6.27)	(12.06)	(4.81)
	<b>Net Cash Flow From Financing Activities (C)</b>	<b>(0.82)</b>	<b>(55.40)</b>	<b>29.32</b>	<b>0.47</b>
	<b>Net Change in Cash (A+B+C)</b>	<b>36.11</b>	<b>60.34</b>	<b>240.39</b>	<b>(29.74)</b>
	Cash and Cash Equivalents at the Beginning of Years	402.58	342.24	101.85	131.59
	<b>Cash and Cash Equivalents at the End of Year</b>	<b>438.69</b>	<b>402.58</b>	<b>342.24</b>	<b>101.85</b>

**Note:** The above statement should be read with the restated summary statement of assets and liabilities, restated statement of Profit and loss and significant accounting policies and notes on account for preparation of restated financial statements as appearing in Annexures I, II and IV respectively.

**ANNEXURE-IV****SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS****A. BACKGROUND**

The Company was incorporated as Evans Electric Private Limited under the provisions of Companies Act 1956 vide Certificate of Incorporation dated 29/12/1951 issued by the Registrar of Companies, Mumbai bearing Corporate Identity Number U74999MH1951PTC008715. The name of the Company was subsequently changed to Evans Electric Limited pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on 18<sup>th</sup> February, 2019 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated March 13, 2019 bearing Corporate Identity Number U74999MH1951PLC008715.

**B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Summary Statement of Assets and Liabilities of the Company as on October 31, 2018, March 31, 2018, March 31, 2017, and March 31, 2016, and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the period ended on October 31, 2018 and for the year ended on March 31, 2018, March 31, 2017, and March 31, 2016, and the annexure thereto (collectively, the “**Restated Financial Statements**” or “**Restated Summary Statements**”) have been extracted by the management from the Audited Financial Statements for the period ended on October 31, 2018 and for the year ended March 31, 2018, March 31, 2017, and March 31, 2016.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

**2. USE OF ESTIMATES**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include value of unbilled revenue and value of WIP stock etc. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

**3. FIXED ASSETS**

Tangible Assets are stated at cost of acquisition (net of Cenvat and VAT Credit availed) less accumulated depreciation and impairment loss if any.

Subsequent expenditures related to an item of fixed 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.

Gains and Losses arising from disposal of the fixed assets which are carried at cost are recognised in the Statement of Profit & Loss. Individual assets valuing for less than ₹5,000/- are entirely depreciated in the year of acquisition.

**4. INTANGIBLE ASSETS**

Development costs of some new sintered technology applications are capitalized considering the certainty of economic benefits likely to arise from the same over a long period. The said capitalized costs are amortized for

the purpose of depreciation / impairment over a period of 36 Months. Cost of development of the intangible assets consists of material cost, manpower cost, plant overheads and depreciation on machinery.

## 5. DEPRECIATION

Depreciation on Fixed Assets is provided on Written Down Value Basis as per Companies Act 2013 over the useful life of assets estimated by Management. Individual low cost assets acquired for less than ₹ 5,000/- are entirely depreciated in the year of acquisition. Intangible assets are amortized over their respective individual estimated lives on Written Down Value Basis, commencing from the date the asset is available to the Company for its use.

## 6. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## 7. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss 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 amount.

## 8. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

## 9. REVENUE RECOGNITION

- (i) Revenue from repairing, servicing is generally recognised as and when service is performed based on agreements/ arrangements with respective parties.
- (ii) Interest income is recognized on time proportion basis.  
Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition".

## 10. FOREIGN CURRENCY TRANSACTIONS

### **Recording: -**

Transactions in foreign currency are recorded at original rates of exchanges in force at the time when the transactions are affected.

### **Realization / Payment: -**

Exchange differences arising on realization / payment of foreign exchange during the year are accounted in the relevant year as income or expense.

### **Year -end adjustment: -**

Foreign exchange difference on monetary items unrealized / outstanding as on year end date is quantified as per year end exchange rates or forward rate agreement as applicable and are charged to Profit & Loss account.

**Hedging: -**

In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or expense along with the exchange differences on the underlying assets/liabilities. Further, in case of other contracts with committed exchange rates, the underlying is accounted at the rate so committed. Profit or loss on cancellations/renewals of forward contracts is recognized during the year.

## 11. EMPLOYEE BENEFITS

- i) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is required.
- ii) Employee Benefits such as Salaries, allowances, non-monetary benefits are debited to Profit and Loss account.
- iii) **Provident fund:** The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.
- iv) **Gratuity:** The Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's salary and the tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation report provided by Life Insurance Corporation of India as of the balance sheet date.

## 12. SEGMENT ACCOUNTING

### i) Business Segment

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business includes repair contracts, and accordingly this is the only segment as envisaged in Accounting Standard 17 'Segment Reporting'. Disclosure for Segment reporting is not applicable.

### ii) Geographical Segment

The Company supplies its services in domestic as well as export market, however primary segment is selected as reportable segment since there is no comparatively major difference in risk and reward in above geographical segments.

## 13. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### **14. CONTINGENT LIABILITIES AND PROVISIONS**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

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. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **15. EARNINGS PER SHARE:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Bonus Share allotment has been considered as if it took place at the beginning of Restatement period.

#### **16. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

#### **C. CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS**

There is no change in significant accounting policies

#### **D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS**

1. The Standalone financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.



2. The amounts due to Micro, Small and Medium Enterprises suppliers defined under "The Micro Small and Medium Enterprises Development Act 2006" have been identified on the basis of information available with the Company.

### 3. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary.

#### Gratuity

The company has implemented a defined benefit retirement plan with the Life Insurance Corporation of India named as Evans Electric Private Ltd. Group Gratuity scheme. Under the plan, LIC determines the contribution payable by the company towards the Group Gratuity Scheme on the basis of actuarial valuation carried out by LIC at each balance sheet date. The components of defined benefit plan cost are as follows:

Plan Assets	31.10.2018	31.03.18	31.03.17	31.03.16
Insurer Managed Funds (LIC)	100%	100%	100%	100%
<b>Actuarial Assumptions</b>				
Discount Rate (per annum)	7.5%	7.5%	7.5%	7.5%
Salary Escalation	4%	4%	4%	4%
Mortality Rate	LIC (2006-08) ultimate	LIC (2006-08) ultimate	LIC (2006-08) ultimate	LIC (2006-08) ultimate
Withdrawal rate	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age

The company makes the contribution to the Group Gratuity Scheme as determined by LIC. On retirement/death of an employee, the gratuity is paid from Evans Electric Pvt Ltd Group Gratuity Scheme.

### 4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -XXVII, for any of the years covered by the statements.

### 5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – XXVIII of the enclosed financial statements.

### 6. Accounting for Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year/period is reported as under:

Particulars	(₹ In Lakhs)			
	31-Oct-18	31-03-18	31-03-17	31-03-16
<b>Major Components of deferred tax arising on account of timing differences are:</b>				
Timing Difference Due to Depreciation	(.87)	(6.37)	(0.56)	1.06
Deferred Tax Liability/(Assets) (A)	0.24	(1.64)	(0.19)	0.32
Provision of Gratuity outstanding as on the end of Period	0	0	0	-
Cumulative Balance of Expenses Disallowed under Section 43B	0		1.77	0.47
Timing Difference Due to Gratuity and Expenses disallowed U/s 43B	0	0.13	0.59	0.47
Deferred Tax Assets (B)	0	0.13	0.59	0.15
<b>Cumulative Balance of Deferred Tax Liability/(Assets) (Net) (A-B)</b>	<b>(0.24)</b>	<b>(1.51)</b>	<b>0.40</b>	<b>0.47</b>

### 7. Earnings Per Share (AS 20):

Earnings per Share have been calculated is already reported in the Annexure –XXXI of the enclosed financial statements.

## 8. MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2018]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (losses) of the Company is as under.

### Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & losses of the company.

#### a) Standalone Statement of Profit and Loss after Tax

**Table -1**  
(₹ In Lakhs)

Particulars	31-Oct-18	31-Mar-18	31-Mar-17	31-Mar-16
<b>Net Profit After Tax as per audited accounts but before adjustments for restated accounts:</b>	<b>67.18</b>	<b>47.04</b>	<b>231.60</b>	<b>36.71</b>
(Short)/Excess Provision of Bad debts	0.50	(0.49)	(0.33)	0.01
(Short)/ Excess of Retention deposit booked	(2.46)	0.01	4.73	2.11
(Short)/Excess Provision for Deferred Tax Assets		(0.48)	0.44	0.07
(Short)/Excess Provision Depreciation	(3.38)	0.22	0.25	2.85
(Short)/Excess Provision of Balances written off	(4.05)			
Goodwill written off	0.27	-		(0.27)
<b>Net Adjustment in Profit and Loss Account</b>	<b>(9.12)</b>	<b>(0.74)</b>	<b>5.09</b>	<b>4.77</b>
<b>Net Profit After Tax as per Restated Accounts</b>	<b>58.06</b>	<b>46.30</b>	<b>236.69</b>	<b>41.48</b>

The reconciliation of Equity and Reserves as per audited results and the Equity and Reserves as per Restated Accounts is presented below in Table-2. This summarizes the results of restatements made and its impact on the Standalone net-worth of the Company.

**Table -2**  
(₹ In Lakhs)

#### A. Equity Share Capital

Particulars	31-Oct-18	31-Mar-18	31-Mar-17	31-Mar-16
<b>Paid Up Equity Share Capital (Audited)</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>
Changes During Restatement	0	0	0	0
<b>Paid Up Equity Share Capital (Restated)</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>

#### b) Surplus in Profit and Loss account

Particulars	31-Oct-18	31-Mar-18	31-Mar-17	31-Mar-16
Surplus in Profit and Loss account (Audited)	715.29	648.11	607.36	387.81
<b>Net Incremental Adjustment in Profit and Loss Account As per Table 1</b>	<b>(9.12)</b>	<b>(0.74)</b>	<b>5.09</b>	<b>4.77</b>
Adjustment of Excess provision of Income Tax with Provision for Tax in Statement of Profit and Loss A/c				
Elimination of Provision for Gratuity Expenses of prior period				
Elimination of Provision for Interest on service tax of prior period				
Prior Period Adjustment with Opening Balance of Retained	9.12	9.86	4.77	

Earnings				
Net Adjustment	0.07	9.12	9.86	4.77
<b>Surplus in Profit and Loss account (Restated)</b>	<b>715.29</b>	<b>657.23</b>	<b>617.22</b>	<b>392.58</b>

**a) Adjustment on account of Provision of Deferred Tax Assets:**

Due to provision for depreciation during the period of restatement, the Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal Tax rate applicable at the end of relevant year. Due to same revised deferred tax assets has been recognized in the restated financial statement of the respective year.

**b) Adjustment on account of Bad debts**

During the period of restatement, company identified debtors which were considered bad at the end of relevant year. Due to same, bad debts were recognized in the restated financial statements in addition to existing bad debts.

**c) Adjustment on account of retention money deposit**

During the period of restatement, company also revisited the retention money deposits to various clients and observed that they were not recognized in the financial statements. Due to same, retention money balances are recognized in financial statements of relevant year.

**d) Adjustment on account of advances written off**

The company revisited the advances received from customers and basis the same, some of the advances have been written off in restated financial statements of the relevant year.

**e) Adjustment on account of Fixed assets cost**

The company had inadvertently accounted a part of Land acquisition cost of ₹ 5 lakhs as an addition to Building. The same is rectified in the restated financial statements retrospectively.

The company has written off goodwill in 2016.

**9. Realizations:**

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

**10. Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

**11. Amounts in the financial statements**

Amounts in the financial statements are reported in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

**12. Auditors Qualifications –**

Details of Auditors qualifications and their impact on restated financial statement is given below.

- Qualification which required adjustment in restated financial statements - None
- Qualification which does not require adjustment in restated financial statements – Details given below

Financial Year	Audit Qualifications
----------------	----------------------

2015-16	None
2016-17	Undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities through there has been a slight delay in a few cases.
2017-18	Undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities through there has been a slight delay in a few cases.
Sept 30, 2018	None

### Annexure V Restated Summary Statement of Share Capital

#### (a) Authorized, Issued, Subscribed, Paid Up Share Capital

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Authorized Share Capital:				
Equity Shares	60000.00	60000.00	60000.00	60000.00
Amount (₹ in Lakhs)	60.00	60.00	60.00	60.00
Issued, Subscribed and Fully Paid Up Share Capital:				
Equity Shares				
Equity Shares of ₹ 100 each	50000.00	50000.00	50000.00	50000.00
Amount (₹ in Lakhs)	50.00	50.00	50.00	50.00
Total Share Capital	50.00	50.00	50.00	50.00

#### (b) Reconciliation of the number of Shares and the amount outstanding at the beginning and at the end of the Reporting Year:

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Equity Shares Outstanding at the beginning of the year				
Number of Shares of ₹100/- each	50000.00	50000.00	50000.00	50000.00
Amount (₹ in Lakhs)	50.00	50.00	50.00	50.00
Fresh Issue during the year				
Number of Shares of ₹100/- each	0.00	0.00	0.00	0.00
Amount (₹ in Lakhs)	0.00	0.00	0.00	0.00
Equity Shares Outstanding at the end of the year	0.00	0.00	0.00	0.00
Number of Shares of ₹100/- each	50000.00	50000.00	50000.00	50000.00
Amount (₹ in Lakhs)	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>

#### (c) Details of Shares held by each shareholder holding more than 5%

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
<b>Equity shares with voting rights</b>				
Ivor Anthony Desouza*	43750.00	43750.00	43750.00	43750.00
Jason De Souza**	3125.00	3125.00	3125.00	3125.00
Daniel De Souza***	3125.00	3125.00	3125.00	3125.00

\*1 Equity Share jointly held with Mrs. Rowena Anne Riberio and 1 Equity Share jointly held with Mr. Sameer Verma.

\*\* 1 Equity Share jointly held with Ms. Jeanne Marie Desouza

\*\*\* 1 Equity Share jointly held with Mr. Clarence Stephen D'sa

“The Company has only one class of equity shares having a par value of ₹100 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting”

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

#### Annexure VI Restated Summary Statement of Reserve and Surplus

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
<b>Surplus</b>				
Opening Balance	657.23	617.22	392.58	376.78
Add: Restated Profit/(Loss) for the year	58.06	46.30	236.69	41.48
Less: Dividend	-	(5.00)	(10.00)	(4.00)
Less: Dividend Dist. Tax	-	(1.29)	(2.05)	(0.81)
Less: Impairment of assets	-	-	-	(20.87)
<b>Grand Total</b>	<b>715.29</b>	<b>657.23</b>	<b>617.22</b>	<b>392.58</b>

#### Annexure VII Restated Summary Statement of Long Term Borrowings

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
<b>Secured Loans</b>	0.00	0.00	0.00	0.00
<b>Unsecured Loans</b>	0.00	0.00	0.00	0.00
Term Loan from Others	0.00	0.00	0.00	0.00
Less:- Current Maturities of Long Term loan	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

#### Annexure VII (A) Restated Statement of Principal Terms of Secured Loans and Assets Charged as Security

(₹ In Lakhs)

Name of Lender	Purpose	Sanctioned Amount	Rate of Interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on October 31, 2018 as per Books (In Lakhs)	Outstanding amount as on March 31, 2018 as per Books (In Lakhs)
Union Bank of India	Cash Credit	50	1Y MCLR+3.15% -0.25%	Primary Security:- Hypothecation of Stock and book debts	Repayable on Demand	0	0
	SOD DRC	28.8	2% Over FDR	Primary Security: Term Deposit		0	0
	BG w/w LC	150 (100)	15% Margin	Primary Security: Term Deposit		0	0
			TOTAL			0	0

#### Annexure VII (B) Statement of Terms & Conditions of Unsecured Loans

(₹ In Lakhs)

Name of Lender	Purpose	Rate of Interest	Re-Payment Schedule	Moratorium	As at October 31, 2018	As at March 31, 2018
-----NIL-----						

**Annexure VIII Restated Summary Statement of Other Long Term Borrowings**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Long Term Security Deposits	0.00	0.00	0.00	0.00
Long Term Trade Payables	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Annexure IX (A) Restated Summary Statement of Trade Payables**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Trade Payables	69.95	104.04	121.46	100.40
<b>Total</b>	<b>69.95</b>	<b>104.04</b>	<b>121.46</b>	<b>100.40</b>

The company is in the process of identifying suppliers who are micro enterprises or small enterprises under Micro, Small and Medium Enterprises Development Act, 2006. The company has not received any written confirmation from any suppliers regarding their status as Micro, Small and Medium Enterprises. Therefore, disclosures under Section 22 of the Act are not necessary.

**Annexure IX (B) Restated Summary Statement of Short Term Borrowings**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
UBI Cash Credit Limit	-	-	47.81	5.59
Deposits from directors/ relatives of directors/related entities	0.00	-	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>47.81</b>	<b>5.59</b>

**Notes:**

1. The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in Annexure-VIIA and Annexure VIIB
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the restated summary statement of assets and liabilities, restated summary statement of profit and loss, cash flow statement, significant accounting policies and notes to restated summary statements as appearing in Annexures I, II, III and IV respectively.

