DRAFT PROSPECTUS
Dated: February 21, 2018
Please read Section 26 & 32 of the Companies Act, 2013
100 % Fixed Price Issue

ARIHANT INSTITUTE LIMITED

(Formerly known as Arihant Institute Private Limited) Corporate Identity Number: U80301GJ2007PLC050413

Our Company was originally incorporated on March 30, 2007 as "Arihant Institute Private Limited" vide Registration no. 050413 (CIN: U80301GJ2007PTC050413) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later, our Company was converted into Public Limited Company and consequently the name of our Company was changed from "Arihant Institute Private Limited" to "Arihant Institute Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on January 22, 2018 and a fresh certificate of incorporation dated February 01, 2018 issued by the Registrar of Companies, Gujarat, Ahmedabad. For details of the changes in our Name and Registered Office, please see section titled *"**History and Certain Corporate Matters**"* on page 158 of this Draft Prospectus.

Registered Office: 2, Navinpark Society, Near. Muncipal School No.4, Sardar Patel Colony Road, Naranpura, Ahmedabad - 380 013, Gujarat, India.
Contact Person: Mrs. Falguni Dhrumil Shah (Company Secretary & Compliance officer) **Tel No:** 079- 27683113 ,
E-mail: cs@arihantinstitute.com **Website:** www.arihantinstitute.com
Promoter of our Company: Mr. Sandip Vinodray Kamdar, Mr. Vinodray Keshavlal Kamdar, Mrs. Maduben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar.

THE ISSUE

PUBLIC ISSUE OF 25,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH OF ARIHANT INSTITUTE LIMITED ("OUR COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF RS. 30/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 20/- PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO Rs.750 LAKHS ("THE ISSUE"), OF WHICH 1,32,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR A CASH PRICE OF RS. RS. 30/- PER EQUITY SHARE, AGGREGATING TO RS. 39.60 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 23,68,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. 30/-PER EQUITY SHARE AGGREGATING TO RS. 710.40 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.58% AND 25.18%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 253 OF THIS DRAFT PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH AND THE ISSUE PRICE IS RS. 30/-. THE ISSUE PRICE IS 3 TIMES OF THE FACE VALUE.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 (THE "SEBI ICDR REGULATIONS"), AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATIONS, 2009, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "ISSUE PROCEDURE" BEGINNING ON PAGE 263 OF THIS DRAFT 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 providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For further details, please refer to section titled "Issue Procedure" beginning on page no. 263 of this Draft Prospectus.

The Copy Of This Prospectus Has Been Delivered For Registration To The Registrar Of Companies As Required Under Section 26 Of Companies Act, 2013

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 263 of this Draft Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares of the Company is `10.00 per equity share and the Issue Price is 3 times of the face value. The Issue Price (has been determined and justified by our Company in consultation with the Lead Manager as stated under the paragraph **'Basis for Issue Price'** on page 100 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL 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 investment. Investors are advised to read the "Risk Factors" carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered 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 this Draft Prospectus. **Specific attention of the investors is invited to the section titled *'Risk Factors'* beginning on page 19 of this Draft Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of Bombay Stock Exchange of India Limited ("BSE" i.e. "BSE SME PLATFORM"). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended, we are not required to obtain an in-principle listing approval for the shares being offered in this issue. However, our Company has received an in-principle approval letter dated [●] from BSE Limited for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
MONARCH NETWORTH CAPITAL *wealthcare redefined*	KARVY Computershare
MONARCH NETWORTH CAPITAL LIMITED, **Address** - Monarch House, Opp., Ishwar Bhuvan, Commerce Six Road, Navrangpura, Ahmedabad - 380009. **Tel. No. –** 079 – 6600 0754/ 2666 6754 **Website:** https://www.mnclgroup.com/ **Email:** shivam.patel@mnclgroup.com **Investor Grievance Email:** mbd@mnclgroup.com **Contact Person:** Mr. Shivam Patel **SEBI Regn. No.** MB/ INM000011013	**KARVY COMPUTERSHARE PRIVATE LIMITED** **Address:** Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 India **Tel. No.:** 040-67162222 **Fax No.:** +91 23001153 **E-mail:** einward.ris@karvy.com **Investor Grievance Email:** arihant.ipo@karvy.com **Website:** www.karisma.karvy.com **Contact Person:** Mr. M Murali Krishna **SEBI Registration No.:** INR000000221

ISSUE PROGRAMME

ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

Contents

SECTION I – GENERAL ***2***
DEFINITIONS AND ABBREVIATIONS 2
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION 15
FORWARD LOOKING STATEMENT 17
SECTION II – RISK FACTORS ***19***
SECTION III – INTRODUCTION ***37***
SUMMARY OF INDUSTRY 37
SUMMARY OF BUSINESS 41
SUMMARY OF FINACIALS 44
THE ISSUE 48
GENERAL INFORMATION 49
CAPITAL STRUCTURE 58
SECTION-IV PARTICULARS OF THE ISSUE ***87***
OBJECTS OF THE ISSUE 87
BASIC TERMS OF THE ISSUE 95
BASIS FOR ISSUE PRICE 100
STATEMENT OF TAX BENEFITS 103
SECTION V – ABOUT THE ISSUER COMPANY ***113***
INDUSTRY OVERVIEW 113
BUSINESS OVERVIEW 135
KEY INDUSTRY REGULATIONS AND POLICIES 150
HISTORY AND CERTAIN CORPORATE MATTER 158
OUR MANAGEMENT 163
OUR PROMOTERS & PROMOTER GROUP 179
OUR GROUP COMPANIES 186
DIVIDEND POLICY 193
SECTION VI - FINANCIAL INFORMATION OF THE COMPANY ***194***
AUDITORS REPORT ON RESTATED FINANCIAL STATEMENT 194
STATEMENT OF FINANCIAL INDEBTNESS 220
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULT OF OPERATIONS 221
SECTION VII – LEGAL AND OTHER INFORMATION ***230***
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS 230
GOVERNMENT AND OTHER APPROVALS 233
SECTION VIII – ISSUE RELATED INFORMATION ***253***
TERMS OF THE ISSUE 253
ISSUE STRUCTURE 260
ISSUE PROCEDURE 263
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES 319
SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION ***321***
SECTION X – OTHER INFORMATION ***337***
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION 337
DECLARATION 339

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft 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, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

The words and expressions used in this Draft 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 Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections "Statement of Tax Benefits", "Financial Information of the Company" and "Main Provisions of Articles of Association" on pages 103,194.and 321, respectively, shall have the meaning ascribed to such terms in such sections.

General Terms

Terms	Description
"AIL", "the Company", "our Company" and Arihant Institute Limited	Arihant Institute Limited, a company incorporated in India under the Companies Act 1956 having its Registered office at 2, Navinpark society, Near Municipal School No. 4, Sardar Patel Colony Road, Naranpura, Ahmedabad - 380013 Gujarat, India
"we", "us" and "our"	Unless the context otherwise indicates or implies, refers to our Company
"you", "your" or "yours"	Prospective investors in this Issue

Company Related Terms

Terms	Description
AOA / Articles / Articles of Association	Articles of Association of Arihant Institute Limited, as amended from time to time.
Auditors/ Statutory Auditors	The Auditors of Arihant Institute Limited being M/s A J Parekh & Associates, Chartered Accountants, Mumbai.
Audit Committee	The Committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015
Bankers to the Company	The State bank of India, Ahmadabad, Gujarat
Board of Directors /the Board / our Board	The Board of Directors of Arihant Institute Limited, including all duly constituted Committees thereof.
CIN	Corporate Identification Number.
Chief financial Officer	The Chief financial Officer of our Company being Mr. Rushiraj Zaverbhai Patel
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Falguni Dhrumil Shah
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Terms	Description
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company.
Group Companies	The word "group companies", wherever they occur, shall include such companies as covered under the applicable accounting standards and also other companies as considered material by the board of the company as disclosed in "Our Group Companies" promoted by the Promoters on page 186 of this Draft Prospectus.
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Independent Director	A non-executive &independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being – [●]
IT Act	The Income Tax Act,1961 as amended till date
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled "Our Management" on page 163 of this Draft Prospectus.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Arihant InstituteLimited as amended from time to time.
Non Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being NGST & Associates, Chartered Accountants, Mumbai.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	Shall mean promoters of our Company i.e. Mr. Sandip Vinodray Kamdar , Mr. Vinodray Keshavlal Kamdar, Mrs. Madhuben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(zb) of the SEBI (ICDR) Regulations as enlisted in the section titled "Our Promoters and Promoters Group" beginning on page 179 of this Draft Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	2, Navinpark society, Near Municipal School No. 4, Sardar Patel Colony Road, Naranpura, Ahmedabad - 380013 Gujarat, India
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.

Terms	Description
Restated Financial Information	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information, as at and for years ended March 31, 2013, 2014, 2015, 2016, 2017 and upto 31st January, 2018 together with the annexure and notes thereto as disclosed in chapter titled "Financial Information of the Company" beginning on Page 194 of this Draft Prospectus.
RoC/Registrar of Companies	Registrar of Companies, Ahmedabad, Gujarat
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Shareholders	Holders of Equity Shares of our Company from time to time
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscriber to MOA & AOA being Mr. Sandip Vinodray Kamdar and Mr. Vinodray Keshvlal Kamdar
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Stakeholders Relationship Committee	Stakeholder's relationship committee of our Company constituted in accordance with Regulation 20 of the SEBI (LODR) Regulations and Companies Act, 2013.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(zn) of the SEBI Regulations

ISSUE RELATED TERMS

Terms	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares pursuant to the Public Issue.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an applicant as proof of registration of the Application.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Allottee (s)	A successful applicant to whom the Equity Shares are allotted
Applicant/Investor	Any Prospective Investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Prospectus.
ASBA Account	Account maintained by the ASBA Investor with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Investor.
ASBA Application Location (s)/ Specified Cities	Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat
Bankers to the Company	State Bank of India, Ahmedabad, Gujarat
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful applicants under the Issue and which is described in the chapter titled "Issue Procedure" beginning on page 263 of this Draft Prospectus.
Broker Centres	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE	Bombay Stock Exchange
BSE SME	The SME platform of BSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter X-B of the SEBI ICDR Regulations.
Business Day	Monday to Friday (except public holidays)
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the	Such branches of the SCSBs which coordinate with the LM, the Registrar to

Terms	Description
SCSBs	the Issue and the Stock Exchange.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, and Occupation and Bank Account details.
Depository / Depositories	A depository 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.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of the Draft Prospectus.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/. Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. 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. www.bseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated Date	On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
Designated Intermediaries/Collecting Agent	An SCSBRs.s with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depositary Participant, 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	Monarch Networth Capital Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Designated Stock Exchange	Bombay Stock Exchange (SME Exchange) ("BSE SME Platform")
DP	Depository Participant
DP ID	Depository Participants Identity number.
Draft Prospectus	Draft Prospectus dated February 21, 2018 issued in accordance with Section 32 of the Companies Act, 2013.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs.10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs 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 Draft Prospectus

Terms	Description
	constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depositary participants.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
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 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.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering
Issue Agreement	The Agreement dated February 09, 2018 between our Companyand LM
Issue Closing Date	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Opening Date	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Applicants can submit their Applications, including any revisions thereof.
Issue Price	The price at which Equity Shares will be issued by the Company in terms of this Draft Prospectus i.e. Rs. 30per share.
Issue Size	The Public Issue of 25,00,000 Equity Shares of Face Value of Rs. 10/- each for Cash at a Price of Rs. 30 Per Equity Share (Including a Share Premium of Rs. 20per Equity Share) aggregating to Rs.7,50,00,000.
Lead Manager/LM	Lead Manager to the Issue, in this case being Monarch Networth Capital Limited, SEBI Registered Category I Merchant Bankers.
Market Making Agreement	The Market Making Agreement dated February 09, 2018 between our Company, Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of 1,32,000 Equity Shares of Rs.10/- each at an Issue price of Rs. 30- each aggregating to Rs.39,60,000 to be subscribed by Market Maker in this Issue.

Terms	Description
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 23,68,000 equity Shares of Rs.10/-each at a price of Rs. 30 per Equity Share (the "Issue Price"), including a share premium of Rs. 20 per equity share.
Non-Institutional Investors	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than Rs.2,00,000/-
Other Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBRs.s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Prospectus	The prospectus to be filed with the RoC in accordance with Section 32 of the Companies Act, containing, *inter alia*, the Issue Price will be determined before filing the Prospectus with RoC.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the Designated Date.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs.25.00 Crore; a pension fund with minimum corpus of Rs.25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Karvy Computershare Private Limited.
Registrar Agreement	The agreement dated December 12, 2017, entered into between 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.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members"(except Syndicate/Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on *http://www.bseindia.com/membership/content/cat_of_mem.htm*

Terms	Description
	http://www.nseindia.com/membership/content/cat_of_mem.htm
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).
Reservation Portion	The portion of the Issue reserved for category of eligible Applicant as provided under the SEBI (ICDR) Regulations, 2009
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
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
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Self Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and Issue services of ASBA, including blocking of bank account, a list of which is available http://www.sebi.gov.in/pmd/scsb.pdf
SME Exchange	SME Platform of the BSE
SEBI(PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Share Escrow Agreement	The Share Escrow Agreement dated [●] between our Company, Lead Manager and Escrow Agent.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
Underwriters	The LM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated February 09, 2018 entered between the Underwriter, LM and our Company.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
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.
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Issue Opening Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

Technical and Industry Related Terms

Terms	Full Form
WEO	World Economic Outlook
JEE-Main	Joint Entrance Exam – Main
MOOCs	Many Massive Open Online Courses
JEE-Advanced	Joint Entrance Exam-Advanced
AIPMT	All India Pre-Medical Test
AIIMS MBBS	All-India Institute of Medical Science MBBS
CLAT	Common Law Admission Test
LSAT	Law School Admission Test
NATA	National Aptitude Test in Architecture
CMA	Cost Management Accountant
CS	Company Secretary
CA	Chartered Accountancy
SAT	Scholastic Assessment Test
CAT	Common Admission Test
GMAT	Graduate Management Admission Test
GRE	Graduate Record Examinations
GERs	Gross Enrolment Ratios
I.P.C.C.	Integrated Professional Competence Course
CPT	Common Proficiency Test
ACCA	Association of Chartered Certified Accountant
CPA	Certified Public Accountants
CFA	Chartered Financial Analyst
FRM	Financial Risk Manager

ABBREVIATIONS

Abbreviation	Full Form
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate

Abbreviation	Full Form
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository ParticipantRs.s Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	"Foreign Portfolio 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.
FTP	Foreign Trade Policy, 2009
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and

Abbreviation	Full Form
	Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GJ	Gujarat
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
MD	Managing Director
Mn	Million
M.P.	Madhya Pradesh
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MOA	Memorandum of Association
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit

Abbreviation	Full Form
	& Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
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 from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
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.
VAT	Value Added Tax
w.e.f.	With effect from

Abbreviation	Full Form
YoY	Year over Year

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "Main Provisions of the Articles of Association", "Statement of Tax Benefits", "Industry Overview", "Regulations and Policies", "Financial Information of the Company", "Outstanding Litigation and Material Developments" and "Part B" of "Issue Procedure", will have the meaning ascribed to such terms in these respective sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

Certain Conventions

All references in the Draft Prospectus to "India" are to the Republic of India. All references in the Draft Prospectus to the "U.S.", "USA" or "United States" are to the United States of America.

In this Draft Prospectus, the terms "we", "us", "our", the "Company", "our Company", "Arihant Institute Limited" and "AIL", unless the context otherwise indicates or implies, refers to Arihant InstituteLimited. In this Draft 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 crore". In this Draft 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 Draft Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Prospectus is derived from our financial statements prepared and restated for the period ended 31st January, 2018, 31 March 2017, 2016, 2015, 2014 and 2013 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2009 included under Section titled "Financial Information of the Company" beginning on page 194 of this Draft Prospectus. Our Company has subsidiaries Company. Accordingly, financial information relating to us is presented on a Standalone basis and consolidate basis. Our fiscal year commences on April 1stof every year and ends on March 31stof every next year.

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 Draft 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 Draft 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 the Draft 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 Peer Review Auditor, set out in section titled "Financial Information of the Company" beginning on page 194 of this Draft Prospectus.

For additional definitions used in this Draft Prospectus, see the section Definitions and Abbreviations on page 321 of this Draft Prospectus. In the section titled "Main Provisions of Articles of Association", on page 321 of the Draft 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 and forecast used throughout the Draft Prospectus was obtained 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.

Although, we believe industry and market data used in the Draft Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled "Basis for Issue Price"on page 100 of the Draft Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

Currency of Financial Presentation and Exchange Rates

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

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Conditions and Results of Operation" on page 19, 135 & 221 in the Draft Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

The Draft Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (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 STATEMENT

This Draft Prospectus includes certain "forward-looking statements". We have included statements in the Draft Prospectus which contain words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward-looking statements". Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. General economic and business conditions in India;
2. Disruption in our manufacturing facilities.
3. Company's ability to successfully implement its growth strategy and expansion plans, and to successfully launch.
4. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
5. Inability to successfully obtain registrations in a timely manner or at all;
6. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
7. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Intensified competition in industries/sector in which we operate;
11. Our ability to successfully implement our growth strategy and expansion plans;
12. Our ability to attract, retain and manage qualified personnel;
13. Failure to adapt to the changing technology in our Educational industry of operation may adversely affect our business and financial condition;
14. 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;
15. Conflicts of interest with affiliated companies, the promoter group and other related parties;
16. Any adverse outcome in the legal proceedings in which we are involved;
17. Our ability to expand our geographical area of operation;
18. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled "Risk Factors"; "Our Business" & and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 19, 135& 221 respectively of the Draft 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.

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

Neither our Company, our Directors, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II – RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. In making an investment decision prospective investors must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

This Draft Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in this Draft Prospectus. These risks are not the only ones that our Company faces. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

*To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled '**Business Overview**' and '**Management's Discussion and Analysis of Financial Conditions and Results of Operations**' beginning on page* 135 *and* 221 *respectively, of this Draft Prospectus as well as the other financial and statistical information contained in this Draft Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled '**Financial Statements**' beginning on page* 194 *of this Draft Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP.*

Materiality

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

1. *Some events may not be material individually but may be material when considered collectively.*
2. *Some events may have an impact which is qualitative though not quantitative.*
3. *Some events may not be material at present but may have a material impact in the future.*

The risk factors are as envisaged by the management along with the proposals to address the risk, if any. Wherever possible, the financial impact of the risk factors has been quantified.

INTERNAL RISK FACTORS

Risks Relating to Our company and Business

1. We face risks and uncertainties associated with the implementation of expansion projects.

Our business plan includes expansion of our Coaching Centers as well as the services and the Courses offered to students in various parts of the country. We propose to establish coaching centers through Lease or on rent basis. However, there is no agreement executed with agencies for the aforesaid purpose. As there is no agreement executed with agencies, any discontinuation of agencies may adversely affect our business.

2. ***Our growth strategies are subject to execution risks that may affect our business, results of operations and prospects.***

Our continued success in the future depends on our ability to implement our growth strategies effectively. Our growth strategies may not succeed due to various factors, including inability to identify opportunities with sufficient growth potential, failure to effectively market our new business initiatives or foresee challenges with respect to our planned business initiatives, failure to maintain quality and consistency in our operations or to ensure due performance of contractual obligations by our business partners or vendors, increase in competition, or other operational difficulties (especially in areas where we have limited or no prior experience).

3. ***Our ability to retain the present number of students serviced by us and attract new students is heavily dependent upon various factors including our reputation and our ability to maintain a high level of service quality. Any failure by us to retain or attract students may impact its business and revenues.***

Our business heavily relies on our reputation as well as the quality and popularity of the services provided by us and our visibility and perception amongst students. It is important that we retain the trust placed by our students on our result oriented approach. We must also continue to attract new students and increase the number of students serviced by us at a consistent rate. We attempt to retain our position by maintaining quality and by our ability to improve and add value to the performance of the students enrolled. This requires constant upgradation of the methodology and study material utilised along with ensuring that our faculty members are adequately equipped to instruct the students. Further, we rely on a variety of advertising efforts tailored to target the student community, such as advertising through print and electronic media, outdoor media, distributing leaflets, displays, brochures, and ambient media, amongst others. Prospective students also gain awareness of our Courses

4. ***Our growth strategy includes evaluating opportunities for strategic alliances, partnerships, investments and acquisitions. If we are unable to successfully identify and integrate acquisitions, our growth strategy, business, results of operations and prospects may be adversely affected.***

We have relied on inorganic growth as a key part of our growth strategy, including for our expansion into new business segments. We may continue to evaluate opportunities for alliances, collaborations, partnerships, investments and acquisitions that meet our strategic and financial return criteria, and to strengthen our portfolio of product, service, content and infrastructure offerings in the education sector.

We may face several risks in relation to entering into strategic partnerships and acquisitions in the future, including, but not limited to, the following:

- we may be unable to identify suitable acquisition or investment targets;
- we may be unable to arrange for adequate financing on commercially reasonable terms or to negotiate commercially reasonable terms for such acquisitions or investments, or we may incur higher than anticipated costs in relation to proposed strategic transactions;
- our due diligence processes may fail to identify all the risks, liabilities and challenges in relation to proposed strategic transactions;
- we may not be able to achieve the strategic purpose of our proposed acquisitions, investments, alliances, collaborations or partnerships;
- we may face difficulties in integrating acquired entities' accounting, management information, human resources and other administrative systems with our own;
- our management may be distracted or strained by the challenges posed by strategic transactions, or related transition and integration activities;
- we may be unable to recruit, train and retain sufficient skilled faculty and other personnel, to successfully operate our growing business, including new and recent business ventures conducted pursuant to our strategic acquisitions, investments, alliances, collaborations or partnerships;

- we may fail to maintain the quality and consistency or sustain compliance and due performance of contractual obligations by our business partners or acquisition targets;

- our relationships with our current and new employees, distributors, dealers, customers and business partners may be strained or impaired, as a result of our inability to successfully integrate an acquisition target;

- we may inherit claims or liabilities, as a result of a strategic acquisition, including claims from erstwhile employees, distributors, dealers, customers, business partners or other third parties; and

- we may face litigation, arbitral or other claims in connection with strategic acquisitions that we are unable to sustain in the manner we had originally contemplated, or that we are required to prematurely terminate on account of operational challenges.

Accordingly, we cannot assure you that our current or future alliances, collaborations, partnerships, investments or acquisitions will prove value accretive to us, and to our shareholders. In the event that any of the risks discussed above, or any other incidental risks should materialize, our growth strategy, business, results of operations and prospects may be adversely affected.

5. Our lenders have charge over Directors immovable properties in respect of finance availed by us.

We have secured our lenders by creating a charge over Directors immovable properties in respect of loans / facilities availed by us from Banks. The total amounts outstanding and payable by us as short term secured loans were Rs. 23,37,533 as on 31st January, 2018 and In the event we may default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the Financial Indebtedness please refer to *"Statement of Financial Indebtedness"* on page no. 220 of this Draft Prospectus.

6. *We have not received 'No Objection Certificate' from few lenders of secured loans to our company.*

We have not received the No Objection Certiticate letter from Kotak Mahindra Bank Limited. Lender may take objection for public offer by putting certain condition to secure their outstanding dues. However our company does not forsee such objection from lenders.

7. We operate in a significantly fragmented and competitive market in each of our business segments and any failure on our part to compete effectively may adversely affect our business, results of operation and prospects.

Competition in the education sector as a whole, as well as in each of our business segments, is generally fragmented. We face significant competition from local or regional players in the business segments and geographical markets in which we operate, and our success depends on our ability to ensure the continued quality, relevance and innovation of our services and products.

In the test preparation and training segment, we face competition in each of the courses that we offer, from large players that have wide coverage across India, including JK Shah Classes, Navkar Institute, as well as regional players. Our test prep business also face significant competition from online content provided through internet websites.

8. If the performance of our students in the examinations does not match their expectations, our reputation may be adversely affected and thereby lead to a loss in our business and revenues.

We are in educational sector and coaching services provider for students of professional courses. In addition to coaching, the individual performance of each student also depends on various factors including personal merit, ability to perform under pressure, physical health and mental state, all of which impacts the rank obtained by the student. The performance of the students enrolled in our Courses in a year determines the success rate of our business for that year. The quality of results of the students trained by us in a particular year impacts the number of enrolments for the future years and consequently our revenues could be adversely affected. Additionally, if

certain students do not complete or drop-out of the Courses in which they are enrolled, their performance in the Examination may be unsatisfactory and this may adversely impact our business and reputation. The satisfaction of the students and quality of the services in terms of the coaching, providing study materials, and Administration of classes benchmarks our service standards. We believe that before enrolling with any coaching services provider, the students consult the previous batch of students who had registered in that Course. Any kind of student dissatisfaction in relation to any of the services, facilities or methods may impact their judgment regarding the quality of services which may adversely impact our reputation and consequently, our business and profitability.

9. ***Our inability to cater to and suitably update and enhance the depth of our course and product offerings may adversely affect our revenues in the teaching segment as well as our publishing and content development business and, thus, our business, results of operations and prospects.***

We are continuing to explore opportunities to increase penetration of our coaching business, by offering an increased number of courses through, and increasing enrolments with, our individual teaching centers. In addition, we are continuing to explore opportunities to expand our distribution network, by setting up new coaching & test prep centers.

We may incur substantial costs in expanding our course and product offerings and market reach, including in relation to due diligence, infrastructure costs, difficulty in recruiting and training faculty and other personnel We cannot guarantee that our course, product and service offerings will be successful, on account of factors within and outside our control, including general economic conditions or our failure to understand and anticipate evolving market demand and trends. The course structure and content for our test prep courses are based on our understanding and experience of past and prevailing patterns and models of various competitive entrance examinations in India. If there are significant changes or emphasis shifts in curriculum, test patterns and models, and we are unable to update, realign and augment our course material and content in a timely and cost-effective manner, or are required to discontinue certain course offerings or titles, our enrolments, revenues and profitability may be adversely affected. We may lose or be required to write off part of our investment in development and promotion of new course or product offerings.

10. ***Our inability to retain core members of our management, as well as qualified and experienced faculty and certain other personnel, or our inability to recruit and train suitable personnel, may adversely affect our business, results of operations and prospects.***

We operate in an industry where the quality of our people is a critical asset. We benefit significantly from the vision, strategic guidance, experience and skills of several key members of our management team, including our individual Promoters and founders, Mr. Sandip Vinodray Kamdar, Mr. Vinodray Keshavlal Kamdar, Mrs. Anjali Sandipbhai Kamdar and Mrs. Madhuben Vinodray Kamdar, supported by the skills, efforts, expertise, continued performance and motivation of our Key Management Personnel and other faculty and personnel.

If any of our Promoters, Key Management Personnel or other key faculty or personnel ceases to be associated with our Company and we fail to recruit suitable replacements in a timely manner, our ability to manage our growth and our business, results of operations and prospects may be adversely affected. We face significant competition in attracting and retaining personnel who possess skill sets we seek for our test prep business. Our faculty and subject experts may join or start competing businesses. Our inability to recruit and retain skilled faculty and personnel on a long-term basis may affect our enrolments, revenues, business, results of operations and prospects.

11. ***Our company's one business segment performance may affect the other business segment performance and performance of the company as a whole.***

Companies usually sell/provide more than one product/ service, each of which is subject to its own market forces. One business segment, its financial conditions, results of operation or growth prospects may be affected by the risks and uncertainties directly or indirectly pertaining to the other business segment. Also, there may be client interdependence between our business segments. As our company deals in different business segments, performance of one business segment may adversely affect the performance of other business segment. And this in turn could affect the performance of the company as whole.

12. ***Our Company has policy of keeping own share of collection as deposit with Franchisee centers in past to the extent of amount spent by franchisee towards infra and set up development.***

Company has entered into franchisee agreement with the commercial terms such as Arihant Institute share of collection shall retained by franchisee centers to the extent of amount invested by them towards infra and set up developments in FY 2013 & 2014. The Said Franchisee agreement were due for renewal after 3 years from the date of signing. The present outstanding with franchisee centers is due for collection Rs. 88,28,481 as on 31st January,2018. Management considers the same as good receivables and classify accordingly in the financial statements as same and shall continue the business with them in near future for E learning and test centers.

13. ***We generate a substantial portion of our revenues from coaching services conducted for the* professional courses*. If, for regulatory or other reasons, we discontinue any of these Courses, our revenues may be adversely affected.***

A significant proportion of our revenues are generated from the coaching services conducted for the professional course. These include coaching services conducted for students of professional courses conducted by the ICSI, ICAI and ICMAI (ICWAI) institutes. The professional course contributed respectively major portion, of our total revenue for that period. Our revenues and growth are heavily dependent upon the number of Students Serviced by us. Future Enrolment of students may vary due to changes in the examination pattern, syllabus or other reasons. Additionally, we may be forced to discontinue any of the courses, partially or completely, due to regulatory or other reasons. This may affect our business and revenues adversely.

14. ***The coaching sector in which we operate is not specifically regulated. However, the central and state governments may change the existing regulations or introduce a new regulatory framework in the future. The impact of such changes or new regulations on the business cannot be ascertained presently and may affect our business adversely in the future.***

Our business presently is not specifically regulated either by any national or state legislations. The central or state governments may, however, change the existing laws or introduce new laws to regulate the education sector or, more specifically, the coaching business in relation to its operations, expansions, fee and other charges. The impact of such regulations on the business cannot be ascertained currently. Such regulations may curtail or impose additional and onerous obligations on our operations and may adversely impact our business. Further, the applicable laws may vary in each state which could restrict our operations to specific states and prevent or slow down our expansion in certain jurisdictions. These factors may result in an increase in operational costs to comply with such legislation and failure to comply may cause adverse impact to our business.

15. ***Financial misappropriation, theft, employee negligence or similar incidents may adversely affect our Results of operations.***

A significant amount of our business operations involve cash transactions, in particular for our coaching & test prep business. Our operations may therefore be subject to incidents of theft or misappropriation. Although we believe we have implemented necessary checks and internal controls, including an ERP system, mandatory receipt issuances to all students as well as SMS and email confirmation of payments received, we could still be subject to employee fraud or theft. there can be no assurance that we will not experience any fraud, financial misappropriation, theft, employee negligence, security lapse or similar incidents in the future, which could adversely affect our results of operations.

Additionally, in case of losses due to theft, fire, breakage or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. If we incur a significant loss due to employee thefts or similar incidents and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have a material adverse effect on our business and results of operations.

16. ***Any disruption in our information technology systems may adversely affect our business, results of operations and prospects.***

We rely heavily on our information technology systems in connection with E learning, E library, online study material & content, enrolments and student identification, accounting and the general running of our day-to-day business. As our operations grow in size and scope, we must continuously upgrade our systems and

infrastructure, while maintaining the reliability and integrity of our systems and infrastructure in a cost-effective manner. Factors such as fires, power outages, telecommunications or technical failures, disruption in internet infrastructure or access due to earthquakes, floods or other natural calamities or adverse weather conditions, acts of war or terrorism, computer viruses, sabotage, break-ins and electronic intrusion attempts from external or internal sources, difficulties in linkages with our students' systems or payment gateway systems may cause system interruptions, delays, security breaches or corruption or loss of critical data, and may prevent us from operating some or all our business for a significant period of time, which could have an adverse effect on our reputation, business, results of operations and prospects.

Remediation may be costly and, although we maintain standard insurance coverage, all our insurance coverages may be subject to standard policy exclusions and subject to a specified ceiling, and we may not have adequate insurance to cover such costs, in part or in while.

17. ***Our success depends significantly on our ability to continue to innovate and implement technological advances. If we are unable to keep pace with evolving technology and user preferences, our business, results of operations and prospects may be adversely affected.***

India's gradual transition from the traditional classroom teaching model to the online model and requirements to digitize content and to supplement our future network of coaching & test prep centres with innovative new Media solutions and technology platforms add an additional dimension to the challenges posed to us by Competitive factors shaping the education sector in which we currently operate.

The success of our online and technology-enhanced delivery modes is significantly dependent on various factors including internet penetration in India, our ability to react to evolving technology and user Preferences, and to innovate and implement technological advances, whether independently or in reliance on independent technology providers. We may not be able to maintain or upgrade our existing systems and solutions, or to introduce new systems and solutions as quickly or as cost-effectively as our competitors, including on account of our inability to renew or replace our service and license arrangements with our independent technology vendors, on a timely or commercially viable basis. Moreover, our arrangements with our independent technology vendors are not currently on an exclusive basis and we may not be able to restrict such vendors from providing their skills and services to our competitors, whether concurrently with their engagement with us or subsequent to their arrangements with us having been concluded or terminated. Online content is typically available to consumers at lower cost than printed books and guides, and is interactive and user-friendly. Any such factors may adversely affect our business, results of operations and prospects.

18. ***We have entered into certain related party transactions and may continue to do so.***

We have entered into related party transactions with our Promoters, its group members/ entities, Directors and other associates. While we believe that all such transactions have been conducted on arm length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we will continue to enter into related party transactions in the near future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For further details regarding the related party transactions, see the disclosure on related party transactions contained in the financial statements included in this Draft Prospectus and, also see the section ―Related Party Transactions‖ on page 213.

19. ***Outstanding Litigations against the company***

(i)	Labour Cases filed against the Company	: NIL
(ii)	Labour Cases filed by the Company	: NIL
(iii)	Civil Cases filed against the Company	: NIL
(iv)	Civil Cases filed by the Company	: NIL
(v)	Criminal cases against the company	: NIL
(vi)	Criminal cases filed by the company	: NIL
(vii)	Notices served on the Company	: Yes
(viii)	Tax related matters	: Yes

Following are the details of the notices served on the company

Income Tax Notice issued to the Company

CIT (TDS), Ahmedabad had issued prosecution notice for Technical offence committed u/s 276 B of Income Tax Act vide Letter - Ref. CIT-TDS/Tech/prosecution/AIL/2016-18/2017 dated 30/03/2017. The above notice were issued for Delay in payment of TDS amount for the FY 2012-13 and to impose penalty for delay in payment of TDS amount as compared with due date. TDS amount delay in payment was Rs. 49,48,411/- which were paid by Company.

Company appeared & Replied relevant facts before the Court in this matter with their letter dated 27th oct 2017.Company subsequently filled compounding process with Chief commissioner of income tax (TDS) Ahmedabad on 1st January,2018 and same matter is pending with CIT. The Company will be liable for the payment of the interest & penalty for the delay in payment of TDS as levied by I.T Authority in the due course as a part of the Process.

Company has paid liability for delay interest but the same amount is in dispute and hence it is not certain on this date.

For further details on the above matter, please refer to the chapter titled ***"Outstanding Litigations"*** beginning on page no. 230 of this Draft Prospectus.

20. ***Any inability on our part or on the part of our licensees to continue to use, or adequately protect, our intellectual property or proprietary data, may adversely affect our business, results of operations and prospects.***

While copyright registration is not a prerequisite under Indian law for acquiring or enforcing a copyright, such registration creates a presumption favouring ownership of the copyright by the registered owner. The remedies available under the Copyright Act for infringement of a registered copyright include damages, accounts of profits, injunction, delivery of infringing copies to the copyright owner, as well as fines and imprisonment.

21. ***Our net income would decrease if we are unable to avail of certain tax benefits in the future, which may adversely affect our financial condition and prospects.***

Government taxation policies can be changed depending on global business scenario and the macro-economic vision of the growth of the country set by government which may lead to decrease if we would not be able to achieve the planned tax benefits based on current scenario.

22. ***Our Registered & Corporate Office and Coaching center from where we operate are not owned by us. If we are required to vacate the same, due to any reason whatsoever, it may adversely affect our business operations.***

Our Registered & Corporate office and Coaching Center from where we operate are not owned by our Company. Our Company has been occupying the premises on lease basis for a period of nine years via agreement dated 30/4/2016 for 9 years from 30/4/2016 to 30/4/2024. Any adverse impact on the title /ownership rights of the owner, from whose premises we operate our registered office and coaching center or breach of the terms / non-renewal of the rent agreements, may cause disruption in our corporate affairs and business and impede our effective operations and thus adversely affect our profitability. For more information, see "Our Business—Properties" on page 146 of this Draft Prospectus.

23. ***Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

(Amt in Rs.)

Particulars	January 31, 2018	For the year ended March 31				
		2017	2016	2015	2014	2013
Net cash from (used in) Operating activities	(76,01,677)	(4,36,679)	(60,60,086)	(1,02,92,114)	35,60,807	57,41,453
Net cash from (used in) Investing activities	0.00	0.00	(51,818)	(1,68,30,499)	(64,50,715)	(27,85,947)
Net cash from (used in) Financing activities	75,92,510	(6,37,883)	64,97,610	2,68,05,848	21,89,274	(56,65,391)
Net Cash Flow	**(9,167)**	**(10,74,562)**	**3,85,706**	**(3,16,765)**	**(7,00,634)**	**(27,09,885)**

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations. For further details please refer to the section titled 'Financial Statements' and chapter titled 'Management's Discussion and Analysis of Financial Conditions and Results of Operations' beginning on page no. 194 and page no. 221 respectively, of this Draft Prospectus**.**

24. ***Our Company and one of our Promoter named Mr. Sandip V. Kamdar have made an application with the Registrar of Trade Marks for registration of the various logo of the company. Any delay in receiving the approval and/or granting registration or in obtaining registration could result in loss of logo & brand equity and the company`s right to use the said logo.***

As on the date of this Draft Prospectus, the application status of trademarks applied by the company and one of our Promoter named Mr. Sandip V. Kamdar are as follows:

Application made on& Ref. number	Trade Mark Own by on approval of TM	Logo \ Trade Mark	Status
Ref No.3701639 13/12/2017	Arihant Institute Pvt. Ltd.	arihant	Under Objection
Ref No.3701503 13/12/2017	Applied in the individual SandipVinodkunar Kamdar. Class :-35	REPHRASE HARVESTING HUMAN RESOURCES	Accepted & Advertised
Ref No.3701504 13/12/2017	Applied in the individual Sandip Vinodkunar Kamdar. Class :-41	COMMERCE CHAMP A Latest Initiative of Arihant Institute	Under Objection
Ref No.3701502 13/12/2017	Applied in the individual Sandip Vinodkunar Kamdar. Class :-41	Brainmopper	Under Objection
Ref No.3701501 13/12/2017	Applied in the individual Sandip Vinodkunar Kamdar. Class :-41	EDU Let's Simplify	Accepted & Advertised

The application is under the process and approval for the registration is pending. Any delay in receiving the registration or rejection in processing the application form for registering the logo or if there is any opposition filed against the trademark application or if we fail to solve the objections raised by the trademark Registry; our company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks

and right to use the said logo, which may affect our brand and in turn adversely affect our business, financial condition, results of operations and prospects.

For further details please refer to the chapter titled 'Government and Other Approvals' beginning on page no.233 of the Draft Prospectus.

25. ***Failure to obtain or renew necessary regulatory approvals by us, or by our business partners, may adversely affect our ability to conduct our current and future business and, accordingly, our results of operations and prospects.***

We, or our business partners, are required to obtain various regulatory and other approvals and registrations for our operations from time to time, including, in the case of our Company, shops and commercial Establishments registrations for coaching & test prep centres operated by us directly, and our registrations with the relevant tax and labour authorities.