**Annexure IX (C) Restated Summary Statement of Other Current Liabilities**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Advance from Customers	-	-	0.00	0.00
Other Payables	8.51	3.10	2.66	4.54
Current Maturities of Long Term Loan	-	0.00	0.00	0.00
<b>Total</b>	<b>8.51</b>	<b>3.10</b>	<b>2.66</b>	<b>4.54</b>

**Annexure IX (D) Restated Summary Statement of Short Term Provisions**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016

Provision for Employee Benefits	2.52	4.01	1.75	2.57
Proposed Dividend	-	-	0.00	4.00
Provision For Income Tax on proposed Dividend	-	-	0.00	0.81
Provision For Income Tax	27.00	21.27	107.64	0.00
<b>Total</b>	<b>29.52</b>	<b>25.28</b>	<b>109.39</b>	<b>7.38</b>

**Annexure X Restated Summary Statement of Fixed Assets**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Opening Written Down Value of Fixed Assets	231.19	258.76	229.95	252.90
Addition During the Year	6.06	12.19	59.61	2.55
Deletion During the Year		(2.70)	-	-
Depreciation	(18.24)	(37.06)	(30.80)	(25.50)
Closing Written Down Value of Fixed Assets	<b>219.01</b>	<b>231.19</b>	<b>258.76</b>	<b>229.95</b>

**DETAILS OF ASSETS CLOSING BALANCE**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Factory Building	123.35	131.37	146.57	163.53
Land	41.59	41.59	41.59	41.59
Plant & Machinery	24.75	22.24	14.85	17.44
Furniture & Fittings	2.27	2.80	4.34	6.75
Vehicles	26.65	32.59	50.64	0.62
Computer	0.40	0.59	0.77	0.02
<b>TOTAL</b>	<b>219.01</b>	<b>231.18</b>	<b>258.76</b>	<b>229.95</b>

**Annexure XI Restated Summary Statement of Capital WIP**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Capital Work-in-progress	-	0	0.00	0.00
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure XII Restated Summary Statement of Inventories**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Materials & Components	9.72	10.30	13.42	9.00
Work In progress	17.01	39.95	29.54	16.93
<b>Total</b>	<b>26.73</b>	<b>50.25</b>	<b>42.96</b>	<b>25.93</b>

**Annexure XIII Restated Summary Statement of Long Term and Short Term Loans and Advances**

(₹ In Lakhs)

**Long Term Loans & Advances**

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Security Deposit	1.53	1.69	1.46	1.46
VAT Refund Receivable	5.99	12.61	7.61	13.55
Advance towards Land purchase	1.00	1.00	1.00	1.00
<b>Total</b>	<b>8.52</b>	<b>15.30</b>	<b>10.07</b>	<b>16.01</b>

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Provision for MAT Credit entitlement	-	-	-	-

**Short Term Loans & Advances**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
<b>Short Term Loans &amp; Advances</b>				
Duties & Taxes	0	2.40	19.83	0.65
Income Tax balances	23.69	29.86	108.84	3.50
Advance to Supplier	0	-	0.00	0.00
Prepaid Expenses	0.26	0.74	1.12	0.30
Advance to Staff	4.52	2.31	1.82	1.82
Retention/EMD	3.62	5.18	4.84	9.83
Other Loans & Advances	3.69	4.59	3.78	7.76
<b>Total</b>	<b>35.78</b>	<b>45.08</b>	<b>140.23</b>	<b>23.86</b>

**Annexure XIV Restated Summary Statement of Trade Receivables**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Trade Receivables outstanding for a period exceeding six months	37.93	18.14	0.00	103.83
Other Trade Receivables	87.37	73.04	151.72	56.90
<b>Total</b>	<b>125.30</b>	<b>91.18</b>	<b>151.72</b>	<b>160.73</b>

**Annexure XV Restated Summary Statement of Cash and Cash Equivalents**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
(a) Cash in Hand	3.65	2.60	3.32	3.53
(b) Balances with Banks	5.1	15.41	99.08	5.94
(c) Fixed Deposits	429.94	384.57	239.84	92.38
<b>Total</b>	<b>438.69</b>	<b>402.58</b>	<b>342.24</b>	<b>101.85</b>

**Annexure XVI Restated Summary Statement of Non-Current Assets and Other Current Assets**

(₹ In Lakhs)

Particulars (Non-Current Assets)	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Preliminary Expenditure	0	0.00	0.00	0.00
Investment in MFs	14.93	0.00	0.00	0.00
<b>Total</b>	<b>14.93</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(₹ In Lakhs)

Particulars (Other Current Assets)	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Interest Accrued on FD's				
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**NOTES:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the restated summary statement of assets and liabilities, restated summary statement of profit and loss, restated summary statement of cash flow and significant accounting policies and notes on account for preparation of restated financial statements as appearing in Annexures I, II, III and IV respectively.



## Annexure XVII Restated Summary Statement of Revenue from Operations

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Sales (Manufacturing)	0.00	0.00	0.00	0.00
Sales	370.33	443.74	773.25	502.69
Export Sales	6.57	117.42	287.24	0.00
<b>Total</b>	<b>376.90</b>	<b>561.16</b>	<b>1060.49</b>	<b>502.69</b>

## Annexure XVIII Restated Summary Statement of Other Income

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Interest on Fixed Deposits Long Term Invt.	19.57	25.20	6.99	7.80
Gain on sale of MF	1.93			
Currency Fluctuation	-			
Misc. Income	1.9	0.54	0.04	1.16
Insurance Claims	-			
Input tax credit of GST on stock	-			
Commission	-			
Balance written off	0	0.01	4.06	0.00
Interest Income	-			
<b>Total</b>	<b>23.40</b>	<b>25.75</b>	<b>11.09</b>	<b>8.96</b>

## Annexure XIX Restated Summary Statement of Cost of Material Consumed

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Opening Stock of Raw Material	-	-	-	-
Purchase during the Year	-	-	-	-
Direct Expenses	-	-	-	-
Closing Stock	-	-	-	-
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## Annexure XX Restated Summary Statement of Purchase of Stock in Trade

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Purchase	79.13	170.89	260.56	130.98
Custom Duty	0.71	0.00	0.00	0.00
Cartage Inward	0.00	0.00	0.00	0.00
Job Work Charges	0.00	0.00	0.00	0.00
Loading & Unloading Charges	0.00	0.00	0.00	0.00
Less: Stock Transfer	0.00	0.00	0.00	0.00
<b>Total</b>	<b>79.84</b>	<b>170.89</b>	<b>260.56</b>	<b>130.98</b>

## Annexure XXI Restated Summary Statement of Change in Inventories

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Opening Stock	50.25	42.95	25.94	31.92
Closing Stock	26.73	50.25	42.95	25.94
<b>Total</b>	<b>23.52</b>	<b>(7.30)</b>	<b>(17.01)</b>	<b>5.98</b>

## Annexure XXII Restated Summary Statement of Employment Benefit Expenses

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Labour Expenses	38.94	67.28	132.53	56.26
Salaries, Bonus, PF and ESIC and Gratuity	90.35	147.39	142.58	114.59
Staff Welfare Expenses	1.05	2.57	3.51	2.96
Directors Remunerations	13.99	27.19	25.01	20.10
Contribution to Superannuation fund	0	-	-	-
<b>Total</b>	<b>144.33</b>	<b>244.43</b>	<b>303.63</b>	<b>193.91</b>

## Annexure XXIII Restated Summary Statement of Financial Cost

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Interest Expenses	0.82	1.30	0.85	0.32
Bank Charges	0.49	1.53	1.71	2.29
<b>Total</b>	<b>1.31</b>	<b>2.83</b>	<b>2.56</b>	<b>2.61</b>

## Annexure XXIV Restated Summary Statement of Depreciation &amp; Amortized Expenses

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Depreciation	18.24	37.06	30.80	25.50
<b>Total</b>	<b>18.24</b>	<b>37.06</b>	<b>30.80</b>	<b>25.50</b>

## Annexure XXV Restated Summary Statement of Statement of Other Expenses

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Power and Fuel	3.64	7.05	5.65	5.29
Audit Fees	0.60	1.20	1.35	0.94
Site expenses	7.30	7.73	14.31	0.30
Travelling and conveyance	5.13	9.16	32.12	29.81
Charity & Donations	0.00	0.00	0.00	0.00
Commission & Brokerage	0.00	2.47	32.68	3.64
Repair & Maintenance	1.44	4.05	2.78	2.03
Discount on Sale	0.00	0.00	0.00	0.00
Subscription and membership	0.58	1.96	1.95	1.83
Postage and courier	0.29	0.68	0.64	0.56
Rates, Fees & Taxes	5.00	1.23	2.42	1.38
Freight	7.36	10.79	16.33	17.16
Tender Fees	0.68	0.89	0.47	0.28
Insurance Expenses	1.19	1.30	3.26	1.53
Misc. Expenses	1.17	1.25	0.68	1.73
Bad debts	2.97	4.51	0.00	6.10
Printing & Stationery	0.23	0.63	0.44	0.69
Professional Expenses	3.11	3.63	9.41	4.63
Rent	3.85	5.82	5.50	5.59
Telephone Expenses	1.56	1.57	3.41	3.05
Testing Expenses	1.82	3.58	11.90	5.36
Sales Promotion	0.32	0.94	1.82	1.59
<b>Total</b>	<b>48.24</b>	<b>70.44</b>	<b>147.12</b>	<b>93.49</b>

NOTES:

1. The figures disclosed above are based on the restated summary statement of profit and loss of the Company;
2. The above statement should be read with the restated summary statement of assets and liabilities, restated summary statement of profit and loss, restated summary statement of cash flows and significant accounting policies and notes on account for preparation of restated financial statements as appearing in Annexures I, II, III and IV respectively.

**Annexure XXVI Restated Statement of Deferred Tax (Assets) / Liabilities**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Opening Balance of Deferred Tax (Asset) / Liability	(3.20)	(1.69)	(2.09)	(1.69)
Closing Balances (B)				
(DTA) / DTL on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	(0.24)	(1.64)	(0.19)	0.33
(DTA) / DTL on account of Bonus	-	0.13	0.59	0.15
Closing Balance of Deferred Tax (Asset) / Liability (B)	(3.44)	(3.20)	(1.69)	(1.22)
Current Year Provision (B-A)	(0.24)	(1.51)	0.40	0.47

**Annexure XXVII Restated Summary Statement of Contingent Liabilities**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Contingent liabilities in respect of:				
Claims against the company not acknowledged as debts		-	-	-
Guarantees given on Behalf of the Company	14.86	16.37	21.60	14.46
Guarantees given on Behalf of the Subsidiary Company		-	-	-
Other moneys for which the company is contingently liable		-	-	-
TDS Defaults FY 2015-16		-	-	-
Commitments (to the extent not provided for)		-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for		-	-	-
Uncalled liability on shares and other investments partly paid		-	-	-
Other commitments		-	-	-
<b>Total</b>	<b>14.86</b>	<b>16.37</b>	<b>21.60</b>	<b>14.46</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**Annexure XXVIII Restated Statement of Related Party Transactions**

AA	Related Party Disclosure	
(a)	List of Related Parties	
	Names of the related parties with whom transactions were carried out during the years and description of relationship:	
Sr.	Name of the Person / Entity	Relation

No.		
1	Ivor Anthonny Desouza	Director
2	Nelson Lionel Fernandes	Director
3	Iyleen Fluxpower Private Limited	Entity owned & significantly influenced by directors & relatives of Director
4	Jason High Voltage Private Limited	Entity owned & significantly influenced by directors & relatives of Director
5	Rajkumar Mohan Keswani	Chief Financial Officer
6	Deepak Y Patil	Company Secretary
7	Iyleen Matilda Fernandes	Director

## (b) Transaction with Related Parties

(₹ In Lakhs)

SI No.	Particulars	As at October 31, 2018	As at March 31,		
			2018	2017	2016
	Sales Transaction				
	<b>Purchase Transaction</b>				
	Iyleen Fluxpower Private Limited	-	5.54	26.85	4.69
	Jason High Voltage Private Limited	17.43	21.75	97.93	21.01
	Other Expenses like rent free accommodation, interest paid, etc.				
	Rent (Iyleen Matilda Fernandes)	3.36	5.04	4.80	4.21
	Interest Received				
	Balances at the end of year				
	Payables: Jason High Voltage Private Limited	8.34	3.24	11.52	7.00
	Iyleen Fluxpower Private Limited	0.50	4.57	0.00	3.68
	Receivables: Nil				
	<b>MANAGERIAL REMUNERATION</b>				
	Nelson Lionel Fernandes	6.50	14.52	11.85	9.48
	Ivor Anthony Desouza	7.48	12.66	13.16	10.61
	Rajkumar Keswani (CFO)	6.37	10.40	11.06	8.46
		<b>20.35</b>	<b>37.58</b>	<b>36.07</b>	<b>28.55</b>

## Annexure XXIX Statement of Tax Shelters as Restated

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Restated profit before tax as per books (A)	84.82	66.06	343.92	58.91
Tax Rates				
Income Tax Rate (%)	27.82%	25.75%	33.06%	30.89%
Minimum Alternative Tax Rate (%)	20.59%	19.06%	20.39%	19.06%
Adjustments :				
Income Considered Separately	19.57	25.20	6.99	7.80
Disallowed	1.93	3.01	-	(0.40)
Timing Difference ©				
Book Depreciation	18.24	37.06	30.80	25.50
Income Tax Depreciation allowed	17.37	30.69	30.24	26.56
Total Timing Difference	0.87	6.37	0.56	(1.06)
Net Adjustment D= (B+C)	(16.77)	(15.82)	(6.43)	(9.26)
Tax Expenses	(26.76)	(19.76)	(107.23)	(17.43)
Income from Capital Gains (E)	1.93	-	-	-

Income from Other Sources				
Bank Interest	19.57	25.20	6.99	7.80
Interest Received on I.Tax Refund		-	-	-
Deduction under chapter VI (H)		-	-	-
Taxable Income/(Loss) (A+D+E+G+H)	89.55	75.44	344.48	57.45
Income Tax on Above	24.91	19.43	113.89	17.75
MAT on Book Profit	17.46	12.59	70.12	11.22
Tax paid as per normal or MAT	-	Normal	Normal	Normal

## Annexure XXX Capitalization Statement

(₹ In Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	0.00	0.00
Long Term Debt (B)	0.00	0.00
Total debts (C)	<b>0.00</b>	<b>0.00</b>
Shareholders' funds		[•]
Equity share capital	50.00	[•]
Reserve and surplus - as restated	715.29	[•]
Total shareholders' funds	765.29	[•]
Long term debt / shareholders' funds (in ₹)	0.00	[•]
Total debt / shareholders' funds (in ₹)	0.00	[•]

(\* The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short Term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.10.2019

## Annexure XXXI Restated Statement of Mandatory Accounting Ratios

(₹ In Lakhs except No. of shares)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Net Worth (A)	765.29	707.23	667.22	442.58
Restated Profit after tax (in lacs) (B)	58.06	46.30	236.69	41.48
No. of Shares outstanding at the end [F.V ₹100] (C)	50,000	50,000	50,000	50,000
Weighted average number of shares outstanding Post Split and Bonus Shares [F.V. ₹ 10] (D)	10,00,000	10,00,000	10,00,000	10,00,000
Earnings Per Share (Basic/Diluted) (B/D)	5.81	4.63	23.67	4.15
Return on Net Worth (B/A)	7.59%	6.55%	35.47%	9.37%
Net Assets Value per Share (A/D) based on Weighted Average No. of Shares	76.53	70.72	66.72	44.26
EBITDA	103.88	106.92	375.57	85.00
Net Assets Value per Share (A/C) based on Actual No. of Shares	1530.58	1414.46	1334.44	885.16

- 1) The ratios have been computed as below: The Below ratio's have not been annualized for the period ended 30th September 2018.
  - (a) Basic earnings per share (₹) -: Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
  - (b) Diluted earnings per share (₹) -: Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
  - (c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year
  - (d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
  - (e) Net assets value per share (effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the restated summary statements of the Company.
- 5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**OTHER FINANCIAL INFORMATION**

(₹ In Lakhs)

Particulars	As at October 31, 2018	As at March 31,		
		2018	2017	2016
Net Worth (A)	765.29	707.23	667.22	442.58
Restated Profit after tax (in lacs) (B)	58.06	46.30	236.69	41.48
No. of Shares outstanding at the end [F.V ₹100] (C)	50,000	50,000	50,000	50,000
Weighted average number of shares outstanding Post Split and Bonus Shares [F.V. ₹ 10] (D)	10,00,000	10,00,000	10,00,000	10,00,000
Earnings Per Share (Basic/Diluted) (B/D)	5.81	4.63	23.67	4.15
Return on Net Worth (B/A)	7.59%	6.55%	35.47%	9.37%
Net Assets Value per Share (A/D) based on Weighted Average No. of Shares	76.53	70.72	66.72	44.26
EBITDA	103.88	106.92	375.57	85.00
Net Assets Value per Share (A/C) based on Actual No. of Shares	1530.58	1414.46	1334.44	885.16

- 1) The ratios have been computed as below: The Below ratio's have not been annualized for the period ended 31st October, 2018.
  - (a) Basic earnings per share (₹) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
  - (b) Diluted earnings per share (₹) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
  - (c) Return on net worth (%) - : Net profit after tax (as restated) / Net worth at the end of the period or year
  - (d) Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
  - (e) Net assets value per share (effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the restated summary statements of the Company.
- 5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements as of and for the period ended October 31, 2018 and the three Financial Years ended March 31, 2018, 2017 and 2016, including the notes thereto and the report thereon, which appear elsewhere in this Prospectus. You should also read the section titled "Risk Factors" on page 19 and the section titled "Forward Looking Statements" on page 14 of this Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated consolidated financial Statements.*

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the ICDR Regulations and restated as described in the report of our auditor dated March 14, 2019, which is included in this Prospectus under "Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### **OVERVIEW**

Incorporated in 1951, Our Company is engaged in the business of repairing, re-winding and re-designing including inhouse manufacturing of replacement components of small, medium and large electric motors, generators and transformers, which are used in Thermal, Hydro, Diesel, Gas & Nuclear Electric Power Generation, Petroleum Refineries, Chemicals & Fertilizers, Cement Plants, Steel Plants, Tyre Manufacturing, Sugar Mills, Oil & Gas Exploration, Shipping, Mining and Railway Traction. We on the basis of the damage and assessment of the repairs or rewinding required for any AC & DC Machines, design, develop and manufacture components in-house for carrying out said re-winding and repairing work of aforementioned items. Some of the replacement components manufactured by us includes Coils, Insulators, Slip Rings, Retaining Rings, Carbon Brushes, Brush Holders, Complete winding kits, Insulation Components, Wedges, Packers and stampings, as well as allied specialized tools and equipment. We have a factory unit admeasuring to 30,000 sq. ft. located in Palghar, Maharashtra which is used for providing re-winding and repairing services as well as for manufacturing replacement components. We also provide on-site services for large Electric Motors, Generators and Transformers that are too large and cannot be transported to our Factory

We started our business with repairing and rewinding of low voltage AC and DC electric motors and generators and then later in 1958, diversified into repairing and rewinding of high voltage power & distribution transformers and then in 1960 we started with manufacturing of allied products such as commutators for DC machines, specialized contacts for Switchgear and strip Heaters. With time our capabilities grew and we have been successful in executing orders received from foreign countries such as Bangladesh, Malaysia & Sri Lanka which includes contract based services. We provide contract based services for repairing of various electric products which includes low Voltage and High Voltage AC and DC Electric Motors, Generators and Transformers, Turbo Generator Stators, Turbo Rotors (including high speed balancing), Hydro Generator Stators, Hydro Rotors and Field poles, also included are Dynamic balancing, Vacuum Impregnation, High Voltage Coil Manufacturing, RLA studies, Vibration Reduction, Diagnostic Testing, Machining, Fabrication and allied services.

Our Company was founded by Late Mr. Armando F. De Souza, Late Mr. Silus L. Evans, Late R. Pinto, Late Anslekar D'Mello and Late Dr. E. R. D' Mello. Presently, our Company is managed by Mr. Ivor Anthony Desouza son of Late Mr. Armando F. de Souza, (Promoter, Chairman and Non- Executive Director) who is an Electrical Engineer having an experience of around 46 years in the field of Electrical Repairs and Mr. Nelson Lionel Fernandes, (Managing Director), a management Graduate with an experience of 34 years in field of supervision of Factory and other manufacturing process of the Company. The management team of our Company exhibits a synergy of both, experience and enthusiasm in the field of engineering and operations.

Over the past, we have evolved and adopted new methods and the use of new materials in high Voltage Rewinds, which gave us the opportunity to embark on the Repairing and Rewinding of Large Motors & Generators, which traditionally was the domain of the Original Equipment Manufacturers (OEMs) who were mainly foreign Companies. Our success in this area of our business put us on the Electro-Mechanical Service map and in 1978 we achieved a major breakthrough as we successfully repaired 40,000 KvA – 11,000 volts



generating sets of Uttar Pradesh State Electricity Board, for which we got recognition from various publication houses. In the year 1989, we successfully rewound the largest Rotating component of a Nuclear-Powered Generator. In 2004 we successfully Rewound and commissioned a complex 33KV rated Turbo-Generator

Our clientele covers a wide range of industries from Thermal, Hydro, Nuclear, Gas & Diesel Power Generation to Chemicals & Fertilizers, Cement, Oil & Gas Refineries, Steel Plants, Shipping, Off shore Oil & Gas Exploration, Railways & and Renewable Energy.

### **QUALITY CERTIFICATION**

- ISO 9001: 2015 Certified
- Membership of EASA (Electrical Apparatus Service Association) since 1978

### **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

#### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Summary Statement of Assets and Liabilities of the Company as on October 31, 2018 , March31, 2018, March31, 2017, and March 31, 2016, and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the period ended on October 31, 2018 and for the year ended on March 31, 2018, March 31, 2017, and March 31, 2016, and the annexure thereto (collectively, the “**Restated Financial Statements**” or “**Restated Summary Statements**”) have been extracted by the management from the Audited Financial Statements for the period ended on October 31, 2018 and for the year ended March 31, 2018, March 31, 2017, and March 31, 2016.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

#### **2. USE OF ESTIMATES**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include value of unbilled revenue and value of WIP stock etc. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

#### **3. FIXED ASSETS**

Tangible Assets are stated at cost of acquisition (net of Cenvat and VAT Credit availed) less accumulated depreciation and impairment loss if any.

Subsequent expenditures related to an item of fixed 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.

Gains and Losses arising from disposal of the fixed assets which are carried at cost are recognised in the Statement of Profit & Loss. Individual assets valuing for less than ₹5,000/- are entirely depreciated in the year of acquisition.

#### **4. INTANGIBLE ASSETS**

Development costs of some new sintered technology applications are capitalized considering the certainty of economic benefits likely to arise from the same over a long period. The said capitalized costs are amortized for the purpose of depreciation / impairment over a period of 36 Months. Cost of development of the intangible assets consists of material cost, manpower cost, plant overheads and depreciation on machinery.

## 5. DEPRECIATION

Depreciation on Fixed Assets is provided on Written Down Value Basis as per Companies Act 2013 over the useful life of assets estimated by Management. Individual low cost assets acquired for less than ₹ 5,000/- are entirely depreciated in the year of acquisition. Intangible assets are amortized over their respective individual estimated lives on Written Down Value Basis, commencing from the date the asset is available to the Company for its use.

## 6. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## 7. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss 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 amount.

## 8. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

## 9. REVENUE RECOGNITION

(iii) Revenue from repairing, servicing is generally recognised as and when service is performed based on agreements/ arrangements with respective parties.

(iv) Interest income is recognized on time proportion basis.

Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition".

## 10. FOREIGN CURRENCY TRANSACTIONS

### **Recording: -**

Transactions in foreign currency are recorded at original rates of exchanges in force at the time when the transactions are affected.

### **Realization / Payment: -**

Exchange differences arising on realization / payment of foreign exchange during the year are accounted in the relevant year as income or expense.

### **Year-end adjustment: -**

Foreign exchange difference on monetary items unrealized / outstanding as on year end date is quantified as per year end exchange rates or forward rate agreement as applicable and are charged to Profit & Loss account.

**Hedging: -**

In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or expense along with the exchange differences on the underlying assets/liabilities. Further, in case of other contracts with committed exchange rates, the underlying is accounted at the rate so committed. Profit or loss on cancellations/renewals of forward contracts is recognized during the year.

**11. EMPLOYEE BENEFITS**

- v) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is required.
- vi) Employee Benefits such as Salaries, allowances, non-monetary benefits are debited to Profit and Loss account.
- vii) **Provident fund:** The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.
- viii) **Gratuity:** The Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's salary and the tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation report provided by Life Insurance Corporation of India as of the balance sheet date.

**12. SEGMENT ACCOUNTING****iii) Business Segment**

- (a) The business segment has been considered as the primary segment.
- (b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- (c) The Company's primary business includes repair contracts, and accordingly this is the only segment as envisaged in Accounting Standard 17 'Segment Reporting'. Disclosure for Segment reporting is not applicable.

**iv) Geographical Segment**

The Company supplies its services in domestic as well as export market, however primary segment is selected as reportable segment since there is no comparatively major difference in risk and reward in above geographical segments.

**13. ACCOUNTING FOR TAXES ON INCOME**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

- (i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.
- (ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if

there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### **14. CONTINGENT LIABILITIES AND PROVISIONS**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

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. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **15. EARNINGS PER SHARE:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Bonus Share allotment has been considered as if it took place at the beginning of Restatement period.

#### **16. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

#### **CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS**

There is no change in significant accounting policies

#### **Significant Developments Subsequent to the Last Financial Period**

In the opinion of the Board of Directors of our Company, there have not arisen any circumstances since the date of the last financial statements disclosed in this Prospectus that materially or adversely affect the operations or profitability of the Company or the Value of its assets or its ability to pay its liability within next twelve months except below changes occurred after Balance Sheet date:-

1. Our Company has Sub-divided the face value of Equity Share Capital from ₹ 100/- each to ₹ 10/- each vide Extra Ordinary General Meeting held on December 16, 2018.
2. The Authorized Share Capital of the Company was increased from Rs 60,00,000/- divided into 6,00,000 Equity Shares of Rs 10/- each to ₹ 1,50,00,000/- divided into 15,00,000 Equity Shares of Rs 10/- vide

- Extra Ordinary General Meeting held on December 16, 2018.
3. We have appointed Mr. Rajkumar Mohan Keswani as a Chief Financial Officer of the Company with effect from February 14, 2019.
  4. The Board of Director in its meeting held on February 14, 2019 allotted 5,00,000 Bonus shares in the ratio of one bonus for every 1 (one) Equity Shares held by each shareholder.
  5. Mr. Nelson Lionel Fernandes was appointed as Whole Time Director of the Company for a term of 5 year with effect from February 01, 2019 by board in its meeting held on 14.02.2019 and confirmed by shareholders vide Extra Ordinary General Meeting held on -February 18, 2019.
  6. The Shareholder of the Company approved the conversion of the Company from Private Limited to Public Limited and consequent Change of name of Company from “Evans Electric Private Limited” to Evans Electric Limited in its Extra Ordinary General Meeting held on February 18, 2019 and Fresh Certificate of Incorporation was issued by Registrar of Companies, Mumbai, Maharashtra vide dated March 13, 2019.
  7. We have appointed Mr. Deepak Y Patil as a Company Secretary and Compliance Office of the Company with effect from - March 01, 2019.
  8. Mr. Daniel Joseph Desouza resigned from the post of directorship with effect from March 14, 2019 due to some other pre-occupation
  9. Mr. Nelson Lionel Fernandes was re-designated from Whole Time Director to Managing Director of the Company for terms of 5 year with effect from March 14, 2019 vide Extra Ordinary General Meeting held on March 14, 2019.
  10. Mrs. Iyleen Matilda Fernandes was appointed as Whole Time Director of the Company for a term of 5 year with effect from March 14, 2019 vide Extra Ordinary General Meeting held on March 14, 2019.
  11. Mr. Ivor Anthony Desouza was -designated as Chairman & Non-Executive Director of the Company with effect from March 14, 2019 vide Extra Ordinary General Meeting held on March 14, 2019.
  12. We have appointed Mr. Anil Vasudev Kamath as an Independent Director of the Company for a term of 5 year with effect from March 14, 2019.
  13. We have appointed Mr. Frederick Joseph Vaz as an Independent Director of the Company for a term of 5 year with effect from March 14, 2019.
  14. We have passed a special resolution in the meeting of shareholders dated March 14, 2019 authorizing the Board of Directors to raise funds by making an Initial Public Offering.

### **Factors Affecting our Results of Operations**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 19 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Political Stability of the Country.
- World Economy.
- Government policies for the power and capital goods industry.
- Investment Flow in the country from the other countries.
- Competition from existing players:
- Company’s ability to successfully implement growth strategy
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate
- Recession in the market
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;

**Discussion on Result of Operations**

The following discussion on results of operations should be read in conjunction with the restated consolidated financial statements for the period ended October 31, 2018 and financial years ended March 2018, March 2017 and March 2016.

Particulars	As at October 31, 2018	% of Total income	For the Year Ended March 31,					
			2018	% of Total income	2017	% of Total income	2016	% of Total income
<b>INCOME:</b>								
Revenue From Operations	376.90	94.15%	561.16	95.61%	1060.49	98.97%	502.69	98.25%
Other Income	23.40	5.85%	25.75	4.39%	11.09	1.03%	8.96	1.75%
<b>A. Total Revenue</b>	<b>400.30</b>	<b>100.00%</b>	<b>586.91</b>	<b>100%</b>	<b>1071.58</b>	<b>100%</b>	<b>511.65</b>	<b>100%</b>
<b>EXPENDITURE:</b>								
Cost of Material Consumed	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Purchase of Stock In trade	79.84	19.95%	170.89	29.12%	260.56	24.32%	130.98	25.60%
Change in Inventory of Finished Goods, WIP and Stock in Trade	23.52	5.88%	(7.30)	(1.24)%	(17.01)	(1.59)%	5.98	1.17%
Employee Benefit Expense	144.33	36.06%	244.43	41.65%	303.63	28.33%	193.91	37.90%
Finance Costs	1.31	0.33%	2.83	0.48%	2.56	0.24%	2.61	0.51%
Depreciation and Amortisation Expense	18.24	4.56%	37.06	6.31%	30.80	2.87%	25.50	4.98%
Other Expenses	48.24	12.05%	70.44	12.00%	147.12	13.73%	93.49	18.27%
<b>B. Total Expenditure</b>	<b>315.48</b>	<b>78.81%</b>	<b>518.35</b>	<b>88.32%</b>	<b>727.66</b>	<b>67.91%</b>	<b>452.47</b>	<b>88.43%</b>
<b>Restated Profit/(Loss) Before Exceptional, Extraordinary Items &amp; Prior Period Items &amp; Tax</b>	<b>84.82</b>	<b>21.19%</b>	<b>68.56</b>	<b>11.68%</b>	<b>343.92</b>	<b>32.09%</b>	<b>59.18</b>	<b>11.57%</b>
Exceptional Items	-		0.00	0.00%	0.00	0.00%	0.00	0.00%
<b>Restated Profit/(Loss) Before Extraordinary Items &amp; Prior Period Items &amp; Tax</b>	<b>84.82</b>	<b>21.19%</b>	<b>68.56</b>	<b>11.68%</b>	<b>343.92</b>	<b>32.09%</b>	<b>59.18</b>	<b>11.57%</b>
Extraordinary Items	-		2.50	0.43%	0.00	0.00%	0.27	0.05%
Prior Period items	-		0.00	0.00%	0.00	0.00%	0.00	0.00%
<b>Profit Before Taxes</b>	<b>84.82</b>	<b>21.19%</b>	<b>66.06</b>	<b>11.26%</b>	<b>343.92</b>	<b>32.09%</b>	<b>58.91</b>	<b>11.51%</b>
<b>Provision For Taxation</b>		<b>0.00%</b>						
Current Tax	(27.00)	(6.74)%	(21.27)	(3.62)%	(107.63)	(10.04)%	(17.90)	(3.50)%
(Less): MAT Credit Entitlement u/s 115JB		0.00%						
<b>Net Current Tax Expense</b>		<b>0.00%</b>						
Deferred Tax	0.24	0.06%	1.51	0.26%	0.40	0.04%	0.47	0.09%
<b>Net Tax Expense</b>	<b>(26.76)</b>	<b>(6.68)%</b>	<b>(19.76)</b>	<b>(3.37)%</b>	<b>(107.23)</b>	<b>(10.01)%</b>	<b>(17.43)</b>	<b>(3.41)%</b>
<b>Restated Profit/(Loss) for the year</b>	<b>58.06</b>	<b>14.50%</b>	<b>46.30</b>	<b>7.89%</b>	<b>236.69</b>	<b>22.09%</b>	<b>41.48</b>	<b>8.11%</b>

**Revenue from operations:**

Our principal component of income is from re-winding, repairing and re-designing of small, medium and large electric motors, generators and transformers.

**Other Income:**

Our other income primarily comprises of fixed deposit interest, sale of mutual funds and other miscellaneous income.

**Employee benefits expense:**

Our employee benefits expense primarily comprises of Salary and wages, Contribution to PF & Other funds and Staff Welfare Expenses.

**Finance Costs**

Our finance cost includes Interest Expenses and Bank charges.

**Depreciation and Amortization Expenses**

Depreciation includes depreciation on tangible assets like plant and machinery, furniture and computer.

**Other Expenses**

Other expenses include Professional expenses, Rent & Maintenance expenses, Site Expenses, Insurance Charges, Tender Fees, Commission and Brokerage Expenses, conveyance & travelling expenses, etc.

**Financial Performance Highlights for the Period Ended October 31, 2018****Revenue from operations:**

The revenue from operations during the period ended October 31, 2018 was ₹ 376.9 Lakhs. The revenue is from re-winding, repairing and re-designing of small, medium and large electric motors, generators and transformers which comprised 94.15% of company total revenue for the period ended October 31, 2018.

**Total Expenses:**

The total expenditure during period ended October 31, 2018 was ₹315.48 Lakhs. The total expenditure represents 78.81% of the total revenue. The total expenses are represented by Purchase of Stock, employee benefits expense, finance costs, depreciation and amortization expenses and Administrative & Other Expenses. The main constituent of total expenditure is employee benefits expense, which is ₹144.33 Lakhs.

**Profit/ (Loss) after Tax:**

The restated net profit during the period ended October 31, 2018 was ₹58.06 Lakhs representing 14.50% of the total revenue of our company.

**Financial Year 2018 Compared to Financial Year 2017****Total Income**

Total Income for the financial year 2017-2018 stood at ₹586.91 Lakhs whereas in Financial Year 2016-2017 the same stood at ₹1071.58 Lakhs representing a decrease of 45.23%.

**Revenue from Operations**

During the financial year 2017-2018 the net revenue from operation of our Company decreased to ₹561.16 Lakhs as against ₹1060.49 Lakhs in the Financial Year 2016-2017 representing a decrease of 47.08%. This decrease was majorly due to decrease work order not received as we had received in Financial Year 2016-2017

**Other Income:**

During the financial year 2017-2018 the other income of our Company increased to ₹25.75 Lakhs as against ₹11.09 Lakhs in the Financial Year 2016-2017 representing an increase of 132.19%. Such increase was primarily due to interest earned on fixed deposit account.

**Total Expenses:**

The Total Expenditure for the financial year 2017-2018 decreased to ₹518.35 Lakhs from ₹727.66 Lakhs in the previous financial year representing a decrease of 22.65%.

**Employee benefits expense:**

Our Company has incurred ₹244.43 Lakhs as Employee benefits expense during the financial year 2017-2018 as compared to ₹303.63 Lakhs in the financial year 2016-2017. The decrease of 19.50% was due to decrease in employee count.

**Finance costs:**

These costs were for the financial Year 2017-2018 increased to ₹2.83 Lakhs as against ₹2.56 Lakhs during the previous financial year. The increase of 10.55% as compared to previous financial year was due to increase in Loan account.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2017-2018 stood at ₹37.06 Lakhs as against ₹30.80 Lakhs during the previous financial year. The increase of 20.32% was due to the Machines purchased, thus in succeeding year depreciation was increased.

**Other Expenses:**

Our Company has incurred ₹70.44 Lakhs during the Financial Year 2017-2018 on other expenses as against ₹147.12 Lakhs during the financial year 2016-2017. The decrease of 52.12% was due to normal course of business.

**Restated Profit before tax:**

The Company reported Restated profit before tax for the Financial Year 2017-2018 of ₹66.06 Lakhs in comparison to Restated profit of ₹343.92 Lakhs in financial year 2016-2017 representing a decrease of 80.79%.

**Restated profit after tax:**

Net Profit after tax for the Financial Year 2017-2018 increased to ₹46.30 lakhs as compared to ₹236.69 Lakhs financial year 2016-2017. The increase in profit after tax by 80.44% was majorly due to factors mentioned above.