Further, we have made application for trademarks in relation to our business with the Registrar of Trademarks. Also see, *"**Government and Other Approvals**"* on page 233.

26. ***Our operations are considerably located in Ahmadabad, Gujarat and failure to expand our operations may restrict our growth and adversely affect our business.***

Currently, we are carrying our business mainly in the Ahmadabad of Gujarat and hence our major revenues are generated from operations in these regions only. Geographical and functional expansion of our business domain requires establishment of adequate network. As we seek to diversify our regional focus, we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers. Our lack of exposure in geographical boundaries outside our operating regions could impact our future revenues, our operating results and financial conditions.

27. ***Our Company always has higher level of debtors and shall increase in future due to Debtors policy for students.***

Company follows debtor policy by giving longer period of credit for payment of fees to students. If any student is not able to pay tuition fees up-front at time of admission then we provide option to the student to make payment of fees after completion of professional course (i.e upon qualification). This policy leads to increase in debtor level above 6 months and to certain students above 12 months due to low passing ratio in professional exam. This may lead to bed debts and impact on profitability and cash flow in future.

Company always supports students from under privilege sections of the society. This is done with appropriate documentation to cover interests of the institute. This policy results in unusually higher proportion of Debtors (Outstanding for more than six months) as compared to the revenues of a financial year. Past experience suggests that debtors outstanding for more than six months on account of the above policy are regularly collected with lower ratio of bad debts as compared to the normal business debtors.

28. ***While we maintain standard insurance cover, any substantial uninsured risks may have an adverse effect on our business, results of operations and prospects.***

While we believe our insurance coverage to be commensurate to a business of our size and nature, our insurance may not be adequate to cover all our risks and liabilities. There may also be certain specific types of risks for which we are not covered, notwithstanding any measures that we may implement to strengthen our back-up systems and contingency plans. Further, there is no assurance that insurance will be generally available in the future or, if available, that the premium will be commercially justifiable.

29. ***Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.***

Our fund requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Furthermore, in the absence of such independent appraisal, or the requirement for us to appoint a monitoring agency in terms of the SEBI ICDR Regulations, the deployment of the Net Proceeds is at

our discretion. We operate in highly competitive and dynamic industry and may have to revise our estimates from time to time on account of changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion.

Further we intend to utilize from the Net Proceeds Rs. 58.18 Lakhs for general corporate purposes. The Net Proceeds of the Offer earmarked for general corporate purposes based on the issue Price constitute 7.80% of the Net Proceeds of the Offer. Also, see "***Objects of the Offer –6. General corporate purposes***" on page 92.

30. We have issued Equity Shares at a price below the proposed issue price during the past 2 years prior to the date of filing the Draft Prospectus

Our Company has issued and allotted Equity Shares at a price which is below the issue price in the past 2 years prior to the date of filing the Draft Prospects. The details of allotment are as follows:

Date of Allotment	No. of shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of Allotment
29/09/2016	8,20,000	10	10	*Cash	Conversion of unsecured Convertible loan into Equity Shares
13/03/2017	3,50,000	10	10	Cash	Conversion of 12% Cumulative Convertible Prefrence Shares in to Equity
27/03/2017	38,30,000	10	10	*Cash	Conversion of unsecured Convertible loan into Equity Shares
04/07/2017	2,00,004	10	22.5	Cash	Right Issue
28/07/2017	133,335	10	22.5	Cash	Right Issue
03/09/2017	66,667	10	22.5	Cash	Right Issue
03/11/2017	40,000	10	25	Cash	Right Issue
27/11/2017	1,10,000	10	25	Cash	Right Issue
12/01/2018	2,80,000	10	25	Cash	Right Issue

**The unsecured loans were converted into Equity Shares on respective dates, which were received in cash through normal banking channel, however at the time of conversion of unsecured loans into Equity Shares the same were discloused as consideration other than cash in the E forms filed by the Company to Registrar of Companies(MCA). Hence for better clarity it has been discloused as consideration in cash in the above table.*

The price at which Equity Shares have been issued in the past 2 years is not indicative of the price at which Equity Shares may be offered in the Issue or at the price at which they will trade upon listing. For further details, please refer to Section titled "Capital Structure" on page no. 58 of this Draft Prospectus.

31. Our Business is Cyclical in nature which is susceptible to the risk of enrolments being lower than expected.

Our business is closely linked to the academic cycle. Generally, last 6-7 months before examination, our Enrolments have been higher. As a result of this, our quarter-on-quarter data regarding enrolments may not be Comparable or a meaningful indicator of our futuristic enrolments. It is possible that in certain quarters our Enrolments may be below expectations or we may not receive enrolments at all. Such analysis of our enrolments on a quarter-on-quarter basis may be perceived as negative indicator of our growth, which may adversely impact market price of our Equity Shares.

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

Our Company has not paid any dividends in the last five Fiscal years. The declaration of dividends in the future will be recommended by our Board of Directors, at its sole discretion, and will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will pay dividends in the future. Additionally, we are restricted by the terms of our debt financing from making dividend payments in the event we default in any of the debt repayment installments.

33. ***Our company has taken secured loan from Kotak Mahindra Bank Limited wherein our promoters are co-borrowers.***

Our company has taken secured loan from Kotak Mahindra Bank Limited amount outstanding as on 31st January, 2018 is Rs. 23.38 lakhs wherein our promoters are co-borrowers. In event of default on the debt obligations, it may adversely affect our Promoters' ability to manage the affairs of our Company and consequently may impact our business, prospects, financial condition and results of operations.

34. ***Delay in raising funds from the IPO could adversely impact the implementation schedule.***

The proposed fund requirement of working capital, as detailed in the section titled "***Objects of the Issue***" is to be partly funded from the proceeds of this IPO. 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.

35. ***The requirements of being a listed company may strain our resources.***

We are not a listed company and have not historically been subject to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the provisions of the Listing Regulations and the listing agreements to be executed with the Stock Exchanges, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management's attention may be diverted from other business concerns, which may adversely affect our business, results of operations and prospects. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge; however, we cannot assure you that we will be able to do so in a timely and efficient manner.

36. ***There is no monitoring agency appointed by our Company and the deployments of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.***

As per SEBI (ICDR) Regulations, 2009 appointment of monitoring agency is required only for Issue size above Rs. 100 Crores. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds.

Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the NSE Limited and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

Further, we propose to utilize the Net Proceeds for purposes identified in the section titled **"*Objects of the Issue*"** and we propose to utilize the Rs. 58.18 Lakhs of the Net Proceeds towards general corporate purposes, namely, brand building exercises and strengthening of our marketing capabilities. The manner of deployment and allocation of such funds is entirely at the discretion of our management and our Board, subject to compliance with the necessary provisions of the Companies Act.

37. We cannot assure you that our equity shares will be listed on the SME platform of BSE Limited in a timely manner or at all, which may restrict your ability to dispose of the equity shares.

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain any in-principle approval for listing of our Equity Shares issued. We have only applied to BSE Limited to use its name as the Stock Exchange in this Offer Document for listing our Equity Shares on the SME Platform of BSE Limited. Permission for listing of the Equity Shares will be granted only after the Equity Shares offered in this Issue have been allotted. Approval from BSE Limited will require all relevant documents authorizing the issuing of the Equity Shares to be submitted to it. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Further, certain procedural and regulatory requirements of SEBI and the Stock Exchanges are required to be completed before the Equity Shares are listed and trading commences. Trading in the Equity Shares is expected to commence within 6 Working Days from the Issue closing Date. However, we cannot assure you that the trading in the Equity Shares will commence in a timely manner. Any failure or delay in obtaining the approvals would restrict your ability to dispose off your equity shares.

38. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analysis of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

39. Our Company has entered into MOU for Purchase of Property situated at Ashram Road, Ahmedabad, Gujarat.

Our Company has entered into MOU for Purchase of Property situated at Ashram Road, Ahmedabad, Gujarat. The MOU has been entered between our company and M/s Yogeshwar Enterprise on 5th January, 2018 for purchase of Property situated at Unit no. 302, 3rd Floor, Virnagar Society, Ashram Road, Ahmedabad, Gujarat. We have paid Rs. 40,00,000 as advance against the total amount of Rs. 76,30,000 for the purchase of the above said property. Our company has started due process for acquisition of the said property however any delay in said process or failure to acquire same property may delay our plan to set up new coaching facilities and in turn which may adversely affect our business of operation and financial results.

40. Our Content and Recorded Lecture may be out dated and obsolete due to change in syllabus and course program.

Company has invested and developed the recorded lecture and content for various subjects in CA \ CS and Management program. The investment is considered as intangible assets in our books. In future any change in syllabus and study material by relevant authority, this shall need amendment and updatetion on regular interval. It may lead to obsolete of content is overall change in course.

41. We have made delay in relation to regulatory filings to be made with the RoC.

Our Company for the Financial year 2016-17, 2015-16 and 2014-15 has made delay in filing form AOC-4 and MGT-7 with Registrar of Companies, Ahmedabad. Our Board of directors and management continuously endeavour to maintain good corporate governance standards & principles.

The due date for filing in the F.Y. 2016-17 for both the returns were November 28, 2017, but the Company has filed Form MGT-7 (For Annual return of F.Y.2016-17) and Form AOC-4 (For financial statements of F.Y.2016-17), with Registrar of Companies, Ahmedabad on 12th January, 2018 and same as in the F.Y. 2015-16 the due date for filing both the returns were November 29, 2016, but Our Company has filed Form MGT-7 (For Annual return of F.Y.2015-16) and Form AOC-4 (For financial statements of F.Y.2015-16) on 23rd November, 2017 with Registrar of Companies, Ahmedabad. In the F.Y. 2014-15 the due date for filing both the returns were November 29, 2015, but Our Company has filed Form MGT-7 (For Annual return of F.Y.2015-16) and Form AOC-4 (For financial statements of F.Y.2015-16) on 23rd August, 2017 with Registrar of Companies, Ahmedabad are available on public domain (www.mca.gov.in).

We cannot predict the effect of such late filings made by our Company and this may lead to certain difficulties and/or contingences however the same shall not have any major adverse impact on the business and growth of our Company.

42. ***Our Group companies have not filed the annual return and financial statement with Registrar of Companies, Ahmedabad. Further, Our Promoters i.e. Sandip Vinodray Kamdar, Vinodray Kishanlal Kamdar, Madhuben Vinodray Kamdar and Anjali Sandipbhai Kamdar have been Disqulified to act as "Director" under Section 164(2)(a) of Companies Act, 2013 due to such non filling.***

Our Group company Arihant Press Private Limited was incorporated as on 9th January, 2014 and the company has not filed annual Filing forms i.e. MGT-7 (For Annual return) and Form AOC-4 (For financial statements), with Registrar of Companies, Ahmedabad for the F. Y. 2014-15, F.Y. 2015-16 and F.Y. 2016-17.

Our Group company Aadi Corpoway Private Limited has filed Annual Filing forms i.e. MGT-7 (For Annual return) and Form AOC-4 (For financial statements), with Registrar of Companies, Ahmedabad for the F. Y. 2014-15, F.Y. 2015-16 and F.Y. 2016-17.

We cannot predict the effect of such late filings made by our Company and this may lead to certain difficulties and/or contingences however the same shall not have any major adverse impact on the business and growth of our Company.

Since our both the Group companies have not filed the the annual return and financial statement with Registrar of Companies, Ahmedabad, our promoters i.e. Sandip Vinodray Kamdar, Vinodray Kishanlal Kamdar, Madhuben Vinodray Kamdar, Anjali Sandipbhai Kamdar have been disqualified to act as director under section 164(2)(a) of Companies Act, 2013.

The details of group companies of the company are included in the Chapter in '***Our Promoter Group And Group Companies / Entities'*** beginning on page 186 of this Draft Prospectus.

EXTERNAL RISK FACTORS

43. ***Our business is dependent on economic growth in India.***

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. For example, in the monsoon of 2009 several parts of the country experienced below average

rainfall, leading to reduced farm output which impaired economic growth. In the past, economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

44. The nationalized goods and services tax (GST) regimes implemented by the Government of India have impact on our operations

The Government of India has from July 01, 2017 has implemented the Goods and Service Tax a comprehensive national goods and service tax (GST) regime that combines taxes and levies by the Central and State Governments into a unified rate structure. GST of 18% (9 – SGST plus 9 – CGST) has replaced the earlier service tax of 14.5% This has caused an increased tax burden on the Company, which on passing of the tax burden to the end customer may result in an increase in the quantum of fees charged from students, which may also affect our competitiveness and the demand for coaching. Further, impact of GST on the cost of inputs applied towards services rendered by the Company may result in a further hike in the fees.

45. Financial Instability and disruptions in Indian financial markets could materially and adversely affect our results of operations and financial condition.

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

Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

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

The company is subject to various regulations and policies. For details see section titled "Key Industry Regulations" beginning on page no. 150 of this Draft Prospectus. The company`s current businesses and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that it will succeed in obtaining all requisite regulatory approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which could have a material adverse affect on the business, financial condition and results of operations.

47. Our business is subject to a significant number of tax regimes and changes in legislation governing the rules implementing them or the regulator enforcing them in any one of those jurisdictions could negatively and adversely affect our results of operations.

The revenues recorded and income earned is taxed on differing bases, including net income actually earned, net income deemed earned and revenue-based tax withholding. The final determination of the tax liabilities involves the interpretation of local tax laws as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Changes in the operating environment, including changes in tax laws, could impact the determination of the tax liabilities of our Company for any year.

48. Natural calamities and force majeure events may have a negative impact on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods and drought in the past few years. These natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Further prolonged spells of deficient or abnormal rainfall or other natural calamities in the future could have a negative impact on the Indian economy, adversely affecting our business and the price of the Equity Shares.

49. Terrorist attacks, civil unrests and other acts of violence in India and around the region could adversely affect the markets, resulting in loss of consumer confidence and adversely affect the business, results of operations, financial condition and cash flows.

Terrorist attacks, civil unrests and other acts of violence or war in India and around the region may adversely affect worldwide financial markets and result in a loss of consumer confidence and ultimately adversely affect the business, results of operations, financial condition and cash flows. Political tensions could create a perception that an investment in Indian companies involves higher degrees of risk and on the business and price of the Equity Shares.

50. In future the company may depend on banks and financial institutions and other sources for meeting its short and medium term financial requirements.

Any delay in the disbursal of funds from these bodies can act as a bottleneck to the project execution capabilities and thereby its results of operations. The company cannot assure that it will be able to do so on commercially reasonable terms. Any increase in interest expense may have a material adverse effect on its business prospects, financial condition and results of operations.

51. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the Industry contained in the Draft Prospectus.

While facts and other statistics in the Draft Prospectus relating to India, the Indian economy and the Industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled *'Our Industry'* beginning on page no. 113 of the Draft Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

52. Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on the SME Platform of BSE could adversely affect the trading price of the Equity Shares.

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

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

54. ***Last but not the least, Equity Investment per-se is itself a Risk Investment***.

The Stock Market is affected by numerous factors both controllable and non-controllable affected by any market either domestic or international. For instance, the recent financial crisis developed in Greek and the collapse of the Chinese Stock Market affected adversely to the Indian Stock Market as well as all other Stock Markets Internationally. The said developments also affected currency markets all over the world. The commodity market was also not spared from such developments. Hence investors are advised to make their own judgement depending upon their risk appetite and invest wisely in stock market.

Prominent Notes:

1. Public Issue Of 25,00,000 Equity Shares of Face Value of Rs.10/- each of Arihant Institute Limited ("AIL" or "Our Company" or "The Issuer") for Cash at a Price of Rs. 30/- Per Equity Share ("Issue Price") aggregating to Rs. 750 Lakhs, of which 1,32,000 Equity Shares of Face Value of Rs. 10./- each at a price of Rs. 30/- aggregating to Rs. 39.60 Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion") and Net Issue to Public of 23,68,000 Equity Shares of Face Value of Rs. 10/-each at a price of Rs. 30/- aggregating to 710.40 Lakhs (hereinafter referred to as the "Net Issue") The Issue and the Net Issue will constitute 26.58% and 25.18 % respectively of the Post Issue paid up Equity Share Capital of Our Company.

2. This Issue is being made for at least 25 % of the post-issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2) (b) (i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price issue 'the allocation' is the net issue to the public category shall be made as follows:
   a. Minimum fifty percent to retail individual investors; and
   b. Remaining to:
      (i). Individual applicants other than retail individual investors; and
      (ii). Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
   c. The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

3. The Net worth of our Company as on 31st January, 2018, 31st March, 2017, 31st March, 2016, 31st March, 2015, 31st March, 2014 and 31st March, 2013 was Rs. 569.97 Lakhs, Rs. 360.17 Lakhs, Rs. (116.11) Lakhs, Rs. 28.41 Lakhs Rs. 1.69 lakhs and Rs. 147.96 lakhs respectively. For more information, see the section titled *"Financial Information of the Company"* beginning on page no. 194 of this Draft Prospectus.

4. The NAV per Equity Share, based on Standalone Restated Financials of our Company as on 31st January, 2018 was Rs. 8.35/-, March 31, 2017 was Rs. 6.00/-, March 31, 2016 was Rs. (8.60)/- , March 31 2015 was Rs. 2.10/-

March 31, 2014 was Rs. 0.17 and March 31, 2013 was Rs. 14.80 per equity share .For more information, see the section titled "Financial Information of the Company" beginning on page no. 194 of this Draft Prospectus.

5. The average cost of acquisition of Equity Shares by our Promoters is set out below:

NAME OF OUR PROMOTER	NUMBER OF EQUITY SHARES HELD	AVERAGE COST OF ACQUISITIONS
Sandip Vinodray Kamdar	15,51,115	10.37
Vinodray Keshavlal Kamdar	10,80,000	10.00
Madhuben Vinodray Kamdar	13,25,000	8.68
Anjali Sandipbhai Kamdar	11,20,000	7.81

As certified by our Statutory Auditor vide their certificate dated, February 20, 2018. For Further details, please refer to "Capital Structure" on page no. 58 of this Draft Prospectus.

6. We have entered into various related party transactions with related parties including various Promoter group entity for the period ended 31st January, 2018, year ended 31st March, 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March, 2013. For nature of transactions and other details as regard to related party transactions section titled "*Financial Information of the Company" -Annexure 14- Statement of Related Parties Transactions, as Restated"* on page no. 213 of this Draft Prospectus.

7. No Group companies have any business or other interest in our Company, except as stated in section titled "*Financial Information of the Company - Annexure 14- Statement of Related Parties Transactions, as Restated"* on page no. 213 and "*Our Promoters and Group Entities"* on page no. 179 and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.

8. Our Company was incorporated as Arihant Institute Private Limited on 30th March, 2007 under the provisions of Companies Act, 1956 with Registrar of Companies, Gujarat, Ahmadabad vide registration no. (CIN:U80301GJ2007PTC050413). Pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on 22nd January, 2018 our Company was converted into a Public Limited Company and the name of our Company was changed to "Arihant Institute Limited" vide a fresh Certificate of Incorporation dated 01st February, 2018 issued by the Registrar of Companies, Ahmadabad, Gujarat.
   For details of change in our name, please refer to Section titled *"History and Certain Corporate Matters"* on page no.158 of this Draft Prospectus.

9. Our Company, Promoters, Directors, Promoter Group have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI nor they have been declared as willful defaulters by RBI / Government authorities. Further, no violations of securities laws have been committed by them in the past or pending against them.

10. Investors are advised to see the paragraph titled "*Basis for Issue Price"* beginning on page no. 100 of this Draft Prospectus.

11. The Lead Manager and our Company shall update this Draft Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Draft Prospectus and commencement of trading.

12. Investors are free to contact the Lead Manager i.e. ***Monarch Networth Capital Limited*** for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.

13. In the event of over-subscription, allotment shall be made as set out in paragraph titled *"Basis of Allotment"*

beginning on page no. 277 of this Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.