**Financial Year 2017 Compared to Financial Year 2016****Total Income:**

Total income for the financial year 2016-2017 stood at ₹1071.58 Lakhs whereas in Financial Year 2015-2016 the same stood at ₹511.65 Lakhs representing an increase of 109.44%.

**Revenue from Operations**

During the financial year 2016-2017 the net revenue from operation of our Company increased to ₹1060.49 Lakhs as against ₹502.69 Lakhs in the Financial Year 2015-2016 representing an increase of 110.96%. This increase was due to normal course of business.

**Other Income:**

During the financial year 2016-2017 the other income of our Company increased to ₹11.09 Lakhs as against ₹8.96 Lakhs in the Financial Year 2015-2016 representing an increase of 23.77%. Such increase was primarily due to increase in interest income with of fixed deposit account.

**Total Expenses:**

The Total Expenditure for the financial year 2016-2017 increased to ₹727.66 Lakhs from ₹452.47 Lakhs in the previous financial year representing an increase of 60.82%.

**Employee benefits expense:**



Our Company has incurred ₹303.63 Lakhs as Employee benefits expense during the financial year 2016-2017 as compared to ₹193.91 Lakhs in the financial year 2015-2016. The increase of 56.58% was due to increase in Staff.

**Finance costs:**

These costs were for the financial Year 2016-2017 decreased to ₹2.56 Lakhs as against ₹2.61 Lakhs during the previous financial year. The decrease of 1.92% as compared to previous financial year was due to decrease in loan account.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2016-2017 stood at ₹30.80 Lakhs as against ₹25.5 Lakhs during the previous financial year. The increase of 20.78% was due to purchase of assets.

**Other Expenses:**

Our Company has incurred ₹147.12 Lakhs during the Financial Year 2016-2017 on other expenses as against ₹93.49 Lakhs during the financial year 2015-2016. The increase of 57.36% was due to increase in normal course of business.

**Restated Profit before tax:**

Net Profit before tax for the financial year 2016-2017 increased to ₹343.92 Lakhs as compared to ₹58.91 Lakhs in the financial year 2015-2016 representing an increase by 483.81%.

**Restated profit after tax:**

The Company reported Restated profit after tax for the financial year 2016-2017 of ₹236.69 Lakhs in comparison to Restated profit after tax of ₹41.48 Lakhs in the financial year 2015-2016 representing an increase of 470.61% majorly due to factors mentioned above.

**OTHER MATTERS**

**1. Unusual or infrequent events or transactions**

Except as described in this 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 "Risk Factors" beginning on page 19 of this Prospectus 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.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Other than as disclosed in the "Risk Factors" beginning on page 19 of this Prospectus 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**

Our Company's future costs and revenues will be determined by economic activity, government policies and Transformer and Electrical Equipment industry.

**5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices.**

The increase in revenue is by and large linked to increases in volume of business activity by the Company.

**6. Total turnover of each major industry segment in which the issuer company operates.**

The Company is operating in Transformer and Electrical Equipment Industry, Relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page 71 of this Prospectus.

**7. Status of any publicly announced new products/projects or business segments**

Our Company has not announced any new projects or business segments, other than disclosed in the Prospectus.

**8. The extent to which the business is seasonal**

Our business operations are not subject to significant seasonal trends.

**9. Any significant dependence on a single or few suppliers or customers.**

As on period ended March 31, 2018, our top five clients contributed approximately 51.37% of our revenue. For further details, please refer "Risk Factor" on page 19 of this Prospectus.

**10. Competitive Conditions**

We face competition from existing and potential organized and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "*Our Business*" beginning on page 78 of this Prospectus.

**CAPITALIZATION STATEMENT**

<b>Particulars</b>	<b>Pre Issue</b>	<b>Post Issue</b>
<b>Borrowings</b>		
Short term debt (A)	0.00	0.00
Long Term Debt (B)	0.00	0.00
<b>Total debts (C)</b>	<b>0.00</b>	<b>0.00</b>
<b>Shareholders' funds</b>		
Equity share capital	50.00	[•]
Reserve and surplus - as restated	715.29	[•]
<b>Total shareholders' funds</b>	765.29	[•]
<b>Long term debt / shareholders funds (in ₹)</b>	0.00	[•]
<b>Total debt / shareholders funds (in ₹)</b>	0.00	[•]

(\*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short Term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.10.18.

**STATEMENT OF FINANCIAL INDEBTEDNESS**

To,  
The Board of Directors,  
Evans Electric Limited

Dear Sir(s),

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of **Evans Electric Limited** and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on October 31, 2018 are mentioned below.

**SECURED LOANS: -**

**CONSOLIDATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY:**

(₹ in Lakhs)

Name of Lender	Purpose / Nature of Limit	Loan/ Agreement A/c No.	Sanctioned Amount	Rate of interest	Primary Security	Collateral/ Other Security	Re-Payment Schedule	Out-standing amount as on 31.10.2018 as per Books
Union Bank of India	Cash credit	315505010000122	50.00	1Y MCLR +3.15 % i.e. 11.35 %	Hypothecation of stocks and book debts not older than 90 days	Land with Gr. Storied Factory Shed & G+1R.C.C. office Bldg. Other Bldg. Structure Situated at Plot No. 22, phase-1 Ghat No.243(pt), 244 &295(pt), S No 27(pt), 84 &26(pt) of village Kolgaon, Near Police Ground, Off .Palghar Boisar Road Taluka & District Aligarh - 401404	Repayable on Demand	Nil
Union Bank of India	SOD DRC	315505010000122	28.80	2% over ODR	DRC of ₹ 35.43 Lacs			
Union Bank of India	Letter of guarantee w/w Letter of Credit Import/ Inland	315505010000122	150.00  (100.00)	Usual	Counter Indemnity & 15% margin			
<b>TOTAL</b>			<b>228.80</b>					

**Other Specific Terms & Conditions attached with Loans from Union Bank of India:**

- Company to submit undertaking that Directors of the company is not related to director of our/ other bank.
- Company to submit the undertaking that the name of the Company or director is not appearing in defaulter list.
- Company to submit undertaking that no litigation enforce against the firm or against the directors.

- Company to submit an undertaking that the name of the company and its directors does not appear in Defaulters list/ will full defaulter list / Cautions Exporter list / RBI caution list/ ECGC SAL list/ Central Fraud Registry.
- Company to submit a certificate from CA who have audited the latest financials as of 31.03.2018 to verify the genuineness of the same and reading to be satisfactory.
- Company to submit C.A certified Stock and Book Debt statement quarterly.
- Statutory dues, if any, to be paid by borrower before disbursement of the loan.
- Declaration to be obtained from the borrower that the level of unsecured loans will be maintained at the existing level in the business on a long term basis during the currency of the Bank's loan.
- The borrower's assets offered as security (prime and collateral) for the facility to be kept fully insured comprehensively for 110% of assets value.
- The borrower to display a board in prominent place in the project/office premises indicating that the assets/stocks are hypothecated to bank.
- The Borrower shall submit the monthly stock and book debt statement, to the Bank by 15th of subsequent month. The delay in submission of Stock Statement attracts penal interest.@2% over and above the interest rate charged.  
Cash credit limit to be utilized only for working capital purpose for genuine business transactions in which the party deals.  
No diversion of funds to be allowed for non business transactions or creation of fixed assets

**UNSECURED LOANS - Nil**

**SECTION VII- LEGAL AND OTHER INFORMATION****OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi- judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act, 1956 and/or under Part I of Schedule V of Companies Act, 2013 ) against the Company, Promoter, Group Companies and Directors as of the date of this Prospectus that would have a material adverse effect on the business of the Company.*

For the purpose of above, our Board in its meeting held on March 14, 2019, has considered and adopted a policy of materiality for identification of material litigation. In terms of the Materiality Policy, all pending litigation, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Company, Promoters or Directors in the last five Fiscals including outstanding action, and tax matters, would be considered 'material' if:

- the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 1% of the profit after tax of our Company as per the restated financial statements of our Company for the last full Fiscal; or
- the monetary liability is not of any such pending quantifiable, however, the outcome proceedings may have a bearing on the business, operations, prospects or reputation of our Company.

Our Board pursuant to board resolution dated March 14, 2019, has considered outstanding dues to any creditor of the Company having monetary value which exceeds 5% of the total consolidated trade payables of the Company as per the latest restated financial statements of the Company disclosed in the Prospectus, as material.

**Part I - CONTINGENT LIABILITIES OF THE COMPANY AS PER THE RESTATED FINANCIAL ACCOUNTS OF THE COMPANY AS ON OCTOBER 31, 2018:**

Particulars	Amount (in Lakhs)
<b>Contingent Liabilities</b>	
Guarantees given by bank on behalf of the company	14.86
<b>Total</b>	<b>14.86*</b>

*\*apart from the above mentioned amount, the company has availed Bank Guarantees amounting to ₹ 227 lakhs to different parties which are outstanding as on date of this Prospectus.*

**Part II - LITIGATION RELATING TO THE COMPANY****1. FILED AGAINST THE COMPANY:****A.****B. Litigation Involving Criminal Laws**

NIL

**C.****D. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**E.****F. Litigation Involving Tax Liabilities****(i) Direct Tax**TDS Liability as per TRACES

As per TRACES, the following TDS Liabilities of the Company are being shown towards short payment of TDS or towards the interest liability for late payment:

Sr. No.	Financial Year	Outstanding Liability (in ₹)
	2018-19	109.30
	2017-18	1,107.00
	2016-17	4280.00
	2014-15	1887.00
	Prior Years	206,605.45
<b>Total Outstanding Liability</b>		<b>213,988.75</b>

**(ii) Indirect Tax**

NIL

**G.****H. Other Pending Litigations:**

NIL

**2. CASES FILED BY OUR COMPANY:****A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities****(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations****Evans Electric Private Ltd Vs. Union of India through Executive Engineer Stores & Workshop Division, Electricity Dept. Govt. Of Goa at Aquem, Margao- Gao.**

The company had undertaken a tender on 28<sup>th</sup> February, 1980 for a repair job of transformers from Electricity dept of Govt. of Goa, a dispute arose between the parties for the payment and quality of work performed for which the company went into Arbitration with the Department and the Arbitrator was appointed in the matter on 18<sup>th</sup> April, 1983. The arbitration award was passed on 20<sup>th</sup> December, 1985 in favour of the company. Objections were filled by Government of Goa with the District Court, Goa whereby the Honble Additional District Judge has set aside the Award dated December 20<sup>th</sup>, 1985 of the Learned Arbitrator after considering the objections so raised before him under section 33 of the Arbitration Act, 1940 by the Electricity Department Government of Goa. The Company thus filed a first Appeal No 94/1989 against the order dated June 14<sup>th</sup>, 1989 passed by the Additional District Judge Goa bench. The first appeal was originally preferred before the Honble High Court of Bombay at Panji- Goa and thereafter on account of the Miscellaneous Civil Application moved by the Company and an exception being marked by the Honble Judges the matter was transferred to the principle seat of the Honble High Court of Bombay as First Appeal No 61/1994. In pursuant to the matter being transferred to the principle bench at Bombay a Miscellaneous Application No. 16199/1995 for re-transferring the matter to the court of original jurisdiction of Panji was moved by the company before the Honble High Court of Bombay in 1995. As per the information as available, the said files got lost in transit, the company is presently not pursuing the matter. Any liability under the said matter could not be ascertained.

**Part III - LITIGATION RELATING TO THE DIRECTORS AND PROMOTERS OF OUR COMPANY:**

**1. CASES FILED AGAINST OUR PROMOTERS AND DIRECTORS:****A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities****(i) Direct Tax Liabilities****Ivor Anthony Desouza**For Assessment Year 2007-2008

The Income Tax Department has raised outstanding tax demand dated October 26<sup>th</sup>, 2017 under section 220(2) of the Income Tax Act, 1961 amounting to Rs 1,76,964/- against Mr. Ivor Anthony Desouza, one of the directors of the company. An e-response in the said matter with rectification request dated July 1<sup>st</sup>, 2015 has been filled before the Assessing Officer stating the disagreement with demand arisen and for rectification in Income Tax records. The matter is pending adjudication.

**Nelson Lionel Fernandes**For Assessment Year 2001-2002

The Income Tax Department has raised outstanding tax demand dated March 21<sup>st</sup>, 2002 under section 143(1) of the Income Tax Act, 1961 amounting to Rs 41,255/- against which an e-response for rectification dated December 19<sup>th</sup>, 2017 has been filled before the Assessing Officer. The matter is pending adjudication.

For Assessment Year 2002-2003

The Income Tax Department has raised outstanding tax demand dated March 21<sup>st</sup>, 2004 under section 143(1) of the Income Tax Act, 1961 amounting to Rs 10,049/- against which an e-response for rectification dated December 19<sup>th</sup>, 2017 has been filled before the Assessing Officer. The matter is pending adjudication.

For Assessment Year 2005-2006

The Income Tax Department has raised outstanding tax demand dated August 16<sup>th</sup>, 2018 under section 154 of the Income Tax Act, 1961 amounting to Rs 1,150/-, rectification request dated February 13<sup>th</sup>, 2019 is filed before the Assessing Officer. The matter is pending adjudication.

For Assessment Year 2006-2007

The Income Tax Department has raised outstanding tax demand dated August 4<sup>th</sup>, 2007 under section 143(1) of the Income Tax Act, 1961 amounting to Rs 84,953/-, an e-response in the said matter with rectification request dated December 19<sup>th</sup>, 2017 before the Assessing Officer. Matter is pending adjudication

For Assessment Year 2009-2010

The Income Tax Department has raised outstanding tax demand dated August 14<sup>th</sup>, 2010 under section 143(1) of the Income Tax Act, 1961 amounting to Rs 3,42,520/- against Mr. Nelson Lionel Fernandes, one of the directors of the company. He has filed an e-response in the said matter with rectification request dated December 19<sup>th</sup>, 2017 before the Assessing Officer stating the disagreement with demand arisen and for rectification in Income Tax records. Matter is pending adjudication.



**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations**

NIL

**2. CASES FILED BY OUR PROMOTERS AND DIRECTORS:**

**A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations**

Nil

**Part IV- LITIGATION RELATING TO OUR GROUP COMPANIES OTHER THAN CORPORATE PROMOTER:**

**1. CASES FILED AGAINST OUR GROUP COMPANIES**

**A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations**

NIL

**2. FILED BY THE GROUP COMPANIES:**

**A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities****(i) Direct Tax Liabilities**

There are no pending litigation involving the group companies which has material impact on the Company.

**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations**

NIL

**OUTSTANDING DUES TO CREDITORS OF OUR COMPANY**

As of October 31, 2018, the aggregate amount outstanding to the creditors was ₹ 69.95 Lakhs. As per the Materiality Policy, such creditors to whom, outstanding dues to any creditor of our Company having monetary value which exceed 5% of the total outstanding creditors of our Company as per the Restated Financial Statements of our Company included in this Prospectus, shall be considered as 'material'. Based on the above, there are 7 (Seven) material creditor of our Company as on October 31, 2018, to whom an aggregate amount of ₹ 50.84 Lakhs was outstanding on such date. Details of outstanding dues owed as at October 31, 2018 to material MSMEs and other creditors are set out below.

<b>Creditors</b>	<b>Number of creditors</b>	<b>Amount outstanding (In ₹ Lakhs)</b>
MSMEs	Nil	Nil
Material Creditors	7	50.84
Others Creditors	86	19.11
<b>Total</b>	<b>93</b>	<b>69.95</b>

**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 142 of this Prospectus, in the opinion of our Board, there have not arisen, since October 31, 2018, 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.

**GOVERNMENT AND OTHER STATUTORY APPROVALS**

**Government / Statutory Approvals**

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business:

**A. INCORPORATION DOCUMENTS:**

S.No	Nature of Registration/License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation*	8715 of 1951-52	Indian Companies Act, 1913	Registrar of Joint Stock Companies, Bombay	December 29, 1951	Valid till cancelled
2.	Fresh Certificate of Incorporation consequent upon conversion from Evans Electric Private Limited to Evans Electric Limited.	U74999MH1951PLC008715	Companies Act, 2013	Registrar of Companies, Mumbai	March 13, 2019	Valid till cancelled

*\*Company has been issued duplicate copy of certificate of incorporation (with respect to same details) dated February 7<sup>th</sup>, 1990 issued by the Asst. Registrar of Companies, Maharashtra, Bombay*

**B. CORPORATE/ GENERAL AUTHORIZATIONS RELATING TO INCOME TAX, SERVICE TAX AND VALUE ADDED TAX AND OTHER TAX RELATED REGISTRATIONS:**

S.No.	Nature of Registration/License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number	AAACE2502Q	Income Tax Act 1961	Commissioner of Income Tax	June 20 <sup>th</sup> 2012	Valid till cancelled
2.	TAN (Tax Deduction Account Number)	MUME04914A	Income Tax Act 1961	Income Tax Department	May 18 <sup>th</sup> , 2004	Valid till cancelled
3.	TIN	27290007597C	The Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules 1957	Registration Officer Sales Tax Department, Maharashtra	April 1 <sup>st</sup> , 2006	Valid till cancelled
4.	VAT Registration Certificate	27290007597V	The Maharashtra Value Added Tax, 2002	Sales Tax Officer (MVAT-C-106) Registration Branch, Mumbai	April 1 <sup>st</sup> , 2006	Valid till Cancelled
5.	Goods & Service Tax* (Permanent)	27AAACE2502Q1ZM	Central Goods and Service Tax	Government of India and Government of Maharashtra	July 28, 2018 valid from	Valid till cancelled

			Act 2017		July 1, 2017	
6.	Importer/ Exporter Code Number	0393000249	Foreign Trade (Development & Regulation) Act, 1992	Additional Director General of Foreign Trade	April 2 <sup>nd</sup> 1993	Valid till cancelled
7.	Service Tax Registration [Central registration for more than one premise]	AAACE2502QSD003	Chapter V of Finance Act, 1994 read with Service Tax Rules, 1994	Central Excise office	May, 06, 2010; last amended on May 20, 2014	Valid till cancelled
8.	Certificate of Enrolment for Professional Tax for its Factory situated at Plot 22, Genesis Industrial Off Boisar Road Palghar, PALGHAR- 401404, Dist. Palghar, Maharashtra	PT/E/1/2/12/18/3120	U/s 5(2)/(2A) of The Maharashtra State Tax on Professions, Trades , Callings and Employments Act, 1975	Sales Tax Officer, Thane Division, Thane	June 13 <sup>th</sup> , 2005	Valid Till cancelled
9.	Certificate of Registration under Professional Tax for its Factory situated at Plot 22, Genesis Industrial Off, Palghar, Boisar Road, PALGHAR- 401404, Dist. Palghar, Maharashtra	PT/R/1/2/12/13107	U/s 5(1) of The Maharashtra State Tax on Professions, Trades , Callings and Employments Act	Profession Tax Officer, Thane Division, Thane	October 21, 2005	Valid Till Cancelled

### C. INDUSTRIAL AND LABOUR APPROVALS

(i) For Registered office situated at 430 Orchard Mall, 3<sup>rd</sup> Floor, Royal Palms Estate Aarey Milk Colony, Goregaon (E) Mumbai MH 400065 :

S.No	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Registration of Commercial Establishment of Registered Office	760216739/Commercial II	Maharashtra Shops and Establishment Act, 1948	Office of Inspector under Maharashtra Shops and Establishment Act, 1948	June 11 <sup>th</sup> , 2012	December 31 <sup>st</sup> 2019
2.	Registration under Employee state Insurance Corporation	31000016300000602	Employee State Insurance Act, 1948	Insurance Inspector, ESI Corporation, Mumbai	April 30 <sup>th</sup> , 2010	Valid till cancelled
3.	Registration/licensed as Electrical	M.T 27453	Govt Notification,	Secretary Registration,	Date of Issue	July 10th , 2019

	Contractor		Industry and Works Department, No. IR-1062-Electric dated March 15, 1962	Electrical Department Office, Mumbai	July 11 <sup>th</sup> , 2012 & last renewed July 11 <sup>th</sup> , 2018	
4.	Government Purchase Enlistment Certificate	NSIC/MUM/ GP/RS/E-33/MH	National Small Industries Corporation (NSIC), is an ISO 9001-2015 certified Government of India Enterprise under Ministry of Micro, Small and Medium Enterprises (MSME)	National Small Industries Corporation Ltd.	March 15 <sup>th</sup> , 2017 renewed on March 03, 2019	March 14 <sup>th</sup> , 2021

(ii) For factory of the Company situated at Plot 22, Genesis Industrial Complex, Palghar, PALGHAR-401404, Dist. Palghar, Maharashtra\*:

S.No	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Factory License	Permit No.: 10009670 Regn No.: 12900274000E-00	Factories Act, 1948	Director, Industrial Safety & Health Maharashtra Govt. Mumbai.	Last renewed on February 22, 2019	December 31, 2021
2.	Udyog Adhaar Registration under Micro, Small and Medium Enterprises [Category Small; Activity: Services]	MH17E0008055	MSMED Act, 2006	Ministry of Micro, Small & Medium Enterprises	February 03, 2017	Valid till cancelled
3.	Registration under Employees' Provident Funds (EPF)	KDMAL 0005497000	Employees' Provident Funds Act, 1952 and schemes framed thereunder	Office of Regional Provident Fund Commissioner, Bombay	April 25 <sup>th</sup> , 1964 [applicable from December 1, 1963]	Valid till cancelled

(iii) Environmental Approvals taken for factory of the Company situated at Plot 22, Genesis Industrial Complex, Palghar Boisar Road, PALGHAR-401404, Dist. Palghar, Maharashtra\*:

S.No	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Consent to Operate [Green SSI]	SRO-TARAPUR 11/CONSENT /1609000167	Section 26 of Water(Prevention &Control of	Sub-Regional Officer TarapurII,	September 21 <sup>st</sup> 2016	June 30 <sup>th</sup> 2019

			Pollution) Act,1974 & under Section 21 of Air (Prevention and Control) Act, 1981 Hazardous Wastes (Management, Handling and Transboundary) Rules, 2008,	Maharashtra Pollution Control Board		
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**D. QUALITY CERTIFICATIONS AND OTHER INDUSTRIAL MEMBERSHIPS :**


Sr. No.	Nature of Registration/License	Registration/License No.	Issuing Authority	Date of Issue	Date of Expiry
1.	ISO Certification 9001:2015	Certificate Registration No: 91/Q/5715	IQCS Certifications Private Limited	September 15 <sup>th</sup> , 2018	September 14 <sup>th</sup> , 2021
2.	Permanent Registration under Indian Merchants' Chamber (IMC Chambers of Commerce and Industry) ISO Certified Organisation	IMC COO Code: IMC7717	Director General, IMC chambers of Commerce and Industry	September 13 <sup>th</sup> , 2010	Valid till cancelled
3.	EASA Active Membership Certificate	Active Member for FY 2019-20	President & CEO of EASA (European Aviation Safety Agency) the Electro Mechanical Authority		March 31 <sup>st</sup> , 2020

**E. WEBSITE DOMAIN REGISTRATION DETAILS:**

S. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Creation Date	Expiry Date
1.	Domain Name: <a href="http://www.evanselectric.co.in/">http://www.evanselectric.co.in/</a> Domain ID: D2363435-AFIN	Registrar: Znet Technologies Pvt Ltd IANA ID: 1628	February 15 <sup>th</sup> , 2007 updated on February 15 <sup>th</sup> , 2019	February 15 <sup>th</sup> , 2020

**F. INTELLECTUAL PROPERTY RIGHTS DETAILS :**

Following are the details of trademark registered in the name of the Company:

SNo	Trademark Application No. and Class	Trademark Name and Logo	Applicable Laws	Date of Application	Status
1.	Trademark No 792662 Class: 7		Trade Marks Act, 1999	February 25, 1998	RegisteredLast renewed we.f. February 25, 2018 for a period of 10 years

**OUR GROUP COMPANIES**

*In accordance with the provisions of the SEBI ICDR Regulations, for the purpose of identification of "Group Companies", our Company has considered such companies as our Group Companies, with which there were related party transactions, during the period for which financial information is disclosed in this Prospectus, covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board. Further, pursuant to a resolution of our Board dated March 14, 2019 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if such company fulfils both the below mentioned conditions:-*

*(i) Such company forms part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulation, 2018; and*

*(ii) Our Company has entered into one or more transactions with such company in preceding audited fiscal year/period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.*

Based on above, **Jason High Voltage Private Limited** and **Iyleen Fluxpower Private Limited** are our Group Companies.

**CONFIRMATIONS**

Unless otherwise specifically stated in this section, none of the Group Companies (i) are listed on any stock exchange in India or abroad; (ii) have completed any public or rights issue in the preceding three years; (iii) have become a sick company within the meaning of the erstwhile SICA; (iv) are under winding-up; (v) have become defunct; (vi) have made an application to the relevant registrar of companies in India in whose jurisdiction such Group Company is registered in the five years preceding the date of filing this Prospectus with SEBI, for striking off its name; (vii) have received any significant notes from the auditors; (viii) had a negative net worth as of the date of their last audited financial statements, or (ix) have any pending litigation which has material impact on our Company.

**OUR GROUP COMPANIES**

The details of our Group Companies are provided below:

**1. Jason High Voltage Private Limited****Corporate Information -**

Jason High Voltage Private Limited is a private company, incorporated on May 26, 1986 under the provisions of Companies Act, 1956. It has its registered office situated at Shamrock 70 ST. Andrews RDBandra (W) Mumbai Maharashtra, 400050, India. The Corporate Identification Number of Jason High Voltage Private Limited is U32100MH1986PTC039902.

**Board of Directors:**

Sr. No.	Name	DIN
1.	Schubert Dsouza Cuthbert	00981830
2.	Nelson Lionel Fernandes	00985281

**Main Objects:**

- i. To acquire and take over as a going concern the business now carried on at Bombay in the name and style of "High Voltage Engineering," with all or any of the assets and liabilities of the Proprietors of that business in connection therewith.
- ii. To manufacture coils for using high voltage Turbo and Hidrogenerators, Motors, Transformers etc.
- iii. To carry on business of repairs and maintenance of electrical parts of all types of equipment and machinery to rewinding and conversation of all types of electrical gear and to manufacture and deal in electric, magnetic and other electrical apparatuses appliances, devices, contravances

**Nature and Interest of the Promoters –**

Our Promoter Mr. Ivor Anthony Dsouza does not hold any direct interest in Jason High Voltage Private Limited

### Financial Information

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Authorised Capital	20.00	20.00	20.00
Paid up Equity Capital	4.50	4.50	4.50
Reserves & Surplus (excluding revaluation reserve)	5.18	11.55	(3.57)
Sales	18.53	86.31	23.44
Profit After Tax	(6.35)	15.15	(5.68)
Earnings per share (Basic) (in ₹.)	(141.04)	336.74	(126.31)
Earnings per share (Diluted) (in ₹.)	(141.04)	336.74	(126.31)
Net Asset Value (in ₹)	215.04	356.70	20.66

### Significant Notes of Auditor -

There are no significant notes of the auditors in relation to the aforementioned financial statements.

## 2. Iyleen Fluxpower Private Limited

### Corporate Information -

Iyleen Fluxpower Private Limited is a private company, incorporated on January 01, 1999 under the provisions of Companies Act, 1956. It has its registered office situated at 502, Little Hut CHS, 27th Road, TPS III, Pandurang Ashram Marg, Bandra (West) Mumbai, Maharashtra, 400050 India. The Corporate Identification Number of Iyleen Fluxpower Private Limited is U74999MH1999PTC117729.

### Board of Directors:

Sr. No.	Name	DIN
1.	Iyleen Matilda Fernandes	01322540
2.	Samira Ravel D'SA	02242312

### Main Objects:

- To manufacture, develop, prepare, assemble, repair, alter, improve, buy, sell, exchange, let on hire, import, export, or otherwise deal in electrical, mechanical, electronic goods, machine components, electromagnetic tools, Instruments, appliances, cables, devices, spares, components, apparatus, accessories, tools, equipments, measuring and control instruments, panels, systems, thermo dynamical instruments, weighing systems, data transfer systems, electromechanical' and mechanical instruments, balances, machinery of all kinds & Nature.

### Nature and Interest of the Promoters -

Our Promoter Mr. Ivor Anthony Dsouza does not hold any direct interest in Iyleen Fluxpower Private Limited.

### Financial Information

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Authorised Capital	5.00	5.00	5.00
Paid up Equity Capital	1.00	1.00	1.00
Reserves & Surplus (excluding revaluation reserve)	8.95	15.10	10.68
Sales	2.54	23.40	4.76
Profit After Tax	(6.15)	4.42	(8.57)
Earnings per share (Basic)	(61.40)	44.10	(85.55)



(in ₹.)			
Earnings per share (Diluted) (in ₹.)	(61.40)	44.10	(85.55)
Net Asset Value (in ₹)	99.28	160.68	116.58

#### Significant Notes of Auditor -

There are no significant notes of the auditors in relation to the aforementioned financial statements.

#### LITIGATION AGAINST GROUP COMPANIES

As on date of this Prospectus, none of the group companies are involved in any litigation which has a material impact on our Company.

#### Loss making Group Companies

Both the group companies namely Jason High Voltage Private Limited and Iyleen Fluxpower Private Limited have incurred loss in the preceding financial year.

#### DEFUNCT/ STRUCK-OFFCOMPANY

None of our Group Companies have remained defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the Prospectus with Stock exchange.

#### INTEREST OF OUR GROUPCOMPANIES

##### Interest in the promotion of our Company

Our Group Companies, Jason High Voltage Pvt Ltd and Iyleen Fluxpower Private Limited have no interest in the promotion of our Company.

##### Interest in the properties acquired or proposed to be acquired by our Company in the past three years or proposed to be acquired

Except as mentioned in the chapter titled "Our Business" under the heading Land & Property beginning on page 78 of this Prospectus, none of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the three years preceding the filing of Prospectus.

##### Interest in the transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies are interested in any transaction for acquisition of land, construction of building or supply of machinery to our Company.

#### COMMONPURSUITS

Our Group Companies Jason High Voltage Private Limited and Iyleen Fluxpower Private Limited are engaged in similar line of business, however there are no Non-compete agreements as on date of this Prospectus.

In case of any such situation arising in future involving conflict of interest among our company and either of the group company, Our Company would adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when it arises.

#### Related Business transactions between our Company & Group Companies and significance on the financial performance of our Company

Except as disclosed under the Annexure XXVIII "Related Party Transactions" on page 137of this Prospectus, there are no related business transactions of our Company with its Group Companies and significance of the same on the financial performance of our Company.

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**Business interests of group companies in our Company**

Other than as disclosed under the Annexure XXVIII “Related Party Transactions” on page 137 of this Prospectus, none of the group companies have any interests in the business of our Company or interest of any other nature as on the date of this Prospectus.

**Payment or benefit to our Group Companies**

Except as stated under the Annexure XXVIII "*Related Party Transactions*" beginning on page 137 of this Prospectus, there has been no payment of benefits to our group companies during the period ended on October 31, 2018 and the financial years ended, March 31, 2018, March 31, 2017, March 31, 2016.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

#### **Fresh Issue**

The Board of Directors, pursuant to a resolution passed at their meeting held on March 14, 2019 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have approved this Issue vide a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on March 14, 2019.

Our Company has obtained in-principle approval from the SME Platform of BSE for using its name in the Draft Prospectus/Prospectus pursuant to an approval letter dated April 11, 2019 from BSE is the Designated Stock Exchange.

#### **Prohibition by SEBI or other Governmental Authorities**

We confirm that there is no prohibition on our Company, our Promoter, our Promoter Group, our Directors, or the person(s) in control of our Company from accessing or operating in the Capital Markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any securities market regulator in any other jurisdiction or any other authority/court. The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoter, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoter, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 156 of this Prospectus.

#### **Association with Securities Market**

We confirm that none of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors in the past 5 years.

#### **Prohibition by RBI**

Neither our Company, our Promoter, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 156 of this Prospectus.

#### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.**

Our Company, Promoters and members of our Promoter Group are in compliance and undertake to comply with the requirements of the Companies (Significant Beneficial Ownership) Rules, 2018, as amended (“SBO Rules”), to the extent applicable, as on the date of the Prospectus. Under the Companies (Significant Beneficial Ownership) Rules, 2018, certain persons who are ‘significant beneficial owners’ (“SBO”), are required to intimate their beneficial holdings to the Company in Form no. BEN-1 within 90 days from February 8, 2019 (the date of notification of the Companies (Significant Beneficial Owners) Amendment Rules, 2019).

#### **Eligibility for the Issue**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations for this Issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations as amended from time to time, as we are an Issuer whose post issue paid up capital is less or equal to ₹1000 Lakhs and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of BSE Limited").

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the LM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "General Information – Underwriting" beginning on page 42 of this Prospectus.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue 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.
3. In terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
4. In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE. For further details of the arrangement of market making please refer to section titled "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 43 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

5. Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories.
6. Our Company has a website i.e. [www.evanselectric.co.in](http://www.evanselectric.co.in)
7. 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.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE:-

1. Our Company was originally incorporated as “Evans Electric Private Limited” under the provisions of the Companies Act, VII of 1913 vide Certificate of Incorporation dated December 12, 1951 issued by the Registrar of Joint Stock Companies, Bombay bearing Registration no. 008715. Subsequently, our Company was converted into a public limited company pursuant to a Shareholders' Resolution passed at the Extra-Ordinary General meeting of our Company held on February 18, 2019 and the name of our Company was changed to “Evans Electric Limited” vide a fresh certificate of incorporation dated March 13, 2019 bearing CIN: U74999MH1951PLC008715 issued by the Registrar of Companies, Mumbai..
2. As on the date of this Prospectus, our Company has a paid up Capital of ₹ 100 Lakhs and the Post Issue

Capital will be of ₹ 137.20 Lakhs which is less than ₹ 25 Crores.

3. The Networth (excluding revaluation reserves) of the Company as per the latest restated financial statement is ₹ 765.29 lakhs as on October 31, 2018.
4. Our Company has track record of distributable profits for at least three financial years and each financial year has been a period of at least 12 months.
5. The distributable Profit, Cash Accruals and Net worth of our Company as per the restated financial statements for the period, ended October 31, 2018 and year ended as at March 31, 2018, 2017 and 2016 is as set forth below:

Particulars	October 31, 2018	FY 2017-18	FY 2016-17	FY 2015-16
Distributable Profit	58.06	46.30	236.69	41.48
Net Worth	765.29	707.23	667.22	442.58
Cash Accruals	103.06	103.12	374.72	84.41
Net Tangible Asset	765.29	707.23	667.22	442.58

1. Distributable profits have been computed in terms section 123 of the Companies Act, 2013.
2. 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.
3. Cash accruals" has been defined as the Earnings before depreciation and tax from operations.
4. Net Tangible Assets" has been defined the sum of all net assets, excluding intangible assets

6. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
7. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
8. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
8. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.
9. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.

#### DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS/PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS/PROSPECTUS. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS/PROSPECTUS, THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED**

TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 15, 2019 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/PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND / OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LM ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS/PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai in terms of sections 26 of the Companies Act, 2013.