14. None of our Promoters, 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 Draft Prospectus.

15. The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our Company held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapter titled "*Our Management"* beginning at page no. 163, chapter titled "Our Promoter Group & Promoter Group Entities" beginning at page no. 179, and chapter titled "Financial Information of the Company" beginning at page no. 194 of this Draft Prospectus.

16. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details, please see *"Financial Information of the Company"* beginning on page no.194 of this Draft Prospectus.
    Trading in Equity shares of our Company for all the investors shall be in dematerialised form only.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section has not been independently verified by us, the Lead Manager or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.

Global Economic Scenario

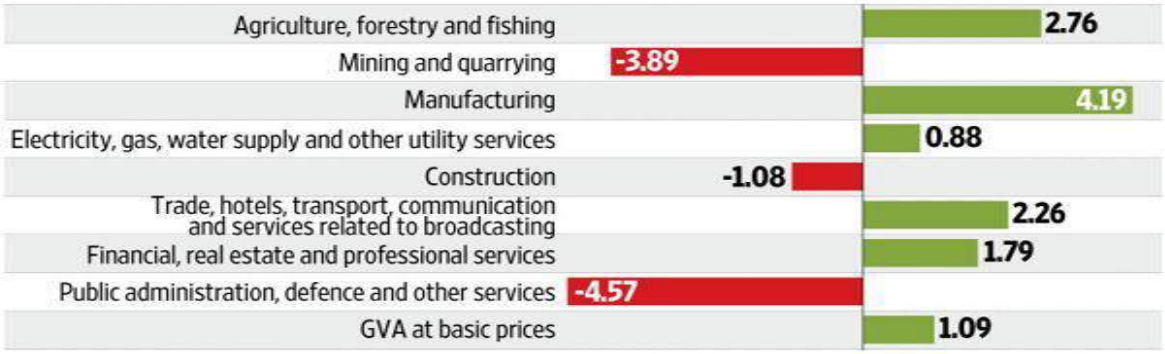
Since the April 2017 meeting of the MPC, global economic activity has expanded at a modest pace, supported by firming growth in major advanced economies (AEs) and in some emerging market economies (EMEs) as well. In the US, a tightening labour market is generating wage gains. Alongside, industrial production has steadily improved in recent months and retail sales remain robust, although home sales ebbed in April. Political risks remain high, however. In the Euro area, the recovery has been underpinned by consistently falling unemployment, rising retail sales and a brighter outlook for manufacturing reflected in purchasing managers' and business surveys. In Japan, exports supported by a depreciated yen and industrial activity are driving an acceleration in growth. Wages and inflation, however, are depressed and holding back domestic demand. Among EMEs, the Chinese economy is stabilising, especially in manufacturing, but financial risks in the form of the credit-fuelled debt overhang could impinge on the outlook

Indian Economic Scenario

The growth of real gross value added (GVA) for 2016-17 has been pegged at 6.6 per cent, 0.1 percentage point lower than the second advance estimates released in February 2017. Underlying the revision is a downward adjustment in services sector growth in Q4 for the constituents of construction, financial and professional services, and real estate. The Ministry of Agriculture (MoA) released its third advance estimates of food grains production, which confirmed the record level of output achieved in 2016-17 and, in fact, revised it upwards to 273 million tonnes.

	'16-17	'15-16
Real GDP growth	7.1%	7.9%
GVA growth	6.7%	7.8%
Real GDP growth in Q3	7.0%	6.9%
GVA growth in Q3	6.6%	7.0%

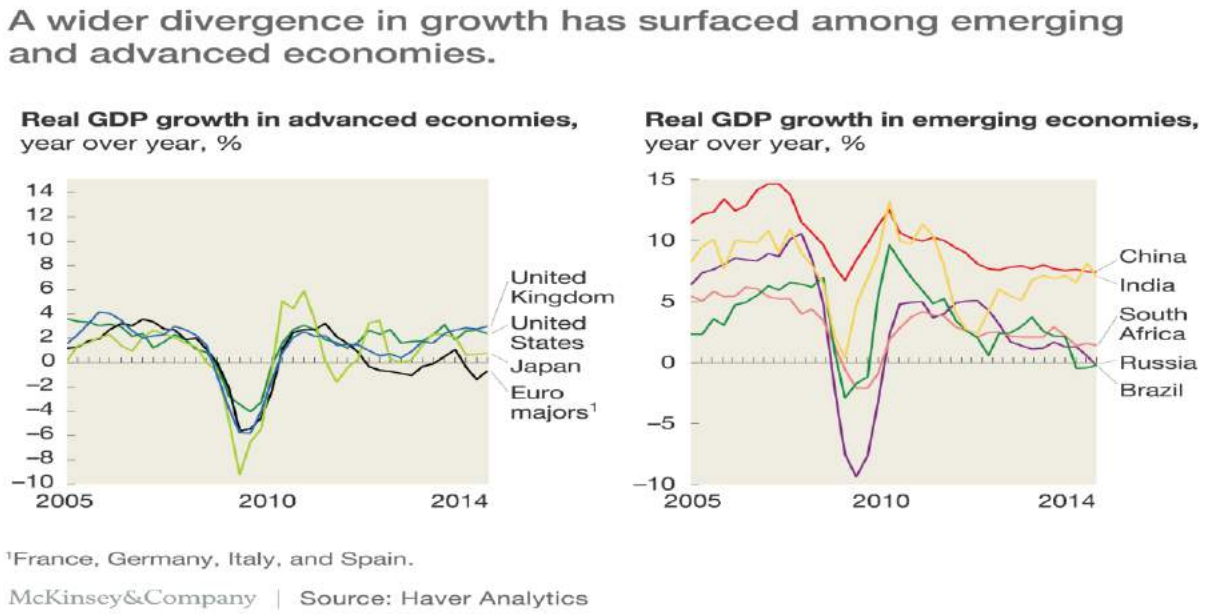
Percentage change between CSO's 1st and 2nd advance estimates of GVA at current prices:



Source: Ministry of statistics and programme implementation

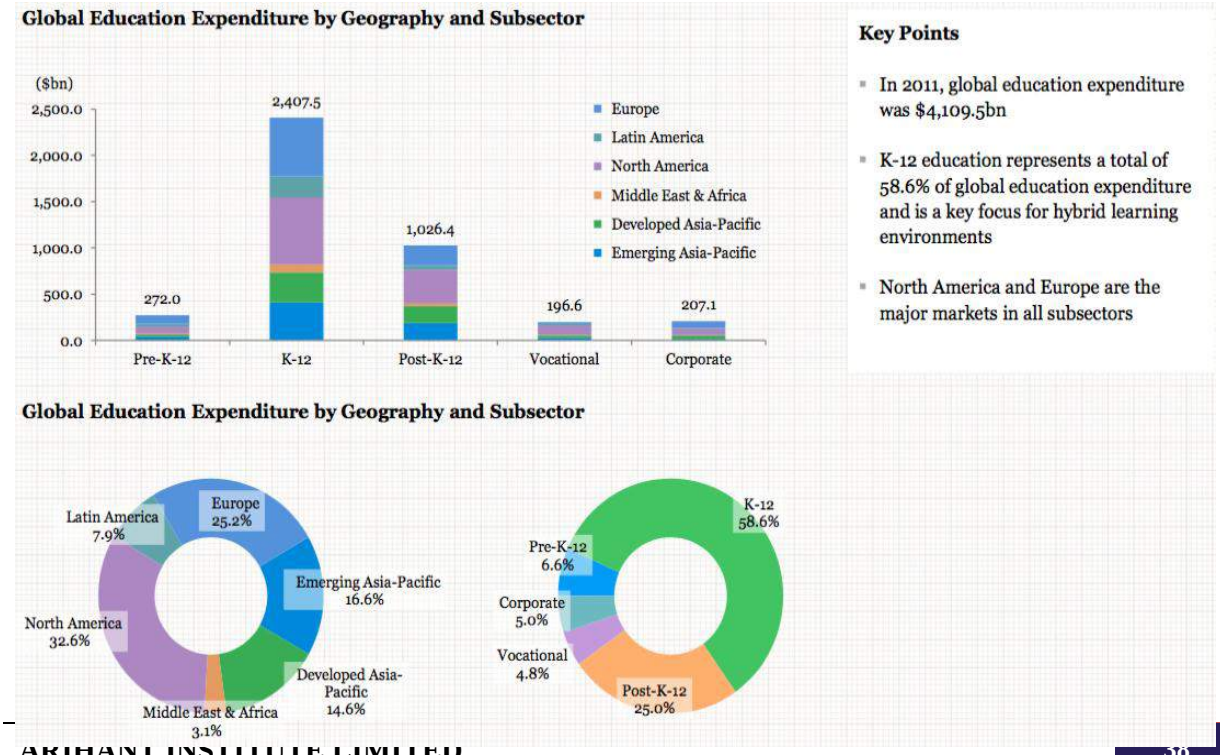
The April reading has imparted considerable uncertainty to the evolving inflation trajectory, especially for the near months. If the configurations evident in April are sustained, then absent policy interventions, headline

inflation is projected in the range of 2.0-3.5 per cent in the first half of the year and 3.5-4.5 per cent in the second half. Risks are evenly balanced, although the spatial and temporal distribution of the monsoon and the government staying the course in effective food management will play a critical role in the evolution of risks.. The implementation of the GST is not expected to have a material impact on overall inflation.

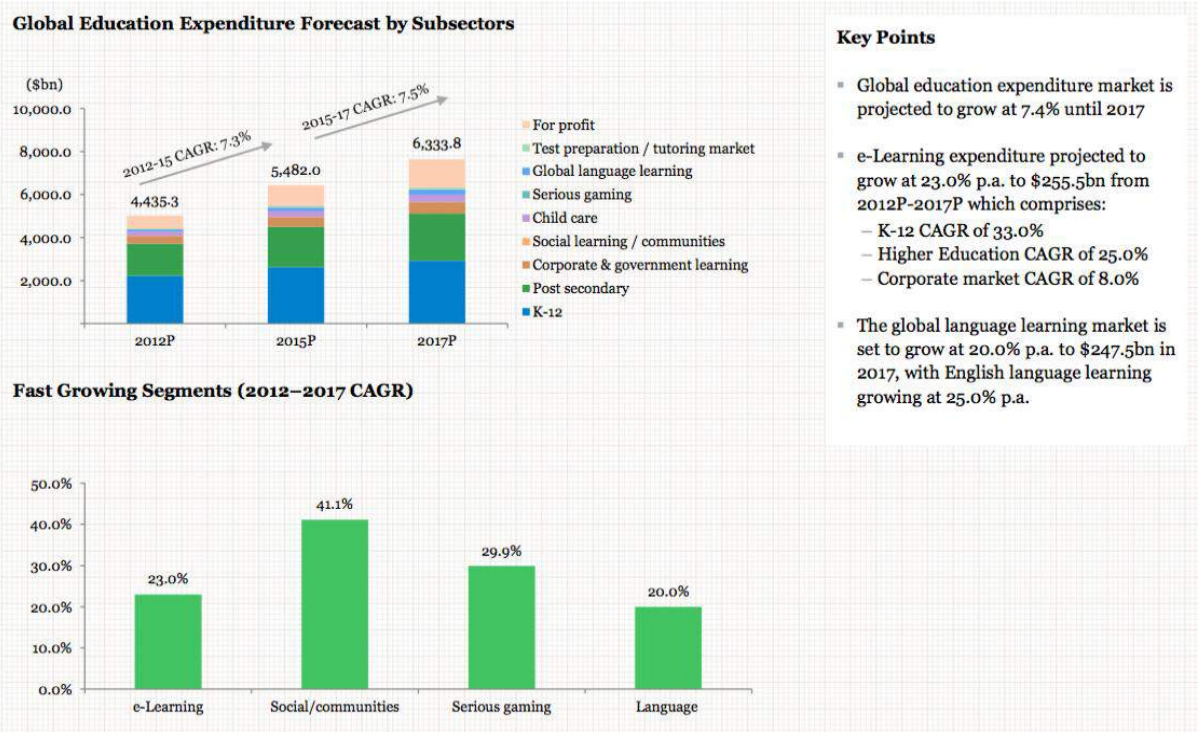


Global Education Industry

According to a study conducted in 2015, Global Industry Analysts, the global private tutoring market is projected to surpass $102.8 billion by 2018. GIA figures state that United States, Europe, and Asia-Pacific (notably Hong Kong, Japan, Singapore, South Korea, and China) are responsible for more than 90% of the global private tutoring market and most importantly South Korea alone is going to reach $19.5 billion - roughly 20% of the entire market.

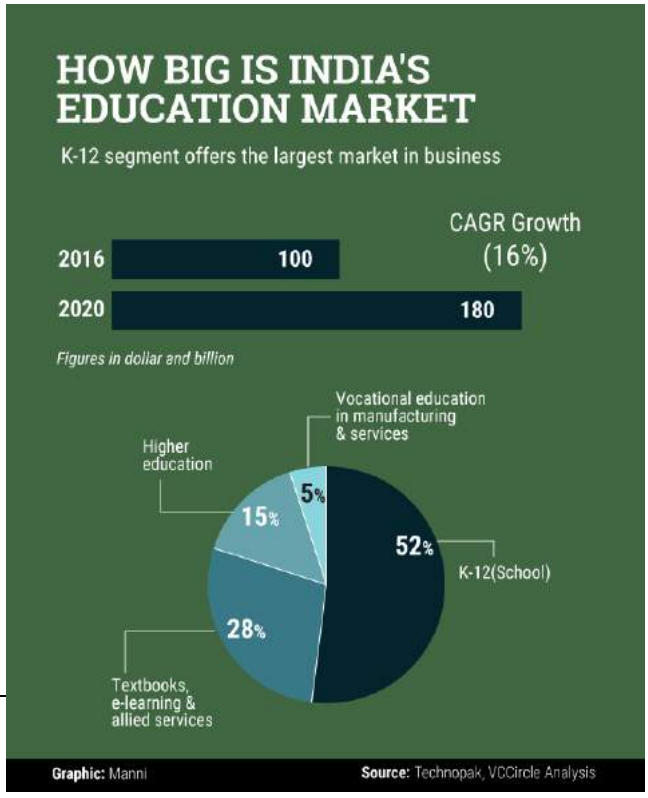


According to a report by Global Market Insights, the global e-learning market was valued at over USD 165 million in 2015 and is expected to grow at over 5% from 2016 to 2023, exceeding USD 240 million. The statistics clearly indicate the growth that this sector has been experiencing, and this trend is expected to continue. Interestingly, the report also forecasts that the e-learning market in the Asia Pacific region, and particularly in India is poised to exhibit the highest growth within this period.In addition, India is leading the way in online tutoring by offering professional linguistic and academic coaching capabilities at an affordable cost.



Indian Education Industry

India holds an important place in the global education industry. The country has more than 1.5 million schools with over 260 million students enrolled and about 751 universities and 35,539 colleges. India has one of the largest higher education systems in the world. However, there is still a lot of potential for further development in the education system. India has become the second largest market for e-learning after the US. The sector is currently pegged at US$ 2 billion and is expected to reach US$ 5.7 billion by 2020. The distance education market in India is expected to grow at a Compound Annual Growth Rate (CAGR) of around 11 per cent# during 2016-2020. Moreover, the aim of the government to raise its current gross enrolment ratio to 30 per cent by 2020 will also boost the growth of the distance education in India.



The education sector in India is poised to witness major growth in the years to come as India will have world's largest tertiary-age population and second largest graduate talent pipeline globally by the end of 2020. The education market in India is currently valued at US$ 100

billion and is expected to nearly double to US$ 180 billion by 2020.* Currently, the school segment is valued at US$ 52 billion and contributes 52 per cent to the education market in India, higher education contributes 15 per cent of the market size, text-book, e-learning and allied services contribute 28 per cent and vocational education in manufacturing and services contributes 5 per cent. Higher education system in India has undergone rapid expansion. Currently, India's higher education system is the largest in the world enrolling over 70 million students while in less than two decades, India has managed to create additional capacity for over 40 million students. It witnesses spending of over Rs 46,200 crore (US$ 6.93 billion).

Private educational coaching Industry in India

Most of these classes run in metros like New Delhi, Mumbai, Kolkata, Hyderabad, Bangalore, and Chennai for civil services, law, C.A. or medical coaching urban towns like Jaipur, Chandigarh and Kota for engineering, Pune for Designing or Management etc. You won't be surprised to know that the proportions of kids relying on tuitions has increased by 100%. And in between 2006 to 2013, secondary school enrolments have also gone up by 92%.

With the increasing peer pressure, majority of parents are forced to rely on private tuitions for in addition to attending classes in school. Over 86% of parents think that they are ill-equipped or lack time to teach their children on their own and here's where coaching classes come handy. The statistics reveal that the middle-class parents have been spending 1/3rd of their monthly on their wards' private tuitions.

SUMMARY OF 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 Draft Prospectus, including the information contained in the section titled '**Risk Factors**', beginning on page no.19 of this Draft Prospectus.*

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled '**Risk Factors**' and the chapters titled* **'Restated*Financial Statement*'** *and '**Management Discussion and Analysis of Financial Conditions and Results of Operations**' beginning on page no.19, 194 and 221 respectively, of this Draft Prospectus.*

Unless the context otherwise requires, in relation to business operations, in this section of this Draft Prospectus, all references to "we", "us", "our" and "our Company" are to Arihant Institute Limited and Group Entities as the case may be.

Overview

Our Company was incorporated as Arihant Institute Private Limited on 30th March, 2007 under the provisions of Companies Act, 1956 with Registrar of Companies, Gujarat, Ahmadabad vide registration no. (CIN:U80301GJ2007PTC050413). Pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on 22nd January, 2018 our Company was converted into a Public Limited Company and the name of our Company was changed to "Arihant Institute Limited" vide a fresh Certificate of Incorporation dated 01st February, 2018 issued by the Registrar of Companies, Ahmedabad, Gujarat. CIN:U80301GJ2007PLC050413.

Our Company was incorporated by our Promoters- Mr. Sandip Vinodray Kamdar , Mr. Vinodray Keshavlal Kamdar, Mrs. Madhuben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar with an aim of running Coaching Institute for Professional courses. As a part of business growth, the Company registered with the Registrar of Companies, Gujarat on 30th March, 2007 as Arihant Institute Private Limited.

Our company engaged in providing coaching & educational guidance for students appearing for professional course – Chartered Accountant, Company Secretary and CMA. We provides the coaching and guidance from Entry level test exam till final exam and covers all the subjects in depth with test series to improve their confidence and overall result.

Our Company operates the educational program and coaching under the Brand Name "Arihant Institute" since inception. With dedicated professors and trained staff, our company has given education to more than 10000 students appeared for professional & Graduates exam. Our student strength has improved and with dedicated efforts of our promoters, from our institute, there were 205 National Rankers in CA Inters and Final Courses, 2000+ Chartered Accountant and 175+ Company Secretary.

Our motto is to impart education with wider horizon to masses with affordable fee structure based on regional and economical consideration. A brilliant alumni base of 10,000+ students has inspired us to cover other courses. Arihant premises spread over 9,500 sq. feet which includes 8 air conditioned class room, well equipped library, canteen, staff room, 2 studios, back-up lab, conference room and large administrative blocks.

The company establishes a good relationship with their students by providing good quality education, which will surely go a long way and benefit the company. The company is backed by a team of highly educated and experienced professionals who have an affinity for providing better education to the students. The company's team has been a major strength as it understands the varied needs students and works accordingly. From providing study material to teaching students in class Arihant Institutes ensures quality of the same

Our institutes is considered as preferred choice for the best professional coaching institute among the students based in, Gujarat & Rajashthan, in the field of Professional Exams like Chartered Accountancy, Company Secretary and other Professional and Foreign Courses. Currently, we have a head office located in Ahmedabad, Gujarat.

Our promoter - CA Sandeep Kamdar, having experience and qualification in professional course, has developed the skill and education techniques for competitive exam and professional course. Our promoters has developed the innovative idea and training program for faculty members and teaching staff. Our strengths lie in continuously updating and upgrading our faculty by virtue of training & development so that they can train to acquire new skills, sharpen existing ones, perform better, increase productivity and be better leaders at their work places. We offer courses & test series which have been systematically designed to provide effective and efficient education to students in simple and lucid manner.

Our promoters has developed the innovative ideas and means to provides education at distance learning by

- Set up centers for live lectures in and around Ahmadabad
- Develop the virtual classroom by providing link to Arihant portal to download & view the lecture
- Provide Connectivity with E library, content of lectures and subject wise material
- Provide the content and recorded lecture to student in Laptop, pen drive and e mail.

Technology and recorded content shall give boost to our company by providing best professors education program on regular basis to students located at any part on India.

Our Promoters, Mr. Sandip Vinodray Kamdar , Mr. Vinodray Keshavlal Kamdar, Mrs. Madhuben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar with their rich experience of more than 20 years, have been prominent is growing the Professional Coaching Institute in a more organized manner thereby expanding their horizon to various sectors. For further information on our business, please refer to "Business Overview" beginning on page no. 135 of this Draft Prospectus.

Our Corporate and Registered office is located at 2, Navinpark Society, Nr. Muncipal School No.4, Nr. Sardar Patel Colony Road, Naranpura, Ahmedabad - 380 013. The premises is on lease basis.

Our Revenues have grown from Rs. 167.10 Lakhs in fiscal 2016 to Rs. 169.20 Lakhs in fiscal 2017. Our net Loss was Rs. 144.52 Lakhs in fiscal 2016 and earned net profit Rs. 11.17 Lakhs in fiscal 2017. Our Revenue for period ended January 31, 2018 is Rs. 114.12 lakhs and net profit after tax is Rs. 12.30 lakhs.

For further details pertaining to our financial performance, please see "Financial Information" beginning on page no. 194 of this Draft Prospectus.

We derive our strengths from following factors:

Experienced promoters and Management Expertise

Our Promoter, Mr. Sandip V Kamdar is Fellow Chartered Accountant and Master of Commerce has been actively involved with the Private Coaching since 20 years for professional courses. He has hence developed immense knowledge of Coaching and its intricate workings.

For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please refer to chapter titled *"Our Management"* beginning on page no. 163 of this Draft Prospectus. We believe that our management team's experience and their understanding of the Coaching Institute will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business.

Quality Assurance

Our promoter has excellent record of providing quality education which makes our company unique from our competitors. In terms of Quality, our company focuses significantly on the experience of coaching staff and quality of material provided to the students to ensure the desired quality is attained.

Unique Brand Positioning

The company believes in providing the students value for their money and provide coaching at an affordable price with a focus on the middle income segment. The company is providing affordable quality education in Gujarat region since many years. Our Company also provides education through E learning & E library program since 2014 which makes our brand unique from other competitors. Our brands give us a broader platform to market our offerings to our students.

Result oriented methods of coaching

Over a period of time, we have developed an effective coaching method and system of imparting conceptual Knowledge which we believe is capable of aiding our students to perform better in examinations. We focus on training our students by enhancing their conceptual knowledge base, enabling them to improve their accuracy levels and speed. We aim at achieving a holistic development of our students and along with academics; we Include activities for personality development, time and stress management and improving communication and Presentation skills. We believe these will provide a competitive advantage to our students over their peers. We have also developed an in-house system to constantly monitor the progress of the students and to identify their special requirements to administer content delivery based on regular feedback from students. With the help of our in-house developed system, we continuously administer faculty allocation and conduct constant reviews for improvement.

Pioneer in coaching Industry

The Coaching industry is largely an unorganized industry. We believe we have pioneered and created a niche for ourselves in this industry by introducing our brand in Satellite & E learning Program. We believe that our brand is synonymous with quality assurance. We have been able to sustain the demand for coaching services by offering a continuous flow of value additions by content creation, E library and online study materials.

Team of professional and experienced coaching staff

Our team has been a major strength as it understands the varied needs of the students and gives training accordingly. Our Coaching staffs are highly educated and have vast experience in coaching industry which enables us to bring quality in our offerings.

SUMMARY OF FINACIALS

STATEMENT OF ASSETS AND LIABLITIES, AS RESTATED

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Equity & Liabilities						
Shareholders' Funds						
Share Capital	68,300,060	60,000,000	13,500,000	13,500,000	10,000,000	10,000,000
Share Application Money						
Reserve & Surplus	(11,303,549)	(23,983,131)	(25,110,620)	(10,659,011)	(9,830,798)	4,795,689
Total (A)	**56,996,511**	**36,016,869**	**(11,610,620)**	**2,840,989**	**169,202**	**14,795,689**
Non Current Liabilities						
Long Term Borrowings	0	8,100,176	52,938,237	42,790,465	19,030,615	9,988,600
Deferred Tax Liabilities (Net)	(671,128)	(366,088)	(56,273)	173,673	(962,930)	1,692,062
Long Term Provisions	0	0	0	0	0	0
Total (B)	**(671,128)**	**7,734,088**	**52,881,964**	**42,964,138**	**18,067,685**	**11,680,662**
Current Liabilities						
Short Term Borrowings	2,337,636	3,118,679	3,360,734	3,773,019	5,879,131	4,717,235
Trade Payables	484,483	4,785,227	7,434,950	7,116,534	7,617,713	11,476,050
Other Current Liabilities	8,455,234	6,738,482	5,436,774	15,410,440	34,076,774	15,534,609
Short Term Provisions	250,000	300,000	0	850,360	850,360	1,520,000
Total (C)	**11,527,250**	**14,942,388**	**16,232,458**	**27,150,353**	**48,423,978**	**33,247,894**
Total (D=A+B+C) - TOTAL LIABILITIES	**67,852,633**	**58,693,345**	**57,503,801**	**72,955,480**	**66,660,865**	**59,724,245**
Assets						
Fixed Assets	29,336,912	30,858,766	32,669,138	34,427,692	19,403,067	14,633,543
Non Current Investments	0	0	0			0
Long Term Loans & Advances	4,060,000	60,000	169,000	813,021	6,720,309	4,758,800
Other Non Current Assets		0	0	0	0	0
Total (E)	**33,396,912**	**30,918,766**	**32,838,138**	**35,240,713**	**26,123,376**	**19,392,343**
Current Assets						
Current Investments	0	0	0	0	0	0
Inventories	487,412	540,296	609,750	609,750	4,409,750	4,849,122
Trade Receivables	21,831,085	17,000,424	12,908,928	19,742,691	23,443,871	22,001,953
Cash & Bank Balances	305,003	314,170	1,388,732	1,003,026	1,319,791	2,020,425
Short Term Loans & Advances	11,828,221	9,919,68989	9,758,253	16,359,300	11,364,077	11,460,402
Other Current Assets	0	0	0	0	0	0
Total (F)	**34,455,721**	**27,774,579**	**24,665,663**	**37,714,767**	**40,537,489**	**40,331,902**
Total (G=E+F) - TOTAL ASSETS	**67,852,633**	**58,693,345**	**57,503,801**	**72,955,480**	**66,660,865**	**59,724,245**

STATEMENT OF REVENUE, AS RESTATED

Particulars	For the Period upto 31st January,2018	As on March 31,				
		2017	2016	2015	2014	2013
Revenue						
I Revenue From Operation						
Income - Educaiton, E learning	11,412,421	16,920,492	16,710,230	38,550,276	60,996,695	86,420,856
II. Other Income						
Total Revenue (I+II)	**11,412,421**	**16,920,492**	**16,710,230**	**38,550,276**	**60,996,695**	**86,420,856**
Expenses						
Cost of Material consumed	929,816	947,769	15,758,431	18,450,974	40,482,228	47,742,384
Employee Expenses	2,295,087	3,241,309	3,682,168	4,277,537	8,326,396	7,496,035
Finance Cost	57,449	2,408,822	4,294,183	6,361,290	4,891,232	2,871,603
Depreciation and Amortization Expenses	1,521,854	1,810,372	1,810,372	1,805,875	1,681,191	946,136
Admn. & Selling Exp	5,433,727	7,394,546	5,846,631	7,346,210	19,783,139	24,284,540
Total Expenses	**10,237,953**	**15,802,818**	**31,391,785**	**38,241,886**	**75,164,186**	**83,340,698**
Net profit before Tax - Operating Income	**1,174,468**	**1,117,674**	**(14,681,555)**	**308,390**	**(14,167,491)**	**3,080,158**
Provision for Taxes						
1. Current taxes	250,000	300,000				900,000
1. MAT Credit Entitlements						
2. Deferred tax (Assets) \ Liabilities	(305,039)	(309,815)	(229,946)	(71,001)	(2,654,992)	531,365
Profit after tax and before extraordinary items	1,229,507	1,127,489	(14,451,609)	379,391	(11,512,499)	1,648,793
Extraordinary items & Adj.					3,113,988	
Net Profit after extraordinary items available for appropriation	1,229,507	1,127,489	(14,451,609)	379,391	(14,626,487)	1,648,793
Proposed Dividend						
Dividend distribution tax						
Net profit carried to Balance sheet	**1,229,507**	**1,127,489**	**(14,451,609)**	**379,391**	**(14,626,487)**	**1,648,793**

STATEMENT OF CASH FLOW, AS RESTATED

Particulars	For the Period upto 31st January,2018	For the year ended March 31				
		2017	2016	2015	2014	2013
A. Cash Flows From Operating Activities						
Net Profit before Tax	1,174,468	1,117,674	(14,681,555)	308,390	(14,167,491)	3,080,158
Adjustments for:						
Depreciation	1,521,854	1,810,372	1,810,372	1,805,875	1,681,191	946,136
Share Issue Expenses						
Interest & Finance charges	57,449	2,408,822	4,294,183	6,361,290	4,891,232	2,871,603
Others - Extraordinary items					(3,113,988)	
Operating Cash Generated Before Working Capital Changes	2,753,771	5,336,868	(8,577,000)	8,475,555	(10,709,056)	6,897,897
Decrease (Increase) in Current Investments	0	0	0	0	0	0
(Increase) / Decrease in Inventory	52,884	69,454	0	3,800,000	439,372	(160,963)
(Increase) / Decrease in Receivables	(4,834,661)	(4,091,496)	6,833,763	3,701,180	(1,441,918)	(5,600,863)
(Increase) / Decrease in Short Term Loans and Advances	(1,908,533)	(161,435)	6,601,046	(4,995,224)	96,325	(1,205,842)
(Increase)/Decrease in Other current assets	0	0	0	0	0	0
Increase / (Decrease) in Short Term Borrowings	(781,146)	(242,055)	(412,285)	(2,106,112)	1,161,896	(1,647,765)
Increase / (Decrease) in Trade Payable	(4,300,744)	(2,649,723)	318,416	(501,179)	(3,858,337)	1,253,758
Increase / (Decrease) in Other Current Liabilities	1,716,752	1,301,708	(9,973,666)	(18,666,334)	18,542,165	6,205,231
Increase / (Decrease) in Short Term Provisions	(50,000)	300,000	(850,360)	0	(669,640)	**900,000**
Net Changes in working capital	(10,105,448)	(5,473,547)	2,516,914	(18,767,669)	14,269,863	(256,444)
Less : Tax	250,000	300,000	0	0	0	900,000
Net Cash Flow from Operating Activities (A)	(7,601,677)	(436,679)	(6,060,086)	(10,292,114)	3,560,807	5,741,453
B. Cash Flows From Investing Activities						
Sale / (Purchase) of Fixed Assets (Net)	**0**	**0**	**(51,818)**	**(16,830,499)**	**(6,450,715)**	**(2,785,947)**
Sale / (Purchase) of Non-Investments (Net)	0	0	0	0	0	0
Net Cash Generated From Investing Activities (B)	0	0	(51,818)	(16,830,499)	(6,450,715)	(2,785,947)
C. Cash Flow From						

Financing Activities						
Proceeds from Issue of Share Capital(including Share Premium)	19,750,135	46,500,000	0	3,500,000	0	0
Share Application Money Received	0	0	0	0	0	0
Increase / (Decrease) in Secured Loans	(122,231)	(31,865,619)	7,344,435	20,993,028	(4,890,043)	**1,607,996**
Increase/(Decrease) in Unsecured Loans	(7,977,945)	(12,972,442)	2,803,337	2,766,822	13,932,058	**(804,784)**
Share Issue Expenses						
Differed Revenue \ Amortized						
Decrease (Increase) in Long Term Loans & Advances	(4,000,000)	109,000	644,021	5,907,288	(1,961,509)	(3,597,000)
Interest Expenses	(57,449)	(2,408,822)	(4,294,183)	(6,361,290)	(4,891,232)	(2,871,603)
Dividend Paid (including Div Tax)						
Net Cash from Financing Activities [C]	7,592,510	(637,883)	6,497,610	26,805,848	2,189,274	(5,665,391)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(9,167)	(1,074,562)	385,706	(316,765)	(700,634)	(2,709,885)
Opening Balance of Cash and Cash Equivalents	314,170	1,388,732	1,003,026	1,319,791	2,020,425	4,730,310
Closing Balance of Cash and Cash Equivalents	305,003	314,170	1,388,732	1,003,026	1,319,791	2,020,425

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS	
Equity Shares Issued: Public Issue of Equity Shares by our Company	25,00,000 Equity Shares of Face Value of Rs. 10/- each for Cash at a Price of Rs. 30/- Per Equity Share (Including a Share Premium of Rs.20/- per Equity Share) aggregating to Rs.750 Lakhs
of which	
Issue Reserved for the Market Makers	1,32,000 Equity Shares of Rs.10/- each for cash at a price of Rs. 30 per share aggregating Rs. 39.6 Lakhs
Net Issue to the Public*	23,68,000 Equity Shares of Rs.10/- each for cash at a price of Rs.30/- per share aggregating Rs.710.40 Lakhs
	of which
	11,84,000Equity Shares of Rs.10/- each for cash at a price of Rs.30/-per share (including a premium of Rs.20/- per Equity Share) will be available for allocation for allotment to Retail Individual Investors of up to Rs.2.00 Lakhs
	11,84,000Equity Shares of Rs.10/- each for cash at a price of Rs.30/- per share (including a premium of Rs.20/-per Equity Share) will be available for allocation for allotment to Other Investors of above Rs.2.00 Lakhs
Equity Shares outstanding prior to the Issue	69,05,006 Equity Shares of face value of Rs.10/- each
Equity Shares outstanding after the Issue	94,05,006 Equity Shares of face value of Rs.10/- each
Objects of the Issue/ Use of Issue Proceeds	Please see the chapter titled *"Objects of the Issue*" on page 87 of this Draft Prospectus

(1)Fresh Issue of 25,00,000 Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated January05, 2018and 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 January22, 2018.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please see the section titled *"Issue Related Information"* beginning on page 253 of this Draft Prospectus

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, the present issue is a fixed price issue 'the allocation' is the net issue to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and
b) Remaining to
   (i) Individual applicants other than retail individual investors; and
   (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.
For further details please refer to the chapter titled *"Issue Structure"* beginning on page 260 of this Draft Prospectus.

GENERAL INFORMATION

Our Company was incorporated as Arihant Institute Private Limited on 30th March, 2007 under the provisions of Companies Act, 1956 with Registrar of Companies, Gujarat, Ahmadabad vide registration no. (CIN:U80301GJ2007PTC050413). Pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on 22nd January, 2018 our Company was converted into a Public Limited Company and the name of our Company was changed to "Arihant Institute Limited" vide a fresh Certificate of Incorporation dated 01st February, 2018, issued by the Registrar of Companies, Ahmedabad, Gujarat. CIN:U80301GJ2007PLC050413.

For further details, please refer to the chapter titled '***History and Corporate Structure***' beginning on page no. 158 of this Draft Prospectus.

For further details please refer to chapter titled "History and Certain Corporate Matters" beginning on page 158 of this Draft Prospectus.

Registered Office of our Company	
CIN	: U80301GJ2007PLC050413
Address	:2, Navinpark Society, Nr. Muncipal School No.4, Nr. Sardar Patel Colony Road, Naranpura, Ahmedabad - 380 013.
Tel No.	: +91 79 27683113
Email Id	: info@arihantinstitute.com
Website	: www.arihantinstitute.com
Contact Person	Falguni Dhrumil Shah, Company Secretary & Compliance Officer

For details relating to changes to the address of our Registered Office, please see "History and Certain Corporate Matters - Changes to the address of the Registered Office of our Company" on page 159 of this Draft Prospectus.

Designated Stock Exchange

Our Company proposed to list its Equity Shares on **SME Platform of Bombay Stock Exchange Limited**.

Address:
P. J. Towers, Dalal Street, Fort,
Mumbai – 400 001, Maharashtra

Address of Registrar of Companies	
Address	**Registrar of Companies, Ahmedabad, Gujarat** RoC Bhawan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpur, Ahmedabad- 380013, Gujarat
Tel No.	079-27437597
Fax No.	079-27438371
Email Id	roc.ahmedabad@mca.gov.in
Website	http://www.mca.gov.in

Our Board of Directors

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

Sr. No.	Name and Designation	Age	DIN	PAN Card No.	Address
1.	Vinodbhai Chimanlal Shah (Chairman & Additional Non Executive Director)	70	08033798	ANWPS0135M	66, Girdharnagar Society, Shahibaug, Ahmedabad-380004
2.	Kashyap Trivedi (CEO & Whole Time Director)	54	01931400	AAWPT4422D	5/4, Aanik Appartment, Nr. R.J.T. College, IIM Road, Vastrapur, Manekbaug, Ahmedabad- 380015
3.	Rushiraj Zaverbhai Patel (CFO & Additional Executive Director)	28	08017580	ASOPP1002F	B/10 Krishna Bunglows, Near Lad Society, Sandesh Press Road, Bodakdev, Ahmedabad :- 380054 Gujarat
4.	Jigar Umeshbhai Shah (Non Executive Director)	37	05328340	BEXPS8272L	B-6, Siddhi Apartment, Shrinivas Society, Paldi, Ahmedabad- 380007
5.	Prashant Chandraprakash Srivastav (Additional Independent Director)	38	02257146	AMBPS5882M	16, Hem Appts, Nehru Park Lad Soc Road Vastrapur Ahmedabad 380015
6.	Shivani Ketul Patel (Additional Independent Director)	30	08033788	CPXPP7546E	D/6, Prabhakar Apartment, Nr. Subash Chowk, Memnagar, Ahmedabad- 380052

For further details of the Directors of our Company, please refer to the chapter titled "Our Management" on page 163 of this Draft Prospectus.

Company Secretary and Compliance Officer	
Name	**Falguni Dhrumil Shah**
Address	2, Navinpark Society, Near Municipal School No. 4, Sardar Patel Colony Road, Naranpura, Ahmedabad Gj 380013
Tel No.	: +91 79 27683113
Email Id	cs@arihantinstitute.com
Website	www.arihantinstitute.com

Chief Executive Officer	
Name	**Kashyap Trivedi**
Address	2, Navinpark Society, Near Municipal School No. 4, Sardar Patel Colony Road, Naranpura, Ahmedabad Gj 380013
Tel No.	: +91 79 27683113
Email Id	ceo@arihantinstitute.com
Website	www.arihantinstitute.com

Chief Financial Officer	
Name	**Rushiraj Zaverbhai Patel**

Address	2, Navinpark Society, Near Municipal School No. 4, Sardar Patel Colony Road, Naranpura, Ahmedabad Gj 380013
Tel No.	: +91 79 27683113
Email Id	cfo@arihantinstitute.com
Website	www.arihantinstitute.com

Note:

Investors may contact our Company Secretary and Compliance Officer and/ or the Registrar to the Issue and/ or the Lead Manager, in case of any pre-Issue or post-Issue related problems such as non-receipt of Intimation for Allotment, credit of allotted Equity Shares in the respective beneficiary account.