**Statement on Price Information of Past Issues handled by Hem Securities Limited:**

Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing
1.	ANI Integrated Services Limited	25.656	100.00	November 20, 2017	120.00	67.00% [1.41%]	21% [0.77%]	12% [2.12%]
2.	Dynamic Cables Limited	23.376	40.00	December 14, 2017	48.00	63.13% [4.80%]	25% [1.77%]	0% [7.36%]
3.	Vasa Retail and Overseas Limited	4.8	30.00	February 06, 2018	36.00	104.33% [-2.43]	70% [-2.0]	40% [8.47%]
4.	Hindcon Chemicals Limited	7.728	28.00	March 09, 2018	33.60	[6.61%] [1.49%]	-8.93% [5.29%]	-28.57% [12.65%]
5.	Tara Chand Logistic Solutions Limited	20.46	55.00	March 23, 2018	49.00	-12.73% [5.87]	-16.67% [7.43%]	-43.64% [12.36%]
6.	Dhruv Consultancy Services Limited	23.1984	54.00	May 10, 2018	53.40	-0.19% [69.40%]	-12.58% [0.67%]	-29.62% [6.77%]
7.	Sonam Clock Limited	10.1088	36.00	June 14, 2018	37.00	2.50% [1.18%]	2.50% [5.20%]	3.38% [2.40%]
8.	Parin Furniture Limited	18.90	63.00	October 09, 2018	64.00	0.79% [2.75%]	7.30% [4.57%]	8.65% [12.65%]
9.	Kritika Wires Limited	15.3984	32.00	October 10, 2018	34.10	9.38% [1.20%]	28.75% [4.86%]	3.12% [10.94%]
10.	Mindpool Technologies Limited	3.6	30	February 28, 2019	30	-36.67% [8.12%]	N.A	N.A

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

**Summary statement of Disclosure:**

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount- 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 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%	Over 50%	Between 25-50%	Less than 25%
2016-17	12 <sup>(1)</sup>	99.90	-	-	2	3	3	4	-	-	3	3	2	4
2017-18	16 <sup>(2)</sup>	234.21	-	1	4	6	2	3	-	2	3	5	3	3
2018-19	5 <sup>(3)</sup>	71.2072	-	1	1	-	-	3	-	1	-	-	-	3

(1) The scrips of Raghav Ramming Mass Limited, Advance Syntex Limited, Madhya Bharat Agro Products Limited, Aurangabad Distillery Limited, Pansari Developers Limited, Dhanuka Realty Limited, Globe International Carriers Limited, Art Nirman Limited, Krishana Phoschem Limited, Global Education Limited, RMC Switchgears Limited and Laxmi Cotspin Limited were listed on April 13, 2016, July 12, 2016, September 16, 2016, October 17, 2016, October 18th, 2016, October 18th, 2016, October 19th, 2016, October 19th, 2016, February 27, 2017, March 02, 2017, March 14, 2017 and March 31, 2017 respectively.

(2) The Scrips of Dev Information Technology Limited, VadivarheSpeciality Chemicals Limited, Globe Textiles (India) Limited, Accord Synergy Limited, Captain Technocast Limited, Shanti Overseas (India) Limited, SurevinBPO Services Limited, Pashupati Cotspin Limited, Share India Securities Limited, RKEC Projects Limited, D. P. Abhushan Limited, ANI Integrated Services Limited, Dynamic Cables Limited, Vasa Retail and Overseas Limited, Hindcon Chemicals Limited and Tara Chand Logistic Solutions Limited was listed on April 17, 2017, June 02, 2017, June 23, 2017, July 06, 2017 August 01, 2017, August 03, 2017, August 09, 2017, September 08, 2017, October 05, 2017, October 09, 2017, October 23, 2017, November 20, 2017, December 14, 2017, February 06, 2018, March 09, 2018 and March 23, 2018 respectively.

(3) The scrip of Dhruv Consultancy Services Limited and Sonam Clock Limited were listed on May 10, 2018 and June 14, 2018. Parin Furniture Limited, Kritika Wires Limited and Mindpool Technologies Limited were listed on October 09, 2018, October 10, 2018 and February 28, 2019 respectively. Further, the scrips of Mindpool Technologies Limited has not completed its 90<sup>th</sup> day from the date of its listing.

**Note:**

- Based on date of listing.
- BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- Prices on BSE/NSE are considered for all of the above calculations.
- In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- N.A. – Period not completed.

- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the LM. Hence, disclosures pertaining to recent 10 issues handled by LM are provided.

**Track Record of past issues handled by Hem Securities Limited**

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: [www.hemsecurities.com](http://www.hemsecurities.com)

**Disclaimer from our Company and the Lead Manager**

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this 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.

The LM accept no responsibility, save to the limited extent as provided in the agreement entered between the LM (Hem securities Limited) and our Company on March 14, 2019 and the Underwriting Agreement dated March 22, 2019 and the addendum to the agreement dated April 09, 2019 entered into between the Underwriters and our Company and the Market Making Agreement dated March 22, 2019 and the addendum to the agreement dated April 09, 2019 entered into among the Market Maker and our Company.

All information shall be made available by our Company 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, at collection centres or elsewhere.

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

**Note**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is



unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra, India 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 hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **Disclaimer Clause of the SME Platform of BSE Limited**

As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE). BSE has given vide its letter dated April 11, 2019 given permission to the Issuer to use the Exchange's name in this Offer Document as the stock exchange on whose Small and Medium Enterprises Platform (SME platform) Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft Offer Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. The Stock Exchange does not in any manner:-

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

#### **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 under 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 outside the United States in compliance with Regulation S of the Securities Act and 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a

transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Filing**

This Prospectus shall be filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Maharashtra, India.

A soft copy of this Prospectus along with Due Diligence Certificate including additional confirmation shall be filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> as per SEBI (ICDR) Regulations.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 to be delivered for registration to the Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India.

**Listing**

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE. Our Company has obtained in-principle approval from BSE by way of its letter dated April 11, 2019 for listing of equity shares on SME Platform of BSE.

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. 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 this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the 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 Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

**Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013.

**Consents**

Consents in writing of (a) Our Directors, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Lead Manager, Registrar to the Issue, Banker to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus

for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, Anay Gogte & Co., Statutory Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and Restated financial statements as included in this Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Prospectus.

### **Experts Opinion**

Except for the reports in the section “*Financial Information of the Company*” and “*Statement of Special Tax Benefits*” on page 117 and page 69 of this Prospectus from the Statutory Auditors, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

### **Fees, Brokerage and Selling Commission payable to the LM**

The total fees payable to the Lead Manager will be as per the (i) Issue Agreement dated March 14, 2019 with the Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated March 22, 2019 and the addendum to the agreement dated April 09, 2019 with Underwriters and (iii) the Market Making Agreement dated March 22, 2019 and the addendum to the agreement dated April 09, 2019 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated February 25, 2019 and Addendum to Registrar to the Issue Agreement dated March 18, 2019 copies of which are available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

### **Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Prospectus.

### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 46 of this Prospectus.

### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in last five (5) years.

### **Particulars in regard to our Company and other listed subsidiaries/ associates under the same management within the meaning of Section 186 of the Companies Act, 2013, which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

### **Performance vis-a-vis objects – Public/right issue of our Company and / subsidiary of our Company**

Except as stated in the chapter titled "Capital Structure" beginning on page 46 of this Prospectus our Company has not undertaken any previous public or rights issue. The subsidiary of our Company is not listed on any stock exchange.

#### **Performance vis-a-vis objects - Last Issue of Subsidiary Companies**

All of our Subsidiary, body corporate are unlisted and have not made a public issue of shares.

#### **Option to Subscribe**

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

#### **Stock Market Data of the Equity Shares**

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

#### **Mechanism for Redressal of Investor Grievances**

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, with a copy to the Compliance Officer and with a copy to the relevant Designated Intermediary with whom the Application Form was submitted and.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

#### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

**Our Company has appointed Mr. Deepak Y Patil, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**Mr. Deepak Y Patil**

**Evans Electric Limited**

430, Orchard Mall, 3rd Floor, Royal Palms Estate  
Aarey Milk Colony, Goregaon (E), Mumbai, 400065,  
Maharashtra, India.

Tel No: - 91 22 28729506

E-mail: [cs@evanselectric.com](mailto:cs@evanselectric.com)

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

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective

beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

**Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

**Disposal of investor grievances by listed companies under the same management as Our Company**

We do not have any listed company under the same management.

**Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “Statement of Special Tax Benefits” beginning on page 69 of this Prospectus.

**Purchase of Property**

Other than as disclosed in Section “Our Business” on page 78 of the Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Prospectus.

Except as stated elsewhere in the Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

**Servicing Behavior**

Except as stated in this Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of Our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “Our Management” beginning on page 100 and “Related Party Transactions- Annexure XXVIII” beginning on page 137 of the Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**SECTION VIII: ISSUE RELATED INFORMATION****TERMS OF THE ISSUE**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorizing the banks to make payment in case of allotment by signing the application forms.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

**Authority for the Issue**

The present Public Issue of 3,72,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 14, 2019 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on March 14, 2019 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

**Ranking of Equity Shares**

The Equity Shares being offered/ issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 211 of this Prospectus.

**Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "*Dividend Policy*" and "Main Provisions of Article of Association" beginning on page nos 116 and 211 respectively of this Prospectus.

**Face Value and Issue Price**

The Equity Shares having a Face Value of ₹10.00 each are being offered in terms of this Prospectus at the price of ₹52.00 per Equity Share (including premium of ₹ 42.00 per share).

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under section titled "*Basis for Issue Price*" beginning on page 67 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

**Compliance with SEBI ICDR Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

**Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 211 of this Prospectus.

**Allotment only in Dematerialised Form**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 29, 2019 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 26, 2019 between CDSL, our Company and Registrar to the Issue.

**Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2,000 Equity Shares is subject to a minimum allotment of 2,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

**Minimum Number of Allottees**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be unblocked forthwith.

**Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws

in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those 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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

**Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

**Withdrawal of the Issue**

Our Company in consultation with the Lead Managers, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Managers, through the Registrar to the Issue, 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 Issue 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 withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

**Period of Subscription List of Public Issue**



Event	Indicative Date
Issue Opening Date	April 30, 2019
Issue Closing Date	May 03, 2019
Finalization of Basis of Allotment with the Designated Stock Exchange	on or about May 08, 2019
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	on or about May 09, 2019
Credit of Equity Shares to Demat accounts of Allottees	on or about May 10, 2019
Commencement of trading of the Equity Shares on the Stock Exchange	May 13, 2019

Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Issue Closing Date maybe extended in consultation with the LM, RTA and BSE SME taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue 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 Stock 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 Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

#### **Minimum Subscription and Underwriting**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information - Underwriting*” on page 42 of this Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

#### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 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 fulfillment 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.

### **Market Making**

The shares offered through this Issue are proposed to be listed on the SME Platform of BSE(BSE SME), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE.

For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to section titled "*General Information - Details of the Market Making Arrangements for this Issue*" on page 43 of this Prospectus.

### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of 2000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

### **As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Option to receive Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled "*Capital Structure*" beginning on page 46 of this Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 211 of this Prospectus.

**Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten Crore rupees, shall issue 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 an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 180 and 189 of this Prospectus.

The Issue comprises of a Public Issue of 3,72,000 Equity Shares of Face Value of 10/- each fully paid (The "Equity Shares") for cash at a price of ₹ 52.00 per Equity Shares (including a premium of ₹ 42.00 per equity share) aggregating to ₹ 193.44 Lakhs ("the issue") by our Company of which 20,000 Equity Shares of ₹10 each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 3,52,000 Equity Shares of ₹10 each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 27.11% and 25.66% respectively of the post issue paid up Equity Share Capital of the Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares available for allocation</b>	3,52,000 Equity Shares	20,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.62% of the Issue Size	5.38% of the Issue Size
<b>Basis of Allotment</b>	Proportionate subject to minimum allotment of 2000 Equity Shares and further allotment in multiples of 2000 Equity Shares each. For further details please refer to " <i>Issue Procedure - Basis of Allotment</i> " on page 193 of this Prospectus.	Firm Allotment
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through ASBA Process Only.	Through ASBA Process Only.
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
<b>Minimum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of 2000 Equity Shares at an Issue price of ₹52.00 each, such that the Application Value exceeds ₹ 2,00,000/- <b><u>For Retail Individuals Investors:</u></b> 2000 Equity Shares at an Issue price of Rs.52.00 each.	20,000 Equity Shares
<b>Maximum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable. <b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiples of 2000 Equity Shares such that the Application Value does not exceed ₹ 2,00,000/-.	20,000 Equity Shares
<b>Trading Lot</b>	2000 Equity Shares	2000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Terms of Payment</b>	Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the Application Form at the time of submission of the Application Form.	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “*Issue Structure*” on page 186 of this Prospectus.

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

- Minimum of 50.00% of the net offer of shares to the public shall be made available for Retail Individual Investors; and
- The balance Net Issue of shares to the Public shall be made available for allotment to individual Applicants other than Retail Individual Applicant and other Investors including Non-Institutional Investors, Qualified Institution Buyers, Corporate Bodies/ Institutions.

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

#### Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the ROC.

#### Issue Programme

<b>ISSUE OPENING DATE</b>	April 30, 2019
<b>ISSUE CLOSING DATE</b>	May 03, 2019

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the Issue Closing Date:

- A standard cut-off time of 3.00 p.m. for acceptance of applications.
- A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total

number of applications received up to the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Application form, for a particular applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("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 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the website of the Stock Exchange and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days. These changes are applicable for all public issues which open on or after January 1, 2016.

Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

**Our Company and the Lead Manager are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.**

### PART A

#### **Fixed Price Issue Procedure**

The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process wherein minimum of 50% of the Net Issue 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 Issue Price.

Applicants are required to submit their Applications to the Designated Intermediaries i.e. SCSBs or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

**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 dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated**

as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialised subsequent to allotment.

#### Phased implementation of Unified Payments Interface

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries will be made effective along with the existing process and existing timeline of T+6 days. The same will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase I”). Thereafter, for application by RIBs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds will be discontinued and only the UPI Mechanism with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI.

This Issue may be amongst one of the few initial public offerings in which the UPI Mechanism for application by Retail Individual Bidders is being permitted, the Company and the LM are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for application in this Issue.

Retail Individual Bidders making application using UPI shall use only his / her own bank account or only his/her own bank account linked UPI ID to make an application in the Issue. The SCSBs upon receipt of the Application Form will upload the Application details along with the UPI ID in the Application platform of the Stock Exchanges. Applications made by the Retail Individual Applicants using third party bank account or using UPI Ids linked to the bank accounts of any third parties are liable for rejection. Bankers to the Issue shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. Post uploading the Application details in the Application platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Applicants with the Depositories.

#### Application Form

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the investors can apply through ASBA Mode. The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called “*Designated Intermediaries*”)

No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A 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”)
4.	A depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by*



*giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

#### **Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

#### **Who can apply?**

In addition to the category of Applicants as set forth under “*General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue*”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) 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 Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non Institutional applicant’s category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;

- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Insurance funds set up and managed by army, navy or air force of the Union of India;
- s) Multilateral and bilateral development financial institution;
- t) Eligible QFIs;
- u) Insurance funds set up and managed by army, navy or air force of the Union of India;
- v) Insurance funds set up and managed by the Department of Posts, India;
- w) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

- 1. Minors (except under guardianship)
- 2. Partnership firms or their nominees
- 3. Foreign Nationals (except NRIs)
- 4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

#### **Maximum and Minimum Application Size**

The applicants in this Issue, being a fixed price, will be categorized into two:

##### **1. For Retail Individual Applicants**

The Application must be for a minimum of 2000 Equity Shares and in multiples of 2000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000. Under existing SEBI Regulations, Retail Individual Investors applying for amount not exceeding ₹ 2,00,000 are allowed to withdraw or revise their application until the closure of the Issue.

##### **2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 2000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Applicant cannot withdraw or lower their Application whether in terms of no. of Shares or amount at any stage.

In case of revision in Applications, 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.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the Lead Manager**

are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

### **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

For applications where the proportionate allotment works out to less than 2000 equity shares the allotment will be made as follows:

1. Each successful applicant shall be allotted 2000 equity shares; and
2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

If the proportionate allotment to an applicant works out to a number that is not a multiple of 2000 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 2000 equity shares subject to a minimum allotment of 2000 equity shares.

If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 2000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment maybe higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.

The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
2. The balance net offer of shares to the public shall be made available for allotment to
  - a. Individual applicants other than retails individual investors and
  - b. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/- .Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

### **Participation by Associates /Affiliates of Lead Manager**

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards market making obligations. However, associates/affiliates of the Lead Manager and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on

their own account or on behalf of their clients.

**Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

**Application 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.

**Application by Indian Public including eligible NRIs applying on Non-Repatriation**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

**Application by Eligible NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCBS to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders applying on a non-repatriation basis by using Resident Forms should authorize their SCBS 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).

**Application by FPIs (including FIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by 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-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of

Directors 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 as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio 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. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. 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. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

#### **Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual Fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a

category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

#### **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 LLP 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. Limited Liability Partnerships can participate in the Issue only through the ASBA Process.

#### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with Insurance Regulatory Development Authority ("**IRDA**"), certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the "**IRDA Investment Regulations**"), are broadly set forth below:

- a) Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
- c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in infrastructure and housing sectors i.e. 26th December, 2008, providing, among other things, that the exposure of an insurer to an infrastructure Company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

#### **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. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### **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 Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue 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.

**Applications by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

**Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of ₹ 2,500 Lakhs and pension funds with minimum corpus of ₹ 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the

Company and the lead manager may deem fit. The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

#### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of ₹ 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.

#### **Information for the Applicants:**

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridged Prospectus and copies of the Prospectus will be available with the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the



PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

- The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange. Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Applicants**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

#### **Method and Process of Applications**

- Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
- The Issue Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
- During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
- The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
- The Designated Intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

**Terms of payment**

The entire Issue price of ₹ 52.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Banker to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

**Payment mechanism for Applicants**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB 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 Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

**Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - (i) the applications accepted by them;

- (ii) the applications uploaded by them;
- (iii) the applications accepted but not uploaded by them or;
- (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
- (i) the applications accepted by any Designated Intermediaries;
- (ii) the applications uploaded by any Designated Intermediaries or;
- (iii) the applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Members, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
- Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in this Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

**Allocation of Equity shares**

- 1) The Issue is being made through the Fixed Price Process wherein 20,000 Equity Shares shall be reserved for Market Maker, at least 1,76,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on 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 Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

**Signing of Underwriting Agreement and Filing of Prospectus with ROC**

- 1) Our company has entered into an Underwriting Agreement dated March 22, 2019 and addendum to the

- agreement dated April 09, 2019.
- 2) A copy of Prospectus will be filed with the RoC in terms of Section 26 of Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

### **General Instructions**

#### **Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;

- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding ₹2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

**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 should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website 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, PAN Nos, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form

as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within three (3) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. 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.

### **Impersonation**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*"Any person who—*

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447 of Companies Act, 2013 and shall be treated as Fraud."*

### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within the period prescribed by the Board
- 3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 4) That our Promoters' contribution in full has already been brought in;
- 5) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- 6) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 7) That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- 8) Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- 9) There is 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 unblocked on account of non-listing, under subscription etc.;
- 10) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
- 11) That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and
- 12) That none of the promoters or directors of the company is willful defaulter under Section 5(c) of SEBI (ICDR) Regulations, 2018.

### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;



- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 and Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

**Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated March 29, 2019 between NSDL, the Company and the Registrar to the Issue; and
- b) Agreement dated March 26, 2019 between CDSL, the Company and the Registrar to the Issue;

The Company's equity Shares bear an ISIN No. INE06TD01010.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2017 ("FDI Policy 2017"), with effect from August 28, 2017, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include:

- (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that:
  - (a) the requisite approval of the Government has been obtained; and
  - (b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.;
- (ii) where the transfer of shares attracts SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time;
- (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that:
  - (a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionality's (such as minimum capitalization, etc.), reporting requirements, documentation etc.;
  - (b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank; and
- (iv) where the investee company is in the financial sector provided that:
  - (a) Any fit and proper/due diligence requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and
  - (b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are

complied with.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the

capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.**

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

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**SECTION IX****MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY**

Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. 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.

**PRELIMINARY****1. Application of Table F**

The regulations contained in Table F of the first schedule and the applicable provisions of Companies Act, 2013 as applicable to a public limited Company, shall apply to this company, save unless they are expressly or by implication excluded or modified by the following Articles.

**INTERPRETATION****2. In these regulations—**

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

- I. "Act" means the Companies Act, 1913 and the Companies Act, 1956 and the Companies Act, 2013 and every statutory modification and re-enactment thereof for the time being.
- II. "Annual General Meeting" means a general meeting of the Members held in accordance with the provisions of the Act and any adjourned holding thereof.
- III. "Auditors" means and includes those persons appointed as such for the time being by the Company.
- IV. "Beneficial Owner" means a person whose name is recorded as such with a Depository.
- V. "Board" means the duly constituted Board of Directors of the Company.
- VI. "Capital" means the Share capital for the time being raised or authorized to be raised, for the purpose of the Company.
- VII. "Chairman" means the Chairman of the Board of Directors of the Company.
- VIII. "Company" or "this Company" means "EVANS ELECTRIC LIMITED".
- IX. "Depositories Act" means the Depositories Act, 1996, including any statutory modifications or re-enactment thereof for the time being in force.
- X. "Depository" means a company formed and registered under the Act and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.
- XI. "Directors" mean the Directors for the time being of the Company or as the case may be the Directors assembled at a Board Meeting.
- XII. "Dividend" includes bonus and interim dividend.
- XIII. "Extraordinary General Meeting" means an extraordinary general meeting of the Members duly called and convened and any adjourned holding thereof.
- XIV. "Key Managerial Personal" means an individual as defined under Section 2(51) of the Act.
- XV. "Manager" means an individual as defined under Section 2(53) of the Act. "Managing Director" means an individual as defined under Section 2(54) of the Act.
- XVI. "Member" means the duly registered holder, from time to time, of the shares of the Company and includes every person whose name is entered as beneficial Owner as defined in clause (a) of Sub-section (1) of Section 2 of the Depositories Act, 1996.
- XVII. "Meeting" or "General Meeting" means a meeting of Directors or Members or creditors as the case may be.
- XVIII. "Non-retiring Director" means a director not subject to retirement by rotation includes an Independent Director appointed pursuant to the provisions of Section 149(4) of the Act.
- XIX. "Office" means the registered office of the Company.
- XX. "Paid up" includes capital credited as paid up.
- XXI. "Person" means any natural person, firm, company, governmental authority, joint venture, partnership, association or any other entity (whether or not having a separate legal personality)

- XXII. "Register of Members" means the Register of Members to be kept pursuant to Section 88 of the Act.
- XXIII. "The Registrar" means the Registrar of Companies of the State in which the office of the Company is for the time being situated.
- XXIV. "Record" includes the records maintained in the form of books or stored in Computer or in such other form as may be determined by regulations made by SEBI in relation to the Depositories Act, 1996.
- XXV. "Regulations" means the regulations made by the SEBI. "Seal" means the Common Seal for the time being of the Company. "Share" means a share in the share capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied.
- XXVI. "SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.
- XXVII. "Security" means such security as may be specified by the SEBI. "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.
- XXVIII. "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2 (41) of the Act.

### **SHARE CAPITAL**

#### **3.**

(a) The Authorised Share Capital of the Company shall be as per Clause V of the Memorandum of Association of the Company with rights to alter the same in whatever way as deemed fit by the Company. The company may increase or decrease the Authorised Share Capital in accordance with Company's regulations and legislative provisions for the time being in that behalf.

(b) The Company may, subject to the provisions of Section 55 of the said Act, issue preference shares which are liable to be redeemed and may redeem such shares in any manner provided in the said section and may issue shares up to the nominal amount of the shares redeemed or to be redeemed. Where the Company has issued redeemable preference shares the provisions of the said section shall be complied with.

(c) If at any time share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of the issue of the shares of that class) may, subject to the provisions of Section 48 of the Companies Act, 2013, and whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourth 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.

(d) To every such separate meeting, the provision of these regulations relating to general meeting shall apply.

4. Subject to the provisions of Section 40(6) of the Act, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any securities in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any securities in the Company, but so that the commission shall not exceed, in the case of shares, five per cent of the price at which the shares are issued and in the case of debentures and other securities, two and a half per cent of the price at which the debentures are issued, or such higher rate or rates as may be permissible under any statutory provision for the time being in force. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid securities or partly in one way and partly in the other. The Company may also pay such brokerage as may be lawful.

5. Except as provided by the Act, the Company shall not, except by reduction of capital under the provision of Sections 66 or Section 242 of the said Act, buy its own shares nor give, whether directly or indirectly, and whether by means of a loan, guarantee, provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding company.

Provided that nothing in this Article shall be taken to prohibit:

(a) the provision of money in accordance with any scheme approved by the Company through Special Resolution and in accordance with the requirements specified in the relevant Rules, for the purchase of, or subscription for, fully paid up Shares in the Company, if the purchase of, or the subscription for the Shares held by trustees for the benefit of the employees or such Shares held by the employee of the Company;

(b) the giving of loans by the Company to persons in the employment of the Company other than its Directors or Key Managerial Personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid up Shares in the Company to be held by them by way of beneficial ownership. Nothing in this clause shall affect the right of the Company to redeem any shares issued under Section 55.

6. Except as required by law, no person shall be recognized by the Company as holding any shares 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 shares, or any interest in any fractional part of a share or (except only as by these regulation or by law otherwise provided) any other rights in respect of any share except an absolute rights to the entirety thereof in the register of shareholders.

7.

(a) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month after the application for the registration to transfer (or within such other period as the conditions of the issue shall provide):

- (i) one certificate for all his share without payment of any charges; or
- (ii) several certificates, each for one or more of his shares, upon payment of such sum as may be determined by the Board from time to time.

(b) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(c) In respect of 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.

8.

(a) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form.

(b) Notwithstanding anything contained herein, the Company shall be entitled to treat the person whose names appear in the register of members as a holder of any share or whose names appear as beneficial owners of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not (excepts ordered by a Court of competent jurisdiction or as required by law) be bound to recognize any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

(c) Notwithstanding anything contained herein, in the case of transfer of shares or other marketable securities where the Company has not issued any Certificates and where such shares or other marketable securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised.

9. If share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding ₹ 50/- (fifty Rupees), and on such terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Directors think fit.

#### **LIEN**

10.

(a) The Company shall have a first and paramount lien:

(i) on every share (not being a fully paid up share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(ii) on all shares (not being fully paid up shares) standing registered in the name of the single person, for all moneys 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 provision of this Article.

(b) The Company's lien, if any, on a share shall extend to all dividends payable thereon.

**11.** 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.

**12.**

(a) To give effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof.

(b) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(c) 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 irregularity or invalidity in the proceedings in the reference to the sale.

**13.**

(a) 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.

(b) 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.

#### **CALL ON SHARES**

**14.**

(a) The Board may, from time to time, make calls upon the members in respect of any moneys 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.

(b) 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 time or times and place so specified, the amount called on his shares.

(c) A call may be revoked or postponed at the discretion of the Board.

**15.** A call is deemed to have been made at time when the resolution of the Board/shareholder authorizing the call was passed and may be required to be paid by installments.

**16.** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

(a) 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 thereof to the time of actual payment at rate as the Board may determine.

(b) The Board shall be at liberty to waive payment of any such interest wholly or in part.

**17.**

(a) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of nominal value of the share or by way of premium, shall, for the purpose of these regulations, be deemed to be a call duly made and payable on the date which by the terms of issue such sum become payable.



(b) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or other wish shall apply as if such sum had become payable by virtue a call duly made and notified.

**18.**

(a) The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him; and

(b) The Board, upon all or any moneys 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 12 percent per annum, as may be agreed upon between the Board and the member and the member paying the sum in advance.

**TRANSFER OF SHARES**

**19.**

(a) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(b) 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.

**20.** The Board may, subject to the right of appeal conferred by Section 58 of the Companies Act, 2013, decline to register:

(a) the transfer of a share, not being a fully paid share,

(b) any transfer of shares on which the Company has a lien.

**21.** The Board may also decline to recognize 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 of the Companies Act, 2013.

(b) The instrument of transfer is accompanied by the certificate of 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.

**22.** Subject to the provision of Section 91 of the Companies Act, 2013, 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 aggregated in any year.

**23.** There shall be no fee paid to the Company, in respect of the transfer or transmission of any number of shares, registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

**TRANSMISSION OF SHARES**

**24.**

(a) On the death of a member, the survivor or survivors where the member was a joint holder, and legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

(b) Nothing in Article 25(a) shall release the estate of a deceased joint holder from liability in respect of any share which had been jointly held by him with other persons.

**25.**

(a) Any person becoming entitled to a share in consequence of the death or insolvency of any 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:

(i) to be registered himself as holder of shares: or

(ii) to make such transfer of the share as the deceased or insolvent member could have made.

(b) 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.

**26.**

(a) 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.

(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(c) All the limitations, restriction and provisions of these regulations relating to the right 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.

**27.** A person becoming entitled to a share by reason of 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 the meeting 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 payments of all dividends, bonuses or money payable in respect of the share, until the requirements of the notice have been complied with.

**FORFEITURE OF SHARES**

**28.** 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.

**29.** 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, the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.

**30.** If the requirements of any such notices 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 the resolution of the Board to that effect.

**32.**

(a) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(b) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

**33.**

(a) A person whose shares have been forfeited shall cease to be a member in respect of forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

(b) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

**34.**

(a) A duly verified declaration in writing that the declaring is a Director, the manager, or the secretary, of the Company, and that a share in the Company has being 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.

(b) The Company may receive the consideration, if any, given for 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.

(c) The transferee shall there upon be registered as the holder of the share.

(d) 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 the reference to the forfeiture, sale or disposal of the share.

**35.** The provision of these regulations as to forfeiture shall apply in the case of nonpayment of any sum, 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 notified.

**CONVERSION OF SHARES INTO STOCK**

**36.** The Company may, by ordinary resolution:

(a) convert any paid-up shares into stock; and

(b) reconvert any stock into paid-up shares of any denomination

**37.** The holder of the stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the share 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.

**38.** The holders of the 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 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.

**39.** Such of the regulation of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.

**SHARE WARRANTS**

**40.** The Company may issue share warrants subject to, and according the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fees as the Board may from time to time require, issue a share warrant.

**41.**

(a) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.

(b) Not more than one person shall be recognized as a depositor of the share warrant.

(c) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

**42.**

(a) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notices from the Company.

(b) The bearer of a share warrant be entitled in all other respects to the same privilege and advantages as if he were named in the register of members as the holder of the shares included in the warrant, and shall be a member of the Company.

**43.** The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

**ALTERATION OF CAPITAL**

**44.**

(a) The Board may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such class of share as may be specified in the resolution.

(b) Subject to the provisions of the Act, the Company is hereby authorised to buy-back the Company's shares or other specified securities out of its free reserves or its securities premium account or from the proceeds of any shares or other specified securities; Provided that no buy-back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or the same kind of other specified securities.

**45.** The Company may, by ordinary resolution:

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum, subject, nevertheless, to the provisions of Section 61 of the Companies Act, 2013;

(c) cancel any shares which, at the date of passing of the resolution, have not been taken by any person; and

(d) subject to the provision of the Act and other applicable provision of law, the Company may issue shares; either equity or any other kind with non-voting rights and the resolution authorizing such issue shall prescribe the terms and conditions of that issue.

**46.** The Company may, by special resolution, reduce in any manner and with, and subject to any incident and consent required any law:

(a) its share capital;

(b) any capital redemption reserve account;

(c) any share premium account; or

(d) buy back its own shares.

**PROCEEDINGS AT GENERAL MEETING**

**47.** The Company shall, in addition to any other meetings hold a General Meeting which shall be called as its Annual General Meeting, at the intervals and in accordance with the provisions of the Act. All general meetings including annual general meetings shall be convened by giving at least twenty-one days notice to share holders.

However, a general meeting may be called after giving a shorter notice with the consent of shareholders as provided in section 101 of the Companies Act, 2013.

**48.** The Board may, whenever it thinks fit, call an Extra ordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.

**49.** No business shall be transacted at any general meeting unless a quorum of members is present as provided in Section 103 of the Act.

**50.** The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company. If there is no such Chairman, or he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their members to be the Chairman of the meeting. If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes the time appointed for holding the meeting, the members present shall choose one of their members to be the Chairman of the meeting.

#### **ADJOURNMENT OF MEETING**

**51.**

(a) The Chairman 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.

(b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

**52.** In case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or ay which the poll is demanded, shall be entitled to a second or casting vote.

#### **VOTES OF MEMBERS**

**53.** Subject to any rights or restrictions for the time being attached to any classes of shares:

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, voting rights of members shall be as laid down in Section 47 of the Companies Act, 2013.

A member may exercise his vote at a meeting by electronic means in accordance with the Section 108 of the Companies Act, 2013 and shall vote only once.

**54.** In case of joint holders, the vote of the senior who tenders the vote, whether in a person or by proxy, shall be accepted to the exclusion of votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

**55.** 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.

**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.**

(a) 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.

(b) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

**58.** The instrument appointing proxy and the power of attorney or other authority, if any under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not later than 48 hours the time for holding the meeting at which the person named in the instrument proposes to vote and in the default the instrument of proxy shall not be treated as valid.

**59.** An instrument appointing proxy shall be in either of the forms in the Act or a form as near thereto as circumstances admit.

**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 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 limitation 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 at which the proxy is used.

### **DIRECTORS**

**61.**

(a) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three and not be more than fifteen.

(b) The above named Directors of the Company shall hold the office as per the provisions contained in these articles and as per the provisions of the Act.

(c) The following persons are the First Directors of the Company.

(i) Mr. S. L. Evans

(ii) Mr. R. Pinto

(iii) Mr. AFADeSouza

(iv) Mr. S.F. DeMello Anslekar

(v) Dr. E R DeMello

**62.** The remuneration of the Directors who are in whole time employment of the Company may be paid remuneration either by way of monthly payment or at specified percentage of the net profits of the Company or partly by one way and partly by the other.

**63.** The Directors need not hold any qualification Shares.

**64.**

The office of a director shall become vacant in case-

ii) he incurs any of the disqualifications specified in section 164;

iii) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;

iv) he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;

v) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;

vi) he becomes disqualified by an order of a court or the Tribunal;

vii) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:

Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;viii) he is removed in pursuance of the provisions of this Act;

viii) he is removed in pursuance of the provisions of this Act;

ix) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

**65.** The Directors shall have power at any time and from time to time, to appoint any person other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time. Each such Additional Director shall hold office only up to the date of the next following Annual General Meeting, or the

last date on which the annual general meeting should have been held, whichever is earlier, but shall be eligible for appointment by the Company at that meeting as a Director.

**66.** The Directors may elect one of them to the office of the Chairman/ chairperson of the Board of Directors and determine the period for which he/she is to hold office.

**67.** At every Annual General Meeting of the Company, one third of such of the Directors, for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Independent, Nominee, Special and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions if any, of the Act. Subject to Section 152 of the Act, the directors, liable to retire by rotation, at every annual general meeting, shall be those, who have been longest in office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot.

**68.** A Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act.

**69.** A Director or his relative, firm in which such Director or relative is a partner, or another partner in such firm or a private company of which the Director is a member or Director, may enter into any contract with the Company for the sale, purchase or supply of any goods, materials, property or services or for underwriting the subscription of any shares in or debentures or other securities of the Company, provided that the sanction of the Board and the previous approval of the shareholders, if and as may be required, shall be obtained in accordance with Section 188 of the Act.

**70.** Subject to the provision of the Act, and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to a financing company or body or a financing corporation or credit corporation or a bank or any insurance corporation (each such financing company or body of financing corporation or credit corporation or any insurance corporation is hereinafter referred to as "Financial Institution") out of any loans granted by the Financial Institution to the Company or so long as the Financial Institution holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding the financing institution shall have a right to appoint from time to time, its nominee/s as a director or directors (which director or directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office the Nominee Director/s so appointed, and the time of removal and also in the case of death or resignation of the Nominee Director/s appointed at any time appoint any other person/persons in his/her place and also fill any vacancy which may occur as a result of such director/ceasing to hold office for any reasons whatsoever; such appointment or removal shall be made in writing on behalf of the Financial Institution appointing such nominee Director/s and shall be delivered to the Company at its Registered Office.

**71.** The Nominee Director/s shall not be required to hold any qualification shares in the Company to qualify him/them for the office of a director/s nor shall he/they be liable to retirement by rotation. The Board of Directors of the Company shall have no power to remove from the office the Nominee Director/s appointed, subject to aforesaid, the said nominee directors/s shall be entitled to the same rights and privileges and to subject to the same obligations as any director of the Company.

**72.** The Nominee Director/s so appointed shall hold the office only so long as any moneys remain owing by the Company to the Financial Institution or so long as Financial Institution holds debentures in the Company as a result of subscription or private placement or so long as the Financial Institution holds shares in the Company as a result of undertaking or direct subscription or the liability of the Company arising out of any guarantee, is outstanding and the Nominee Director/s so appointed in exercise of the said powers shall vacate such office, immediately the moneys owing by the Company to the Financial Institution is paid off or on the Financial Institution ceasing to hold debenture/shares in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Financial Institution.

**73.** The Nominee Director/s appointed under this Article shall be entitled all notice and attend all general meetings and Board meeting and meeting of the committee of which the Nominee Director/s is/are member/s as also the minutes of such meeting. The Financial institution shall also be entitled to receive all such notice and minutes.

**74.** The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled. Provided that the Nominee Director is an officer of the bank/ financial institution from where company has availed financial assistance. The sitting fees in relation to such Nominee Director shall accrue to the relevant bank/ financial institution. The Company shall pay any expenses that may be incurred by the bank/ financial institution or such Nominee Director/s in connection with his/her appointment of directorship. The bank/financial institution shall be entitled to depute, observer or to attend the meeting of the Board or any other Committee constituted by the Board.

**75.** The Nominee Director/s shall notwithstanding anything to the contrary contained in these Articles, be at liberty to disclose any information obtained him/them to the Financial Institution appointing him/them as such Director/s.

**76.** Subject to the provisions of the Act and of these Articles, the Board of Directors may from time to time appoint one or more person/s to be Managing Director or Managing Directors (in which expression shall be included a Joint Managing Director) or Whole-time Director or Whole time Directors of the Company for such term not exceeding five years at a time as they may think fit and upon such terms and conditions as the Board may think fit and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. Subject to the provisions of the Act and to the approval of the Company in General Meeting, if required by the Act, the remuneration of a Managing Director or Whole-time Director shall from time to time be fixed by the Board of Directors and may be by way of fixed salary, perquisites, benefits or commission on profits of the Company, or by participation in any such profit or by any or all of these modes or any other mode not expressly prohibited by the Act.

**77.** Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:

He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.

Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.

**78.** Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.

**79.** Subject to the superintendence, control and direction of the Board of Directors, the day to day management of the Company may be entrusted to the Director or Directors with power to the Board to distribute such day to day functions among such Directors, if more than one, in any manner as directed by the Board, or to delegate such power of distribution to any one of them. The Board of Directors may from time to time entrust to and confer upon a Managing Director or WholetimeDirector for the time being, save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such powers for such time and to be exercised for such objects and purposes and upon such terms and



conditions and with such restrictions as they think expedient and they may subject to the provisions of the Act and these Articles confer upon such powers either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

**80.** Subject to provision of Section 161 of the Companies Act, 2013, the Board of Directors may appoint an Alternate Director to act for a Director (hereinafter called the original Director) during the absence of the original Director for a period of not less than 3 months from the state in which the meetings of the Board are ordinarily held. An Alternate Director so appointed shall vacate office if and when the original Director return to the state in which the meetings of the Board are ordinarily held. If the term of the office of the original Director is determined before he so returns to the state aforesaid any provision for the automatic reappointment of retiring Director in default of another appointment shall apply to the original and not to the Alternate Director.

**81.** A Director may receive remuneration by way of fee not exceeding such amount as may be permissible under the Rules for attending each meetings of the Board or Committee thereof; or of any other purpose whatsoever as may be decided by the Board. The Directors shall also be paid their travelling; lodging and boarding expenses and such further remuneration (if any) as may be decided from time to time.

### **PROCEEDINGS OF THE DIRECTORS**

**82.**

(a) The Directors may meet either in person or through video conferencing, capable of recording and recognizing the participation of the directors, for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year, provided that there is no gap of more than 120 days between two such meetings. The Directors may adjourn and otherwise regulate their meetings, as they think fit.

The provisions relating to notice, agenda, quorum and minutes stated hereinafter shall mutatis mutandis apply to the meetings held through such videoconferencing.

(b) The Secretary as and when directed by any Director to do so or any one of the directors shall, convene a meeting of the Board by giving a notice in writing to every other Director. Notice in writing of every meeting of the Board shall be given to every Director for the time being in India, and at his address in India to every other Director and his alternate.

**83.**

(a) Subject to Section 174 of the Act the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two directors, present in person or attending through video-conferencing, whichever is higher, provided that where at any time the number of interested directors exceeds or is equal to two thirds of the total strength the number of the remaining director that is to say, the number of directors who are not interested shall be the quorum during such time provided such number is not less than two. Provided that any Director participating through video conferencing shall attend in person at least one Board Meeting in 12 months period.

(b) If a meeting of the Board could not be held for want of a quorum then, the meeting shall stand adjourned to the same time and day next week, which is not a National Holiday, or such other date and time as may be fixed by the Chairman.

**84.**

(a) The Board may elect the Chairman of its meeting and determine the period for which he is to hold the office.  
(b) If no such Chairman is elected, or if at any meeting the Chairman 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 the Chairman of their meeting.

(c) Question arising at any meeting of the Board shall be determined by a majority of votes of the directors present, and in case of an equality of votes, the Chairman has a second or casting vote.

**85.**

(a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or numbers of its body as it thinks fit.

(b) Any committee so formed shall, in the exercise of the power so delegated, confirm to any regulation that may be imposed on it by the Board.

(c) A committee may elect a Chairman of its meetings. If no such Chairman is elected, or if at any meeting the Chairman is not present within minutes after the time appointed for meeting, the members present may choose one of their members to be the Chairman of the meeting.

(d) Question arising at any meeting of the committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman has a second or casting vote.

**86.** All acts done by any meeting of the Board or of a committee thereof or by any person acting as a Director, shall notwithstanding that it may be afterward 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 one of them were disqualified, be as valid as if every Director or such person had been duly appointed and was qualified to be a Director.

**87.** No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board, or a Committee, as the case may be), and to all other Directors or Members of the Committee at their usual address in India and has been approved by such of the Directors or Members as are then in India, or by a majority of such of them, as are entitled to vote on the resolution. Subject to the provisions of the Act

**88.** The Board shall have power to pay such remuneration to Director for his services, whole time or part time, to the Company or for services of a professional or other nature rendered by him as may be determined by the Board. If any Director, being willing shall be called upon to perform extra services or to make any special executions in going to or residing at a place other than the place where the office of the Company is situated or where such Director usually resides, or otherwise on the Company's business then the Board shall have power to pay to such Director such remuneration as may be determined by the Board.

**89.** Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a managing Director may be paid remuneration by way of commission if the Company so resolves.

**90.** The Directors may, from time to time, at their discretion raise or borrow for the purpose of the Company's business such of money as they think fit. The Directors may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the Company, present and future including the uncalled capital or by the issue, at such price as they may think fit, of bonds or debentures of debentures-stock, either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other way as the Directors may think expedient.

**91.** Subject to the provisions of the Act, the Board of Directors of the Company shall be entitled to exercise all such powers, give all such consents, make all such arrangements, be nearly do all such acts and things as are or shall be by the said Act, the Memorandum of Association or by the Articles of Association of the Company or authorized to be exercised, given, made or done by the Company and are not thereby expressly directed or required to be exercised, given, made or done by the Company in General Meeting, but subject to such regulations being (if any) not inconsistent with the said provisions as from time to time may be prescribed by the Company in General Meeting provided that no regulation so made by the company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulations had not been made. Save as provided by the said Act or by these presents and subject to the restrictions imposed by Section 179 of the said Act, the Directors may delegate all or any powers by the said Act or by the Memorandum of Association by the Articles of Association of the Company reposed in them.

#### **THE SEAL**

**92.**

(a) The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Directors shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by or under the authority of the

Directors or a Committee of Directors previously given and every deed or other instrument to which the Seal of the Company is required to be affixed shall, be affixed in the presence of at least one Director or the Manager or the Secretary or such other person as the Board/Committee of the Board may appoint for the purpose, who shall sign every instrument to which the Seal is so affixed in his presence.

(b) The Company shall also be at liberty to have an official seal in accordance with the provisions of the Act, for use in any territory, district or place outside India.

#### **DIVIDENDS AND RESERVES**

**93.** The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

**94.** 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.

**95.**

(a) The Board may, before recommending any dividends, set aside out of the profits of the Company such as it thinks proper 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 provisions 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 investment ( other than shares of the Company) as the Board may, from time to time, think fit.

(b) The Board may also carry forward any profits that it may think prudent not to divide, without setting them aside as a reserve.

**96.**

(a) Subject to the rights of the persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and be paid according to the amounts paid or credited as paid on the shares in respect whereof, the dividend is paid, but if so long and nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purpose of these regulations as paid on the share.

(c) All dividends shall be apportioned and paid proportionally to the amounts paid or credited as paid on the shares during any proportion or proportions 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 shares rank for dividend accordingly.

**97.** 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.

**98.**

(a) Any dividend, interest or other moneys payable in cash in respect of shares maybe paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case 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.

(b) Every such cheque or warrant shall be made payable to the order of the person whom it is sent.

**99.** Any one of two or more joint holders of a share may give effectual receipt for any dividends, bonuses or other moneys payable in respect of such share.

**100.** Notice of any dividends that may have declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

**101.** (a) No dividends shall bear interest against the Company.

(b) There would be no forfeiture of unclaimed dividends before the claim becomes barred by law

## ACCOUNTS

**102.** The Company shall keep at its Registered Office or at such other place in India as the Board thinks fit proper Books of Account in accordance with Section 128 of the Act with respect to:

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
- (b) all sales and purchases of goods by the Company.
- (c) the assets and liabilities of the Company

**103.** Where the Board decides to keep all or any of the Books of Accounts at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.

**104.** Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns, made up to date at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's Books of Accounts are kept as aforesaid.

**105.** The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions. The books of Account and other books and papers shall be open to inspection by any Director during business hours.

**106.** The Directors shall from time to time, in accordance with Section 128, 129 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting such Balance Sheets, Statement of Profits and Loss, Cash Flow Statement and Reports as are required by these sections.

**107.** Subject to the provisions of Section 131, with the prior approval of Tribunal, the Directors shall, if they consider it to be necessary and in the interest of the Company, be entitled to amend the Audited Accounts of the Company and their Report of any financial year which have been laid before the Company in General Meeting. The amendments to the Accounts and such Report effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval.

**108.** Subject to the provisions of Section 136 of the Act, a copy of every such Statement of Profit and Loss, Balance Sheet and Cash Flow Statement (including the Auditors' Report and every other document required by law to be annexed or attached to the balance sheet) shall at least 21 days before the meeting at which the same are to be laid before the members, be sent to the members of the company, to every trustee for the holders of any debentures issued by the company, whether such member, or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such members or trustees, being persons so entitled.

## CAPITALISATION OF PROFITS

**109.**

(a) The Company in general meeting may, upon the recommendation of the Board, resolve:

- (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve account, or to the credit of the profit and loss account, or otherwise available for distribution; and
- (ii) that such sum be accordingly set free for distribution amongst the members who would have been entitled thereto, if distributed in the way of dividend and in the same proportions.

(b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 108(c), either in or towards:

- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (ii) 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; and
- (iii) partly in the way specified in sub clause (i) and partly in that specified in sub clause (ii).

- (c) 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; or
- (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

**110.**

- (a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- i) make all appropriations and application of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and.
  - ii) generally do all acts and things required to give effect thereto.

- (b) The Board shall have full power:

(i) to make such provision, by issue of fractional certificates or by payment in cash or otherwise, as it thinks fit, for the case of shares or debentures becoming distributable in fraction; and

(ii) to authorize any person, on behalf of all the members entitled thereto, to enter into an agreement with the Company providing for the allotment to such members, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to the capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.

**AUDIT**

**111.** Subject to the provision of Section 139 of the Companies Act, 2013.

- (a) The Auditors, whether statutory, branch or internal, shall be appointed and their rights and duties shall be regulated in accordance with the provisions of the Act and the Rules made thereunder.
- (b) Once at least in every year accounts of the Company shall be audited and correctness of the final accounts be ascertained by one or more Auditor or Auditors.
- (c) Every account of the Company when audited and approved by general meeting shall be conclusive.

**DOCUMENTS AND NOTICE**

111. A document or notice may be served or given by the Company on any Member either personally or by sending it by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed.

112. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document or notice, provided, that where a Member has intimated to the Company in advance that documents or notices should be sent to him by registered post with or without acknowledgment due or under any other permissible mode and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a Notice of a meeting at the expiration of forty eight hours (48) after the letter containing the document or notice is posted and in any other cases, at the time at which the letter would be delivered in the ordinary course of post.

**113.** A document or notice advertised in a newspaper circulating in the neighborhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

**114.** A document or notice may be served or given by the Company on or to the joint-holders of a share by serving or giving the document or notice on or to the joint-holder named first in the Register of Members in respect of the share.

**115.** A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by ending it through the post in prepaid letter addressed to them by name or by the title of

representatives of the deceased, or assignee of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

**116.** Documents or notices of every General Meeting shall be served or given in same manner hereinbefore authorised on or to (a) every Member, (b) every person entitled to a share in consequence of the death or insolvency of a member, (c) the Auditor or Auditors for the time being of the Company, and (d) Directors of the Company.

**117.** Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share shall be bound by every document or notice in respect of such share, which previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such share.

**118.** A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed:

Provided that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode.

**119.** Any documents or notice to be served or given by the Company may be signed by director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.

#### **WINDING UP**

**120.** The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit.

#### **INDEMNITY AND RESPONSIBILITY**

**121.** Subject to the provisions of the Act, every Director, Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all 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 discharged or in connection with any application under Section 463 of the Act in which relief is granted to him by the Court.

**122.** Every officer, auditor and agent for the time being of the Company and every trustee for the time being acting in relation to any affairs of the company shall be indemnified and secured harmless out of the assets and the profits of the company against all action, cost, charges, losses, damages and expenses which any such officer, auditor, agent or trustee may incur or sustain by reason of any contract entered into or act or thing done, concurred in or omitted by him as such officer, auditor, agent or trustee or in any way in or about the discharge of his duties or supposed duties otherwise than in respect of any negligence, default, misfeasance, breach of duty or breach of trust of which he may be guilty in relation to his company.

**123.** The heirs, executors and administrators of every one of the aforesaid officer, auditor, agents and trustees shall be entitled to the benefits of the indemnities set forth in clause (a) and (b) of this Article.

#### **SECRECY**

**124.** Every Director, Manager, Auditor, Treasurer, Trustee, member of a committee, officer, servant, agent, accountant, or other person employed in the business of the Company shall, if so required by the Board, before entering upon his duties sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come

to his knowledge in the discharge of his duties except when required so to do by the Directors or by law orb the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

**125.** No member shall be entitled to visit or inspect any work of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's secret process or any other matter which is or may be in the nature of a trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

**SECTION X: OTHER INFORMATION****MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus delivered to the Registrar of Companies, Mumbai, Maharashtra for registration, and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from 10.00 am to 5.00 pm on Working Days from the date of this Prospectus until the Issue Closing Date.

**A Material Contracts to the Issue**

1. Issue Agreement dated March 14, 2019 entered into among our Company and the Lead Manager.
2. Registrar Agreement dated February 25, 2019 and the addendum to the agreement dated March 18, 2019 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated March 29, 2019 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated March 26, 2019 entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement/Sponser Agreement dated March 25, 2019 between our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated March 22, 2019 and the addendum to the agreement dated April 09, 2019 entered between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated March 22, 2019 and the addendum to the agreement dated April 09, 2019 entered between our Company, the Lead Manager and the Underwriter.

**B Material Documents**

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation dated December 29, 1951 issued by the Registrar of Joint Stock Companies, Bombay, duplicate copy of Certificate of Incorporation dated February 07, 1990 and Fresh Certificate of Incorporation dated March 13, 2019 issued by the Registrar of Companies, Mumbai, Maharashtra consequent upon conversion of the Company to Public Company.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated March 14, 2019 and March 14, 2019, respectively, authorizing the Issue and other related matters.
4. Copies of the Audited Financial Statements of our Company for the Stub Period ended October 31, 2018 and for the year ended March 31, 2018, March 31, 2017 and March 31, 2016
5. Copy of Restated Financial statements for the Stub Period ended October 31, 2018 and for the year ended March 31, 2018, March 31, 2017 and March 31, 2016 and Auditors Report on Restated Financials dated March 25, 2019.
6. Copy of the Statement of Special Tax Benefits dated March 15, 2019 as included in this Prospectus from the Statutory Auditor M/s Anay Gogte & Co., Chartered Accountants.
7. Consents of Bankers to our Company, Bankers to the Issue, Sponser Bank, the Lead Manager, Market Maker, Underwriter, Registrar to the Issue, Legal advisor, Promoters of our Company, Directors of our Company, Chief Financial Officer and Company Secretary and Compliance Officer and Statutory Auditor.
8. Board Resolutions dated March 15, 2019 for approval of Draft Prospectus and dated April 22, 2019 for approval Prospectus, respectively.
9. Due Diligence Certificate from Lead Manager dated March 15, 2019 to be filed with SEBI.
10. In-principle approval from BSE vide letter dated April 11, 2019 to use their name in the Prospectus for listing the Equity Shares on the BSE SME.

Any of the contracts or documents mentioned in this 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 Equity Shareholders, subject to compliance with applicable law.



**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
<b>Nelson Lionel Fernandes</b> <i>Managing Director</i> <i>DIN: 00985281</i>	Sd/-
<b>Iyleen Matilda Fernandes</b> <i>Whole Time Director</i> <i>DIN: 01322540</i>	Sd/-
<b>Ivor Anthony Desouza</b> <i>Chairman &amp; Non-Executive Director</i> <i>DIN: 00978987</i>	Sd/-
<b>Anil Vasudev Kamath</b> <i>Independent Director</i> <i>DIN: 07940476</i>	Sd/-
<b>Frederick Joseph Vaz</b> <i>Independent Director</i> <i>DIN: 08380402</i>	Sd/-

**SIGNED BY CHIEF FINANCIAL OFFICER:**

Sd/-  
**Rajkumar Mohan Keswani**  
*Chief Financial Officer*

**SIGNED BY COMPANY SECRETARY AND COMPLIANCE OFFICER:**

Sd/-  
**Deepak Y Patil**  
*Company Secretary and Compliance Officer*

Date: April 22, 2019  
Place: Mumbai