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 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 for The Company	
Name	:**MONARCH NETWORTH CAPITAL LIMITED (Earlier known as Networth Stock Broking Limited)**
Corporate Office	: MONARCH HOUSE, Opp. Ishwar Bhuwan, Commerce Six Roads, Navrangpura, Ahmedabad- 380014, India
Contact Person	: Mr. Shivam Patel
Tel No.	: 079 – 6600 0754 / 079 – 2666 6754
Email Id	: shivam.patel@mnclgroup.com
Fax No.	: 079 – 26666599
Website	: www.mnclgroup.com
SEBI Registration No.	: MB/INM000011013
CIN	: L65920MH1993PLC075393
Investor Grievance Email	: mbd@mnclgroup.com

Legal Advisor To The Company	
Name	Miss. Pooja Sharma
Address	8/14, Malad Co-op. Hsg. Society Ltd, Poddar Park, Malad (East), Mumbai – 400097
Contact Person	+91 9022869773
Tel No.	poojalegalventures@gmail.com
Email Id	Miss. Pooja Sharma

Registrar To The Issue	
Name	**KARVY COMPUTERSHARE PVT. LTD.**
Address	Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, City: Hyderabad Pin: 500 032
Tel No.	Std code: 040 Tel.: 67162222
Fax No.	Fax : 23001153
Email Id	Einward.ris@karvy.com
Contact Person	M Murali Krishna
Website	www.karisma.karvy.com
SEBI Registration No.	INR000000221
CIN	U72400TG2003PTC041636

Banker(S) To The Company	
Name	STATE BANK OF INDIA
Address	Nr. Naranpura Railway Crossing, Usmanpura, Ahmedabad.
Contact Person	Nilesh Doshi Manager
Tel No.	079 27680923
Email Id	Sbi.0123@sbi.co.in
Fax No.	-
Website	www.sbi.co.in

Statutory Auditor of The Company	
Name	**A J Parekh & Associates**
Address	5/A, Indu Smruti, C.P. Road, Kandivali (East), Mumbai-40001
Tel No.	9769831903
Contact Person	Amar Parekh
Email Id	ca.amarparekh@gmail.com
Membership No.	160526
Firm Registration No.	142021W

Peer Review Auditor of The Company	
Name	**NGST & Associates**
Address	1111, Ganshyam Enclave, Lalji Pada, Link Road, Kandivali West Mumbai-67
Tel No.	98192 56678
Contact Person	Bhupendra Gandhi
Email Id	bhupendra@ngstca.com
Membership No.	122296
Firm Registration No.	135159W

Banker(S) To The Issue	
Name	[●]
Address	[●]
Contact Person	[●]
Tel No.	[●]
Email Id	[●]
Fax No.	[●]
Website	[●]

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since **Monarch Networth Capital Limited** is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers 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 www.sebi.gov.in/pmd/scsb.pdf For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

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) and updated from time to time

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, as updated from time to time.

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 at www.bseindia.com, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at www.bseindia.com, as 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 XB 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 16(1) of the SEBI (ICDR) Regulations, 2009 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000.00 Lakhs.

APPRAISING ENTITY

No appraising entity has been appointed in respect of any objects of this Issue

EXPERTS OPINION

Except for the reports in the section "Financial Information of the Company" and "Statement of Tax Benefits" on page 194 and page 103 of this Draft Prospectus from the Statutory Auditor and Peer Review Auditors, our Company has not obtained any expert opinions. We have received written consent from the Peer Review Auditors and Statutory Auditor for inclusion of their name. However, the term "expert" shall not be construed to mean an "expert"" as defined under the U.S. Securities Act 1933.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraw the Issue anytime after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared and the Stock Exchange will also be informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Draft Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

UNDERWRITING

The Company and the Lead Manager to the issue hereby confirm that the issue is 100% Underwritten by **Monarch Networth Capital Limited** in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated **February 09, 2018** entered into by Company, and Underwriter- **Monarch Networth Capital Limited**, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (` in Lakhs)	% of Total Issue Size Underwritten
MONARCH NETWORTH CAPITAL LIMITED **(Earlier known as Networth Stock Broking Limited)** MONARCH HOUSE, Opp. Ishwar Bhuwan, Commerce Six Roads, Navrangpura, Ahmedabad- 380014, Gujarat, India **Contact Person:** Mr.Shivam Patel **Tel No.:** 079 – 6600 0754, 079 – 2666 6754 **Fax No.:** +91 79 26666599 **Email:**shivam.patel@mnclgroup.com **Investor Grievance Email:** mbd@mnclgroup.com **Website:** www.mnclgroup.com **SEBI Regn. No.:** MB/INM000011013	25,00,000* Equity Shares of Rs.10/- being Issued at Rs. 30/- each	750	100%

Includes132000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker **Monarch Networth Capital Limited in its OWN account in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations, 2009, as amended.*

As per Regulation 106P (2) of SEBI (ICDR) Regulations, the Lead Manager has agreed to underwrite to a minimum extent of Issue out of its own account.

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

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager has entered into Market Making Agreement dated February 09, 2018 with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

Name	**MONARCH NETWORTH CAPITAL LIMITED** **(Earlier known as Networth Stock Broking Limited)**
Correspondence Address:	MONARCH HOUSE, Opp. Ishwar Bhuwan, Commerce Six Roads, Navrangpura, Ahmedabad- 380014, Gujarat, India
Contact Person:	Mr.Shivam Patel
Tel No.:	079 – 6600 0754, 079 – 2666 6754
Fax No.	+91 79 26666599
E-mail:	shivam.patel@mnclgroup.com
Website:	www.mnclgroup.com
SEBI Registration No.:	INZ000008037
Market Maker Registration No.	INZ000008037

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 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 issued 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 SME Platform of BSE and SEBI from time to time.

3) The minimum depth of the quote shall be Rs.1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that script provided that he sells his entire holding in that script 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 SME Platform (in this case currently the minimum trading lot size is 4,000 equity shares; however the same may be changed by the SME Platform of BSE 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 script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

9) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

10) The Marker 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 six 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 106 V of the SEBI (ICDR) Regulations, 2009, 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 SME Exchange 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: B**SE SME Exchange 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 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 Rs.20 Crore	25%	24%
Rs. 20 to Rs.50 Crore	20%	19%
Rs. 50 to Rs. 80 Crore	15%	14%
Above Rs.80 Crore	12%	11%

17) 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 Draft Prospectus is set forth below:

(Amt in Rs.)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue price
A.	**Authorized Share Capital**		
	95,00,000 Equity Shares of Rs. 10/- each	9,50,00,000	-
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**		
	69,05,006 Equity Shares of Rs. 10/- each	69,050,060	-
C.	**Present Issue in terms of this Draft Prospectus***		
	Issue of 25,00,000 Equity Shares of face value of Rs. 10/- each at a Issue price of Rs 30/- per Equity Share	**2,50,00,000**	**7,50,00,000**
	Which comprises:		
	(a) ***Reservation for Market Maker(s) 132,000*** Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. 30/- per Equity Share	13,20,000	39,60,000
	(b) ***Net Issue to the Public*** of 23,68,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 30/- per Equity Share	**2,36,80,000**	**7,10,40,000**
	Of the Net Issue to the Public		
	11,84,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 30/- per Equity Share shall be available for allocation for Investors applying for a value of up to Rs. **2.00 Lakhs** (***Retail Investors***)	**1,18,40,000**	**3,55,20,000**
	11,84,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 30/- per Equity Share shall be available for allocation for Investors applying for a value of above Rs. **2.00 Lakhs** (***Non-Retail Investors***)	**1,18,40,000**	**3,55,20,000**
D.	**Issued, Subscribed and Paid-up Share Capital after the Issue**		
	94,05,006 Equity Shares of Rs. 10/- each	**9,40,50,060**	
E.	**Securities Premium Account**		
	Before the Issue		1,29,50,075
	After the Issue		6,29,50,075

***T**he Present Issue has been authorized pursuant to a resolution of our Board dated 05th January, 2018 and by Special Resolution passed under Section 23(1)(a) and 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of our shareholders held on 22nd January, 2018.*

NOTES TO THE CAPITAL STRUCTURE

1. ***Details of increase in Authorized Share Capital:***

Since the incorporation of our Company, the authorized Share Capital of our Company has been altered in the manner set forth below:

Sr. No.	Date of the Meeting	Particulars		Type of Meeting
		From	To	
1.	On Incorporation	---	10,000 Equity Shares of Rs. 10 each	-
2.	21- June-2011	10,000 Equity Shares of Rs. 10 each	10,00,000 Equity Shares of Rs. 10 each	EGM
3.	09-February-2015	10,00,000 Equity Shares of Rs. 10 each	13, 50,000 Equity Shares of Rs. 10 each	EGM
4.	13-February-2015	13, 50,000 Equity Shares of Rs. 10 each	13, 50,000 Equity Shares of Rs. 10 each 35,000 Preference Shares of Rs. 100 each	EGM
5.	28-September-2016	13, 50,000 Equity Shares of Rs. 10 each 35000 Preference Shares of Rs. 100 each	21, 70,000 Equity Shares of Rs. 10 each 35000 Preference Shares of Rs. 100 each	AGM
6.	15-March-2017	21, 70,000 Equity Shares of Rs. 10 each 35000 Preference Shares of Rs. 100 each	60, 00,000 Equity Shares of Rs. 10 each	EGM
7.	06-June-2017	60, 00,000 Equity Shares of Rs. 10 each	9,500,000 Equity Shares of Rs. 10 each	EGM

2. ***Share Capital History of the Company***

Sr. no.	Date of Allotment of Equity Shares	No. of shares Allotted	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, Bonus, Consideration other than cash)	Cumulative Equity Share Capital (Rs.)	Nature of / Reasons for Allotment
1	As per Memorandum	10,000	10,000	10	10	Cash	1,00,000	On Subscription to MOA
2.	11/07/2011	10,000	20,000	10	10	Cash	2,00,000	Further Allotment
3	21/07/2011	9,80,000	10,00,000	10	10	Bonus	1,00,00,000	Bonus Issue
5	29/09/2016	8,20,000	18,20,000	10	10	Cash*	1,82,00,000	Conversion of unsecured Convertible loan into Equity Shares
6	13/03/2017	3,50,000	21,70,000	10	10	Cash	2,17,00,000	Conversion of

Sr. no.	Date of Allotment of Equity Shares	No. of shares Allotted	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, Bonus, Consideration other than cash)	Cumulative Equity Share Capital (Rs.)	Nature of / Reasons for Allotment
								12% Cumulative Convertible Preference shares into Equity Shares
6	27/03/2017	38,30,000	60,00,000	10	10	Cash*	6,00,00,000	Conversion of unsecured Convertible loan into Equity Shares
7	04/07/2017	2,00,004	62,00,004	10	22.5	Cash	6,20,00,040	Right Issue
8	28/07/2017	133,335	63,33,339	10	22.5	Cash	6,33,33,390	Right Issue
9	03/09/2017	66,667	64,00,006	10	22.5	Cash	6,40,00,060	Right Issue
10	03/11/2017	40,000	64,40,006	10	25	Cash	6,44,00,060	Right Issue
11	27/11/2017	1,10,000	65,50,006	10	25	Cash	6,55,00,060	Right Issue
12	12/01/2018	2,80,000	68,30,006	10	25	Cash	6,83,00,060	Right Issue
13	10/02/2018	75,000	69,05,006	10	30	Cash	6,90,50,060	Right Issue

**The unsecured loans were converted into Equity Shares on respective dates, which were received in cash through normal banking channel, however at the time of conversion of unsecured loans into Equity Shares the same were discloused as consideration other than cash in the E forms filed by the Company to Registrar of Companies(MCA). Hence for better clarity it has been discloused as consideration in cash in the above table.*

Sr. no.	Date of Allotment of Preference Shares	No. of shares Allotted	Cumulative No. of Preference Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, Bonus, Consideration other than cash)	Cumulative Share Capital (Rs.)	Nature of / Reasons for Allotment
1	27-March-2015	35,000	35,000	100	100	Cash	35,00,000	Right Issue
2	13- March-2017	(35,000)	NIL	0	0	0	0	Conversion in to 3,50,000 Equity Shares of Rs. 10 Each

Subscribers to MOA are as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Sandip Vinodray Kamdar	5,000
2.	Vinodray Keshavlal Kamdar	5,000
		10,000

The list of allottees to whom the further shares were issued as on 11th July, 2011 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Madhuben Vinodray Kamdar	5,000
2	Anjali Sandipbhai Kamdar	5,000
		10,000

The list of allottees to whom the bonus shares were issued in the ratio of 49:1 as on 21st July, 2011 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Sandip Vinodray Kamdar	2,45,000
2.	Vinodray Keshavlal Kamdar	2,45,000
3.	Madhuben Vinodray Kamdar	2,45,000
4.	Anjali Sandipbhai Kamdar	2,45,000
		9,80,000

The list of allottees to whom the Right 12% Cumulative Convertible Preference shares were issued as on 27th March, 2015 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	GTK Tradelink Private Limited	35,000
		35,000

The list of allottees to whom the shares were issued as on 29th September, 2016 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Sandip Vinodray Kamdar	3,60,000
2.	Vinodray Keshavlal Kamdar	2,10,000
3.	Madhuben Vinodray Kamdar	1,30,000
4.	Anjali Sandipbhai Kamdar	1,20,000
		8,20,000

The list of allottees to whom the Right Equity shares were issued from Conversion of 12% Cumulative Convertible Preference Shares in to Equity Shares as on 15th March, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	GTK Tradelink Private Limited	3,50,000
		3,50,000

The list of allottees to whom the shares were issued as on 27th, March, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Sandip Vinodray Kamdar	7,90,000
2.	Vinodray Keshavlal Kamdar	13,80,000
3.	Madhuben Vinodray Kamdar	9,10,000
4.	Anjali Sandipbhai Kamdar	7,50,000
		38,30,000

The list of allottees to whom the Right shares were issued as on 04th, July, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Sherni Ankit Mehta	88,889
2.	Vipul Rashiklal Shah(R/o) Vipul Rashiklal Shah HUF(B/o)	22,223
3.	Maharshi Shah	22,223
4.	Nalin Sanghvi	22,223
5.	Virti Vipulbhai Shah	22,223
6.	Manishaben Shah	22,223
		200,004

The list of allottees to whom the Right shares were issued as on 28th, July, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Sejal Ketan Shah	44,445
2.	Ketan A Shah	44,445
3.	Nital Rajanbhai Shah	44,445
		133,335

The list of allottees to whom the Right shares were issued as on 03rd, September, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Rajan Shah	66,667
		66,667

The list of allottees to whom the Right shares were issued as on 03rd, November, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Dhiren Shah	40,000
		40,000

The list of allottees to whom the Right shares were issued as on 27th,November , 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Goodness Consultancy LLP	80,000
2.	Darshit Maheshbhai Sheth	10,000
3.	Meena Pankaj Shah	10,000
4.	Niral KiritKumar Shah(R/o) M/s. Niral K Shah HUF(B/o)	10,000
		1,10,000

The list of allottees to whom the Right shares were issued as on 12th,January , 2018 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Chelisha Saumil Bhavnagari	20,000
2.	Dhwanil S Bhavnagari	20,000
3.	Viral Jitendra Motani	10,000
4.	Rahul Hemchandra Visariya	10,000
5.	Ashish Tulsiram Tekwani	20,000
6.	Nisha Ashish Tekwani	20,000
7.	Tulsiram Khanchand Tekwani	20,000
8.	Chanda Tulsiram Tekwani	20,000

Sr. No.	Name of the Allotees	No. of shares Allotted
9.	Mayur V Manghrani HUF	20,000
10.	Vijaykumar Kalumal Maghrani	20,000
11.	Bhavika Mayur V Manghrani	20,000
12.	Jitendra G Mangwani HUF	20,000
13.	Kalpesh Rameshchandra Shah	10,000
14.	Amit Arunkumar Bhalotia	40,000
15.	Chinatan Jayantilal Shah	10,000
		280,000

The list of allottees to whom the Right shares were issuedas on 10th February, 2018 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Sandeep Kamdar	40,000
2.	Madhuben Kamdar	35,000
		75,000

3. Equity Shares issued for consideration other than cash by Our Company:

Except for as mentioned above, our Company has not issued any other equity shares for consideration other than cash.

4. Capital Build up of the Promoters

Name of the Allotee's	Date of Allotment	No. of Equity Shares Allotted	FV (Rs.)	Issue Price (Rs.)	Nature of Allotment	Source of funds*	% of the Paid-up Capital	
							Pre-Issue	Post-Issue
Mr. Sandip Vinodray Kamdar	13-Mar-07	5,000	10	10	On Incorporation	Own Source	0.07	0.05
	21-Jul-11	2,45,000	10	10	Bonus Issue	Not Applicable	3.55	2.60
	29-Sep-16	3,60,000	10	10	Conversion of unsecured Convertible loan into Equity Shares	Own Source	5.21	3.83
	27-Mar-17	7,90,000	10	10	Conversion of unsecured Convertible loan into Equity Shares	Own Source	11.44	8.40
	02-Dec-17	22,223	10	30	Transfer from Vipul R Shah HUF	Own Source	0.32	0.24
	02-Dec-17	22,223	10	30	Transfer from Maharshi Shah	Own Source	0.32	0.24
	02-Dec-17	22,223	10	30	Transfer from Nalin Sanghvi	Own Source	0.32	0.24
	02-Dec-17	22,223	10	30	Transfer from Virti Vipul Shah	Own Source	0.32	0.24

Name of the Allotee's	Date of Allotment	No. of Equity Shares Allotted	FV (Rs.)	Issue Price (Rs.)	Nature of Allotment	Source of funds*	% of the Paid-up Capital	
							Pre-Issue	Post-Issue
	02-Dec-17	22,223	10	30	Transfer from Manisha Shah	Own Source	0.32	0.24
	10-feb-18	40,000	10	30	Right Issue	own source	0.58	0.43
	Total	**15,51,115**					**22.46**	**16.49**
Mr. Vinodray Keshavlal Kamdar	13-Mar-07	5000	10	10	On Incorporation	Own source	0.07	0.05
	21-Jul-11	2,45,000	10	10	Bonus Issue	Not Applicable	3.55	2.60
	29-Sep-16	2,10,000	10	10	Conversion of unsecured Convertible loan into Equity Shares	Own Source	3.04	2.23
	27-Mar-17	13,80,000	10	10	Conversion of unsecured Convertible loan into Equity Shares	Own Source	19.99	14.67
	04-Dec-17	(80,000)	10	10	Transfer to Rajesh S. Mehta	Not Applicable	(1.16)	(0.85)
	04-Dec-17	(75,000)	10	10	Transfer to Rajmi R. Mehta	Not Applicable	(1.09)	(0.80)
	04-Dec-17	(85,000)	10	10	Transfer to Rajesh S. Mehta HUF	Not Applicable	(1.23)	(0.90)
	05-Dec-17	(2,00,000)	10	10	Transfer to Vikas Jain	Not Applicable	(2.90)	(2.13)
	04-Dec-17	(90,000)	10	10	Transfer to Hetal N. Shah HUF	Not Applicable	(1.30)	(0.96)
	04-Dec-17	(45,000)	10	10	Transfer to Rajendra Vinodray Kamdar	Not Applicable	(0.65)	(0.48)
	04-Dec-17	(45,000)	10	10	Transfer to Jinesh Rajendra Kamdar	Not Applicable	(0. 65)	(0.48)
	05-Dec-17	(50,000)	10	10	Transfer to Premal Shukla	Not Applicable	(7.24)	(0.53)
	05-Dec-17	(90,000)	10	10	Transfer to Preeti Patel	Not Applicable	(1.30)	(0.96)
	Total	**10,80,000**					**15.64**	**11.48**
Mrs. Madhuben Vinodray Kamdar	11-Jul-11	5000	10	10	Further Allotment	Own Source	0.07	0.05
	21-Jul-11	2,45,000	10	10	Bonus Issue	Not Applicable	3.55	2.60
	29-Sep-16	1,30,000	10	10	Conversion of unsecured	Own Source	1.88	1.38

Name of the Allotee's	Date of Allotment	No. of Equity Shares Allotted	FV (Rs.)	Issue Price (Rs.)	Nature of Allotment	Source of funds*	% of the Paid-up Capital	
							Pre-Issue	Post-Issue
					Convertible loan into Equity Shares			
	27-Mar-17	9,10,000	10	10	Conversion of unsecured Convertible loan into Equity Shares	Own Source	13.18	9.68
	10-feb-18	35,000	10	30	Right Issue	own source	0.51	0.37
	Total	**13,25,000**					**19.19**	**14.09**
Mrs. Anjali Sandipbhai Kamdar	11-Jul-11	5000	10	10	Further Allotment	own source	0.07	0.05
	21-Jul-11	2,45,000	10	10	Bonus Issue	Not Applicable	3.55	2.60
	29-Sep-16	1,20,000	10	10	Conversion of unsecured Convertible loan into Equity Shares	Own source	1.74	1.28
	27-Mar-17	7,50,000	10	10	Conversion of unsecured Convertible loan into Equity Shares	Own Source	10.86	7.97
	Total	**11,20,000**					**16.22**	**11.91**
Total Promoter Holding		**50,76,115**					**73.51**	**53.97**

None of the Equity Shares held by our Promoters are pledged.

5. ***Capital Build up of the Promoter Group***

Name of the Allotee's	Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price (Rs.)	Nature of Allotment	% of the Paid-up Capital	
						Pre-Issue	Post-Issue
Rajesh S. Mehta	04-Dec-17	80,000	10	10	Transfer from Vinodray Kamdar	1.16	0.85
Rajesh S. Mehta HUF	04-Dec-17	85,000	10	10	Transfer from Vinodray Kamdar	1.23	0.90
Vikas jain	05-Dec-17	2,00,000	10	10	Transfer from Vinodray Kamdar	2.90	2.13
Total Promoter Group Holding		**3,65,000**				**5.29**	**3.88**

Name of the Allotee's	Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price (Rs.)	Nature of Allotment	% of the Paid-up Capital	
						Pre-Issue	Post-Issue

6. *Details of Promoters' contribution and Lock-in*

As per Regulation 32(1)(a) and 36(a) of the SEBI (ICDR) Regulations, 2009, and in terms of the aforesaid table, an aggregate of 20% of the post-issue equity share capital of our Company ('minimum Promoters' contribution') shall be locked in by our Promoters for a period of 3 (Three) years from the date of Allotment.

The Promoters' contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI (ICDR) Regulations, 2009.

Our Company has obtained written consents dated February 20, 2018 from our Promoters for the lock-in of 18,85,000 equity shares for a period of 3 (Three) years from the date of Allotment in the Issue. The details of the equity shares held by our Promoters, which are locked in for a period of 3 (Three) years from the date of Allotment in the Issue are given below:

Promoter Contribution and Lock-in Details

For 3 Years

Name of the Promoter	Date of Allotment of Fully Paid-up Shares	No. of Equity Shares Locked-in	Nature of Issue/ Acquisition	FV (Rs.)	Issue Price (Rs.)	% of the Paid-up Capital	
						Pre-Issue	Post- Issue
Mr. Sandip Vinodray Kamdar	13-Mar-07	5,000	On Subscription to MOA	10	10	0.07	0.05
	21-Jul-11	2,45,000	Bonus Issue	10	10	3.55	2.60
	29-Sep-16	3,60,000	Conversion of unsecured Convertible loan into Equity Shares	10	10	5.21	3.83
	10-Feb-18	40,000	Right issue	10	30	0.58	0.43
	Total	**6,50,000**				**9.41**	**6.91**
Mr. Vinodray Keshavlal Kamdar	13-Mar-07	5,000	On Subscription to MOA	10	10	0.07	0.05
	21-Jul-11	2,45,000	Bonus Issue	10	10	3.55	2.60
	29-Sep-16	2,10,000	Conversion of unsecured Convertible loan into Equity Shares	10	10	3.04	2.23
	Total	**4,60,000**				**6.66**	**4.89**
Mrs. Madhuben Vinodray Kamdar	21-Jul-11	2,45,000	Bonus Issue	10	10	3.55	2.60
	29-Sep-16	1,30,000	Conversion of unsecured Convertible loan into Equity Shares	10	10	1.88	1.38
	10-Feb-18	35,000	Right issue	10	30	0.51	0.37
	Total	**4,10,000**				**5.94**	**4.36**
Mrs. Anjali Sandipbhai Kamdar	21-Jul-11	2,45,000	Bonus Issue	10	10	3.55	2.60
	29-Sep-16	1,20,000	Conversion of unsecured Convertible	10	10	1.74	1.28

			loan into Equity Shares				
	Total	**3,65,000**				**5.29**	**3.88**
Total Lock-in		**18,85,000**				**27.30**	**20.04**

The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 33 of the SEBI (ICDR) Regulations, 2009. Equity Shares offered by the Promoters for the minimum Promoters' contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Issue.

We confirm that the minimum Promoters' contribution of 20% which is subject to lock-in for 3 (Three) years does not consist of:

a) Equity shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;

b) Equity shares acquired during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;

c) Equity shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue;

d) Equity shares pledged with any creditor.

Further, (i) no equity shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-233 of the Companies Act, 2013 and (ii) our Company has not been formed by the conversion of a partnership firm into a company.

The share certificates for the equity shares in physical form, which are subject to lock-in, shall carry the inscription 'non-transferable' and the non-transferability details shall be informed to the depositories.

Equity shares locked-in for one year

As per Regulation 36(b) of the SEBI (ICDR) Regulations, 2009, in addition to 20% of the post-issue shareholding of our Company ('minimum Promoters' contribution') locked-in for 3 (Three) years, the balance equity shares, i.e 31,91,115 equity shares, held by the Promoters in excess of minimum Promoters' contribution & 3,65,000 equity shares held by promoter group shall be **locked in for a period of 1 (One) year** from the date of Allotment in the Issue. Further, such lock-in of the equity shares would be created as per the bye laws of the Depositories.

Also, as per Regulation 37 of the SEBI (ICDR) Regulations, 2009, the entire pre-issue equity share capital of the Company held by persons other than Promoters shall be locked-in for a period of 1 (One) year.

For 1 year

Name of the Promoter/ Promoter Group	Date of Allotment of Fully Paid-up Shares	No. of Equity Shares Locked-in	Nature of Issue/ Acquisition	FV (Rs.)	Issue Price (Rs.)	% of the Paid-up Capital	
						Pre-Issue	Post- Issue
Mr. Sandip Vinodray Kamdar	27-Mar-17	7,90,000	Conversion of unsecured Convertible loan into Equity Shares	10	10	11.44	8.40
	02-Dec-17	22,223	Transfer from Maharshi Shah	10	30	0.32	0.24
	02-Dec-17	22,223	Transfer from Nalin Sanghvi	10	30	0.32	0.24
	02-Dec-17	22,223	Transfer from Vipul R Shah HUF	10	30	0.32	0.24
	02-Dec-17	22,223	Transfer from Virti Vipul Shah	10	30	0.32	0.24
	02-Dec-17	22,223	Transfer from Manisha Shah	10	30	0.32	0.24
	Total	**9,01,115**				**13.05**	**9.58**
Mr. Vinodray Keshavlal Kamdar	27-Mar-17	**6,20,000**	Conversion of unsecured Convertible loan into Equity Shares	10	10	**8.98**	**6.60**
Mrs. Madhuben Vinodray Kamdar	11-July-11	5,000	Further allotment	10	10	0.07	0.05
	27-Mar-17	9,10,000	Conversion of unsecured Convertible loan into Equity Shares	10	10	13.18	9.68
		9,15,000				**13.25**	**9.73**
Mrs. Anjali Sandipbhai Kamdar	11-July-11	5,000	Further allotment	10	10	0.07	0.05
	27-Mar-17	7,50,000	Conversion of unsecured	10	10	10.86	7.97

			Convertible loan into Equity Shares				
		7,55,000				**10.93**	**8.03**
Total Lock-in of Promoter		**31,91,115**				**46.21**	**33.93**
Rajesh S. Mehta	04-Dec-17	80,000	Transfer from Vinodray Kamdar	10	10	1.16	0.85
Rajesh S. Mehta -HUF	04-Dec-17	85,000	Transfer from Vinodray Kamdar	10	10	1.23	0.90
Vikas Jain	05-Dec-17	2,00,000	Transfer from Vinodray Kamdar	10	10	2.90	2.13
Total Lock in of Promoter Group		**3,65,000**				**5.29**	**3.88**
Total Lock in of Promoter and Promoter Group		**35,56,115**				**51.50**	**37.81**

Other requirements in respect of 'lock-in'

In terms of Regulation 40 of the SEBI (ICDR) Regulations, 2009, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI (ICDR) Regulations, 2009, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, 2009, the Equity Shares held by persons other than the Promoters' prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, 2009, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

In terms of Regulation 39 of the SEBI (ICDR) Regulations, 2009, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of Regulation 36(a) of the SEBI (ICDR) Regulations,2009, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the Issue and the pledge of specified securities is one of the terms of sanction of the loan;

- If the specified securities are locked-in in terms of Regulation 36(b) of the SEBI (ICDR) Regulations,2009and the pledge of specified securities is one of the terms of sanction of the loan.

7. *Our Shareholding Pattern*

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Summary Statement – Holding of Specified Securities

Category	*Category of Shareholder*	*Nos. of shareholders*	*No. of fully paid up equity shares held*	*Total nos. shares held*	*Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)*	*Number of Voting Rights held in Equity shares*			*Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) A s a % of (A+B+C2)*	*Number of Locked in shares*		*Number of equity shares held in dematerialized form*
						No of Voting Rights (Pre-issue)				*No (a)*	*As a % of total Shares held (b)*	
						Equity Shares	*Total*	*Total as% of (A+B+C)*				
(A)	**Promoter & Promoter Group**	7	54,41,115	54,41,115	78.80	54,41,115	54,41,115	78.80	NIL	NIL	NIL	NIL
(B)	**Public**	40	14,63,891	14,63,891	21.20	14,63,891	14,63,891	21.20	NIL	NIL	NIL	NIL
(C)	**Non Promoter - Non Public**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(C1)	**Shares underlying DRs**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(C2)	**Shares held by Employee Trusts**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	**47**	**69,05,006**	**69,05,006**	**100**	**69,05,006**	**69,05,006**	**100**	NIL	NIL	NIL	NIL

Statement showing shareholding pattern of Promoter and Promoter Group

	Category & Name of the Shareholders	*Nos. of shareholders*	*No. of fully paid up equity shares held*	*Total nos. shares held*	*Share-holding as a % of total no. of shares (calculated as per SCRR, 1957)*	*Number of Voting Rights held in equity shares*			*Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)*	*Number of Locked in shares*		*Number of equity shares held in dematerialized form*
						No of Voting Rights				*No (a)*	*As a % of total Shares held (b)*	
						Equity shares	*Total*	*Total as % of (A)*				
1	**Indian**											
(a)	**Individuals/ Hindu undivided Family**	7										
	Mr. Sandip Vinodray Kamdar		15,51,115	15,51,115	22.46	15,51,115	15,51,115	22.46	22.46	NIL	NIL	NIL
	Mr. Vinodray Keshavlal Kamdar		10,80,000	10,80,000	15.64	10,80,000	10,80,000	15.64	15.64	NIL	NIL	NIL
	Mrs. Madhuben Vinodray Kamdar		13,25,000	13,25,000	19.19	13,25,000	13,25,000	19.19	19.19	NIL	NIL	NIL
	Mrs. Anjali Sandipbhai Kamdar		11,20,000	11,20,000	16.22	11,20,000	11,20,000	16.22	16.22	NIL	NIL	NIL

	Rajesh S. Mehta		80,000	80,000	1.16	80,000	80,000	1.16	1.16	NIL	NIL	NIL
	Rajesh S. Mehta- HUF		85,000	85,000	1.23	85,000	85,000	1.23	1.23	NIL	NIL	NIL
	Vikas Jain		2,00,000	2,00,000	2.90	2,00,000	2,00,000	2.90	2.90	NIL	NIL	NIL
(b)	**Central Government/ State Government(s)**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c)	**Financial Institutions/ Banks**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(d)	**Any Other**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Sub-Total (A)(1)	7	54,41,115	54,41,115	78.80	54,41,115	54,41,115	78.80	78.80	NIL	NIL	NIL
2	**Foreign**											
(a)	**Individuals (Non-Resident Individuals/ Foreign Individuals)**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b)	**Government**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(c)	**Institutions**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(d)	**Foreign Portfolio Investor**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(f)	**Any Other (specify)**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Sub-Total (A)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	7	54,41,115	54,41,115	78.80	54,41,115	54,41,115	78.80	78.80	NIL	NIL	NIL

Statement Showing Shareholding Pattern of Public

	Category & Name of the Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in equity shares			Share-holding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) A s a % of (A+B+C2)	Number of Locked in shares		Number of equity shares held in dematerialized form
						No of Voting Rights						
						Equity shares	Total	Total as% of total voting rights		No (a)	As a % of total Shares held (b)	
1	**Institutions**											
(a)	**Mutual Funds/**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b)	**Venture Capital Funds**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c)	**Alternate Investment Funds**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(d)	**Foreign Venture Capital Investors**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(e)	**Foreign Portfolio Investors**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(f)	**Financial Institutions/ Banks**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(g)	**Insurance Companies**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(h)	**Provident Funds/ Pension Funds**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(i)	**Any Other (specify)**	2	-	-	-	-	-	-	-	-	-	-
	GTK Tradelink Private Limited	-	17,500	17,500	0.25	17,500	17,500	0.25	0.25	NIL	NIL	NIL
	Goodness consultant LLP	-	80,000	80,000	1.16	80,000	80,000	1.16	1.16	NIL	NIL	NIL
	Sub-Total (B)(1)	**2**	**97,500**	**97,500**	**1.41**	**17,500**	**17,500**	**1.41**	**1.41**	NIL	NIL	**NIL**
2	**Central Government / State Government (s)/ President of India**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Sub-Total (B)(2)	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
3	**Non-institutions**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(a)	**Individuals -**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Others less than 1 %	16	-	-	-	-	-	-	-	-	-	-
	Nisha	-	20,000	20,000	0.29	20,000	20,000	0.29	0.29	NIL	NIL	NIL

	Tekwani											
	Tulsiram Tekwani	-	20,000	20,000	0.29	20,000	20,000	0.29	0.29	NIL	NIL	NIL
	Chanda Tekwani	-	20,000	20,000	0.29	20,000	20,000	0.29	0.29	NIL	NIL	NIL
	Bhavika Maghrani	-	20,000	20,000	0.29	20,000	20,000	0.29	0.29	NIL	NIL	NIL
	Ashish Tekwani	-	20,000	20,000	0.29	20,000	20,000	0.29	0.29	NIL	NIL	NIL
	Chelisha Saumil Bhavnagari	-	20,000	20,000	0.29	20,000	20,000	0.29	0.29	NIL	NIL	NIL
	Dhwanil S Bhavnagari	-	20,000	20,000	0.29	20,000	20,000	0.29	0.29	NIL	NIL	NIL
	Shweta Bhaveshbhai Hakani	-	17,500	17,500	0.25	17,500	17,500	0.25	0.25	NIL	NIL	NIL
	Viren P Parmar	-	17,500	17,500	0.25	17,500	17,500	0.25	0.25	NIL	NIL	NIL
	Viral Motani	-	10,000	10,000	0.14	10,000	10,000	0.14	0.14	NIL	NIL	NIL
	Rahul Visaria	-	10,000	10,000	0.14	10,000	10,000	0.14	0.14	NIL	NIL	NIL
	Kalpesh Shah	-	10,000	10,000	0.14	10,000	10,000	0.14	0.14	NIL	NIL	NIL
	Darshit Maheshbhai Sheth	-	10,000	10,000	0.14	10,000	10,000	0.14	0.14	NIL	NIL	NIL
	Meena Pankaj Shah	-	10,000	10,000	0.14	10,000	10,000	0.14	0.14	NIL	NIL	NIL
	Niral Kiritkumar Shah HUF	-	10,000	10,000	0.14	10,000	10,000	0.14	0.14	NIL	NIL	NIL
	Chintan Jayantilal Shah	-	10,000	10,000	0.14	10,000	10,000	0.14	0.14	NIL	NIL	NIL

	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	5	-	-	-	-	-	-	-	-	-	-
	Manan Patel	-	82,833	82,833	1.20	82833	82833	1.20	1.20	NIL	NIL	NIL
	Hetal N. Shah HUF	-	90,000	90,000	1.30	90,000	90,000	1.30	1.30	NIL	NIL	NIL
	Priti Patel	-	90,000	90,000	1.30	90,000	90,000	1.30	1.30	NIL	NIL	NIL
	Shreni Ankit Mehta	-	88,889	88,889	1.29	88,889	88,889	1.29	1.29	NIL	NIL	NIL
	Rajmi R. Mehta	-	75,000	75,000	1.09	75,000	75,000	1.09	1.09	NIL	NIL	NIL
	Others less than 1 %	14	-	-	-	-	-	-	-	-	-	-
	Rajan Shah	-	66,667	66,667	0.97	66,667	66,667	0.97	0.97	NIL	NIL	NIL
	Sanjay S. Shah	-	66,667	66,667	0.97	66,667	66,667	0.97	0.97	NIL	NIL	NIL
	Premal Shukla	-	50,000	50,000	0.72	50,000	50,000	0.72	0.72	NIL	NIL	NIL
	Rajendra Vinodray Kamdar	-	45,000	45,000	0.65	45,000	45,000	0.65	0.65	NIL	NIL	NIL
	Jinesh Rajendra Kamdar	-	45,000	45,000	0.65	45,000	45,000	0.65	0.65	NIL	NIL	NIL

	Sejal Ketan Shah	-	44,445	44,445	0.64	44,445	44,445	0.64	0.64	NIL	NIL	NIL
	Ketan A Shah	-	44,445	44,445	0.64	44,445	44,445	0.64	0.64	NIL	NIL	NIL
	Nital Rajanbhai shah	-	44,445	44,445	0.64	44,445	44,445	0.64	0.64	NIL	NIL	NIL
	Shilpa Doshi	-	49,000	49,000	0.71	49,000	49,000	0.71	0.71	NIL	NIL	NIL
	Anil Sanghvi	-	49,000	49,000	0.71	49,000	49,000	0.71	0.71	NIL	NIL	NIL
	Amit Bhalotiya	-	40,000	40,000	0.58	40,000	40,000	0.58	0.58	NIL	NIL	NIL
	Dhiren Shah	-	40,000	40,000	0.58	40,000	40,000	0.58	0.58	NIL	NIL	NIL
	Sejal Jayeshbhai Shah	-	25,000	25,000	0.36	25,000	25,000	0.36	0.36	NIL	NIL	NIL
	Jayesh Kantilal. Shah	-	25,000	25,000	0.36	25,000	25,000	0.36	0.36	NIL	NIL	NIL
(b)	**NBFCs registered with RBI**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c)	**Employee Trusts**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(d)	**Overseas Depositories (holding DRs) (balancing figure)**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(e)	**Any Other (specify)**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Hindu Undivided Family (HUF)	3	-	-	-	-	-	-	-	-	-	-
	Mayur V Maghrani HUF	-	20,000	20,000	0.29	20,000	20,000	0.29	0.29	NIL	NIL	NIL
	Vijay Maghrani HUF	-	20,000	20,000	0.29	20,000	20,000	0.29	0.29	NIL	NIL	NIL
	Jeetendra G Maghrani HUF	-	20,000	20,000	0.29	20,000	20,000	0.29	0.29	NIL	NIL	NIL
	Sub-Total (B)(3)	**38**	**13,66,391**	**13,66,391**	**19.79**	**13,66,391**	**13,66,391**	**19.79**	**19.79**	**NIL**	**NIL**	**NIL**
	Total Public Shareholding (B)= (B)(1)+(B)(2) +(B)(3)	**40**	**14,63,891**	**14,63,891**	**21.20**	**14,63,891**	**14,63,891**	**21.20**	**21.20**	**NIL**	**NIL**	**NIL**

None of the shares are partly paid up
None of the shares are underlying Depository Receipts
None of the shares are underlying Outstanding Convertible Securities (including warrants)
None of the shares are/have been Pledged

Our Company will file the shareholding pattern of our Company, in the form prescribed under SEBI (LODR) Regulations, 2015, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares.

a) As on the date of this Draft Prospectus, there are no partly paid-up shares/ outstanding convertible securities/ warrants in our Company.

b) The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares: 3

c) The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 5% of the total number of shares: NIL

d) There are no equity shares against which depository receipts have been issued.

e) Other than the equity shares, there are no other class of securities issued by our Company.

8. **The shareholding pattern of our Company showing the aggregate shareholding of Promoters and Promoter Group before and after the Issue is set forth below:**

Sr. No.	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of equity shares	As a % of Issued Equity	No. of equity shares	As a % of Issued Equity
A	**Promoters**				
1	Mr. Sandip Vinodray Kamdar	15,51,115	22.46	15,51,115	16.49
2	Mr. Vinodray Keshavlal Kamdar	10,80,000	15.64	10,80,000	11.48
3	Mrs. Madhuben Vinodray Kamdar	13,25,000	19.19	13,25,000	14.09
4	Mrs. Anjali Sandipbhai Kamdar	11,20,000	16.22	11,20,000	11.91
	Total (A)	**50,76,115**	**73.51**	**50,76,115**	**53.97**
B	**Promoter Group & Relatives**				
1	Rajesh S Mehta	80000	1.16	80000	0.85
2	Rajesh S. Mehta HUF	85000	1.23	85000	0.90
3	Vikas jain	200000	2.9	200000	2.13
	Total (B)	**3,65,000**	**5.29**	**3,65,000**	**3.28**
C	**Other Associates Acting in Concert**				
	Total (C)	**54,41,115**	**78.80**	**54,41,115**	**57.85**
D	**TOTAL (A+B+C)**				

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

10. Till date our Company has not made any allotment of Equity Shares pursuant to any scheme approved under section 391- 394 of the Companies Act, 1956 or Section 230-233 of the Companies Act, 2013.

11. Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines, 1999.

12. Our Company has issued Equity Shares during a period of one year preceding the date of this Draft Prospectus at a price lower than the Issue price. The details for the same have been mentioned under "Share Capital History of the Company" on page no. 59.

13. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from the date of this Draft Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of the Issue, by way of split/ consolidation of the denomination of Equity Shares or further issue of equity shares (including issue of securities convertible into exchangeable, directly or indirectly, for our equity shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use equity shares as a currency for acquisition or participation in such joint ventures.

14. During the past 6 (Six) months immediately preceding the date of this Draft Prospectus, there has been transactions in our equity shares, which have been purchased/ sold/ transferred by our Promoters, their relatives and associates, persons in Promoter Group [as defined under Regulation 2(1)(zb) of SEBI (ICDR) Regulations, 2009] or the directors of the company which is a Promoter of the Company and/or the Directors of the Company.The details for the same have been mentioned under "Share Capital History of the Company" on page no. 59.

15. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the 6 (Six) months preceding the date of this Draft Prospectus .

16. Our Company, our Promoters, our Directors and the Lead Manager to the Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.

17. There are no safety net arrangements for the Issue.

18. An oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post issue paid-up capital is locked in.

19. In case of over-subscription in all categories the allocation in the Issue shall be in accordance with the requirements of regulation 43(4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.

20. Under-subscription, if any, in any portion would be met out of the spillover from other categories at the sole discretion of our Company in consultation with the Lead Manager and the Designated Stock Exchange.

21. As on the date of filing of this Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our equity shares.

22. All the equity shares of our Company are fully paid up as on the date of this Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be allotted fully paid-up equity shares.

23. As per RBI regulations, OCBs are not allowed to participate in the Issue.

24. The Issue is being made through Fixed Price method.

25. **Particulars of top ten shareholders:**

(a) As on the date of this Draft Prospectus:

Sr. No.	Name Of The Shareholders	No. Of Shares	% of the Pre-Issue Capital
1.	Mr. Sandip Vinodray Kamdar	15,51,115	22.46
2.	Mr. Vinodray Keshavlal Kamdar	10,80,000	15.64
3.	Mrs. Madhuben Vinodray Kamdar	13,25,000	19.19
4.	Mrs. Anjali Sandipbhai Kamdar	11,20,000	16.22
5.	Mr. Vikas Jain	2,00,000	2.90
6.	Ms. Priti Chintan Patel	90,000	1.30
7.	Hetal N shah HUF	90,000	1.30
8.	Sherni Ankit Mehta	88,889	1.29
9.	Rajesh S Mehta HUF	85,000	1.23
10.	Manan R patel	82,833	1.20
	Total	**57,12,837**	**82.73**

(b) 10 days prior to the date of this Draft Prospectus:

Sr. No.	Name Of The Shareholders	No. Of Shares	% of the Pre-Issue Capital
1.	Mr. Sandip Vinodray Kamdar	15,51,115	22.46
2.	Mr. Vinodray Keshavlal Kamdar	10,80,000	15.64
3.	Mrs. Madhuben Vinodray Kamdar	13,25,000	19.19
4.	Mrs. Anjali Sandipbhai Kamdar	11,20,000	16.22
5.	Mr. Vikas Jain	2,00,000	2.90
6.	Ms. Priti Chintan Patel	90,000	1.30
7.	Hetal N shah HUF	90,000	1.30
8.	Sherni Ankit Mehta	88,889	1.29
9.	Rajesh S Mehta HUF	85,000	1.23
10.	Manan R patel	82,833	1.20
11.	**Total**	**57,12,837**	**82.73**

(c) 2 years prior to the date of filing this Draft Prospectus:

1. Equity Shareholders

Sr. No.	Name Of The Shareholders	No. Of Shares	% of the Pre-Issue Capital
1.	Mr. Sandip Vinodray Kamdar	2,50,000	3.62
2.	Mr. Vinodray Keshavlal Kamdar	2,50,000	3.62
3.	Mrs. Madhuben Vinodray Kamdar	2,50,000	3.62
4.	Mrs. Anjali Sandipbhai Kamdar	2,50,000	3.62
	Total	**10,00,000**	**14.48**

2. Preference Shareholders

Sr. No.	Name Of The Shareholders	No. Of Shares
1.	GTK Tradelink Pvt Ltd	3,50,000
	Total	**3,50,000**

26. Our Company has not raised any bridge loan against the proceeds of the Issue.

27. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

28. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.

29. An Applicant cannot make an application for more than the number of Equity Shares being issued through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

30. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in the Issue.

31. We have 47 shareholders as on the date of filing of this Draft Prospectus.

32. None of the other Promoters and members of our Promoter Group will participate in this Issue.

33. Our Company has not made any public issue since its incorporation.

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

35. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

36. For the details of transactions by our Company with our Promoter Group, Group Companies during the last five financial years i.e. 2017, 2016, 2015, 2014 and 2013 refer to paragraph titled ***'Annexure 14: Statement of Related Parties' Transactions'*** in the chapter titled 'Restated Financial Statement' beginning on page no. 213 of this Draft Prospectus .

37. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled **'*Our Management*'** beginning on page no. 163 of this Draft Prospectus.

38. None of our Promoters, Promoter Group, Directors and their relatives has entered into any 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 Prospectus.

39. The unsubscribed portion in any reserved category may be added to any other reserved category.

40. The unsubscribed portion, if any after such interse adjustments among the reserved categories shall be added back to the net offer to the public portion.

41. 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.

SECTION-IV PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

This Issue is being undertaken to meet the objects, as set forth herein, and to realize the benefits of listing of our Equity Shares on Stock Exchanges, which in our opinion would enhance our Company's visibility, brand name and enable us to avail of future growth opportunities. The other Objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on BSE SME Platform.

The Proceeds from the Issue are proposed to be utilized by our Company for the following objects:

1. Training Centre Expansion
2. Technical Infrastructure -Servers & Studio, Portal and Content Development
4. Branding and Marketing
5. Corporate Office Restructuring
6. General corporate purpose
7. IPO related expense

*(Collectively referred as the **"objects")***

The main objects clause of our Memorandum 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.

FUND REQUIREMENTS

Breakup of the total fund requirement for the Project work in progress is set forth below:

(Amt in Rs.)

Sr. No.	Particulars	Amount	In % age
1	Training Centre Expansion	4,18,28,094	55.77%
2	Technical Infrastructure-Servers, Studio & Content	1,16,96,000	15.59%
3	Corporate Office – Furniture & Equipments	47,50,000	6.33%
4	Branding & Marketing	71,58,116	9.54%
5	General Corporate Purpose	58,17,790	7.76%
6	SME IPO Expenses	37,50,000	5.00%
	TOTAL	**7,50,00,000**	**100.00%**

The fund requirements mentioned above are based on internal management estimates of our Company and the Lead Manager do not have any opinion on the justification for the same with regards to its exact requirement or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, cost of commodities and interest or exchange rate fluctuations. The figures are relied on the documentary evidences provided by the Company, up to the extent available. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the issue proceeds as stated above, our Company may re-allocate the issue proceeds to the activities where such

shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the issue proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

MEANS OF FINANCE

(Amt in Rs.)

Sr. No.	Particulars	Amount
1.	Public Issue Proceeds	7,50,00,000
2.	Internal Accruals	-
	Total	**7,50,00,000**

We propose to meet the entire requirement of funds for the Objects from the Net Proceeds of the Issue. Accordingly, the requirement under Regulation 4(2)(g) of the SEBI ICDR Regulations of firm arrangements of finance through verifiable means towards 75% of the stated means of finance excluding the amount to be raised through Issue Proceeds or Internal Accruals is not applicable.

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.

As we operate in competitive environment, 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 the Draft Prospectus.

FUNDS DEPLOYED

Details of funds already deployed till February 20, 2018 and sources of funds deployed

(Amt in Rs.)

Sr. No.	Particulars	Amount
1	SME IPO Expenses	4,50,000
	TOTAL	**4,50,000**

SOURCES OF FUND

(Amt in Rs.)

Sr. No.	Particulars	Amount
1	Internal Accrual	4,50,000
	TOTAL	**4,50,000**

The Management of the Company, in accordance with the policies set up by the Board, will have flexibility in deploying the Net Proceeds of the Issue.

DETAILS OF THE REQUIREMENT OF FUNDS

I. Establishment of Training \ Coaching Centers

Our Company proposes to utilize Rs. 418.28 Lakhs from the Net Proceeds to fund the establishing of new Coaching Centers. Our Company has identified 21 (Twenty One) locations ("Identified Locations") within Gujarat, Rajshthan, Mumbai& Thane where we will establish own centers in 2018-19. The new Coaching Centers will be operated by our Company on premises which will be acquired on lease /leave and license arrangements basis. As on the date of this Draft Red Herring Prospectus, our Company has not entered into any lease or leave and license arrangements or other arrangements at any of the Identified Locations to operate the new Coaching Centers.

The expenses are estimated with traditional pessimistic& considering a methodical approach from different centers by classifying into Tier -1 and Tier – 2 category, reaching an average expense estimate in each category and then multiplying with the number of centers in each category. The list of Identified Location for centers is mentioned in Our Business. Management has plans to have infra with computer lab & network facility to educate the students at each center in classroom and virtual classroom. It also provides E library facility for audio & video lecture of various subjects of different stream of studies.

Detailed Quotation for Center establishment is as follows:

(Amt in Rs.)

CAPITAL INVESTMENT BREAK-UP	Price	Numbers	Amount	Quatation from	Date
Furniture & Interiors Including seating arrangement			11,91,000*	Navnit Panchal	18-1-2018
Air- Conditioners	35,990	4	1,43,960	Croma	18-1-2018
Projectors	36,465	1	36,465	Croma	18-1-2018
Recording & live Camera	33,990	2	67,980	Croma	18-1-2018
Computer system	56,490	7	3,95,430	Croma	18-1-2018
Printer	4,999	1	4,999	Croma	18-1-2018
Refrigerator	14,990	1	14,990	Croma	18-1-2018
Water Purifier	14,990	1	14,990	Croma	18-1-2018

Deposit for Premises			1,22,000	Own Estimetes	
Total Cost for One Center			**19,91,814**		
Number of Center		21			
Training Center Expansion Cost			4,18,28,094		

***Cost is exclusive of GST.*

II. Technical Infrastructure (Servers & Studio)

Our technical infrastructure is USP of our brand as the kind of servers and studio we have built facilitates us to do a live session across multiple centers thus bringing down the cost of centers which can be reallocated heavily to marketing. It also allows us to have higher revenue sharing margins with them, thus providing a competitive edge over existing players.

Our company plan to have Portal, software and servers to cater the students online and centers for studies of various subjects. It has plans to develop the two studios with live telecast and recording facility at corporate office. Further enhancement and updation of same is going to be a huge uphill investment.

Detailed Quotation for Technical Infrastructure is as follows:

(Amt in Rs.)

Items	Amount
Portal for Education and Vocational program	43,07,000(i)
LMS for lectures telecast	24,78,000(i)
Software- HR Restructureing for corporate & clients	23,01,000(i)
Infrastructure Creation for 2 Studio, Including Service Charge and Training Cost(1180000*2+250000)	26,10,000(ii)*
Total	**1,16,96,000**

** Cost is exclusive of GST.*

(i) Based on the Quotation of ITechnotion IT Solution LLP dated January 19, 2018

(ii) Based on the Quotation of 3rd Eye Focus dated February 10, 2018

III - Corporate Office Infrastructure

Considering the growth in business and future expansion plan, Management need to create ultra modern and high tech corporate office for executives, professors and management.It has been more than a decade since our corporate office has started and we haven't revamped the same. Thus, the corporate office needs a new look with up gradation of classroom infrastructure making it state of the art premises. This would entice more students as it enables higher degree of comfort for learning. It would also generate positivity and motivation amongst existing and new employees as they will feel motivated to come and work.

The estimated expenses in detail media marketing is obtained from M\s. Navnit Panchal & Associates, Ahmadabad dated January 15, 2018 as mentioned in the table below:

(Amt in Rs.)

Item	Amount
Civil works& Interiors	12,00,000
Furniture – Cabin, Conference room, staff sitting areas	19,50,000
Display, AC and fittings	4,50,000
Storage, Security and Web Camera systems	11,50,000
Total	**47,50,000***

** Cost is exclusive of GST.*

IV – Marketing& Branding

The main strength of marketing activity by Arihant as an institution would be below the line marketing via events and promotional activities across colleges and other such forums with heavy target segment presence. Our Company is aware that digital media presence is critical for the company and would be crucial to build the brand and hence, we are spending a sizeable amount of funds into digital area. Given the world is almost online half of the day, it becomes relatively crucial to maintain a constant active engaging presence on the online media.

Our Company is also planning to leverage the same and build value for our shareholders. These efforts would translate into top of the mind recall for our customers and thus, translate into revenues eventually.

Thus, our spending for Offline: Online: TVC is in ratio which shows our efforts to build the brand across multiple advertising media and thus, augment our dominance into the market. Our centers spending on our brand promotion is going to be an additional boost on building the presence on ground.

Company has planned kept Rs. 71.58 Lakhs towards the brand and media marketing. Estimates in detail media marketing is obtained from M\s. Excellent Publicity, Ahmadabad dated February 15, 2018.

(Amt in Rs.)

Items	Amount
News papers	11,81,498
Social Media Marketing and Paid Promotion	17,70,000

TVCs	24,95,470
Posters and Hoarding	17,11,148
Total	**71,58,116**

V General Corporate Expenses

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes. We intend to deploy Net Issue proceeds aggregating Rs. 58.18 Lakhs towards the General Corporate Purposes for normal capital expenditure, strategic initiatives, expanding into new geographies, pre-operative expenses and strengthening our marketing capabilities to drive our business growth.

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.

VI Issue Expense

The expenses of this Issue include, among others, underwriting and Issue management fees, Intermediaries fees, printing and stationery expenses, advertisement expenses and legal fees etc. The total estimated expenses are Rs. 37.50 Lakhs which is 5.00 % of Issue Size. The details of Issue expenses are tabulated below:

(Amt in Rs.)

Sr. No.	Particulars	Amount	% of the total issue size
1.	Issue management fees including fees and reimbursements of Market Making fees, selling commissions, brokerages.	30,00,000	4.00
2.	Printing & Stationery, Distribution, Postage, etc	2,00,000	0.26
3.	Advertisement & Marketing Expenses	1,50,000	0.20
4.	Regulatory expenses and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	4,00,000	0.54
	Total	**37,50,000**	**5.00**

SCHEDULE OF IMPLEMENTATION

Training Centers – Schedule of Implementation

The details of the Identified Locations and the expected time of commencement of operations of the new Coaching Centers at the Identified Locations are set forth in the table below:

Sr. No.	Location	Number of Centers	Expected time to start Commercial operation
1	Gujarat – Ahmedabad (2) , Baroda (2) , Surat (1) , Rajkot (1)	6	September, 2018
2	Gujarat – Bhuj (1), Gandhinagar (1), Anand (1), Jamnagar (1), Surat (1) & Ahmedabad (1)	6	February , 2019

3	Rajeshthan – Udaipur (1), Jodhpur (1) , Jaipur (1), Kota (1)	4	June, 2019
4	Mumbai (2) & Thane (1)	3	September, 2019
5	Delhi (2)	2	September, 2019

The Identified Locations may be subject to change due to various factors outside our Company's control, including non availability of suitable properties on commercially acceptable terms or at all.

Technical Infrastructure – Schedule of Implementation

Sr. no	Activity	Commence on	Completion by
1	Portal for Education & Vocational Program	May, 2018	December, 2018
2	LMS for Lectures Telecast	May, 2018	September, 2018
3	Creation of Studio	June, 2018	September, 2018

The proposed year wise break up of deployment of funds and Schedule of implementation of Net Issue Proceeds is as under:

Sr. NO.	Particulars	Amount Already Incurred Rs, in Lakhs	Amount to be deploy in year 2018-19	Amount to be deploy in year 2019-20
1	Training Centre Expansion	0	2,39,01,768	1,79,26,326
2	Technical Infrastructure-Servers, Studio & Content	0	1,16,96,000	-
3	Corporate Office – Furniture & Equipments	0	47,50,000	-
4	Branding & Marketing	0	45,00,000	26,58,116
5	General Corporate Purpose	0	58,17,790	-
	Total		**5,06,65,558**	**2,05,84,442**

BRIDGE FINANCING FACILITIES

As on the date of this Prospectus, we have currently not raised any bridge loans against the Proceeds of the Issue.

SHORTFALL OF FUNDS

In case of any shortfall in the proceeds to meet the objects mentioned above, our management may explore a range of options, including utilizing internal accruals or seeking debt or additional equity. In case of surplus funds either due to lower utilization than what is stated above or surplus Net Proceeds after meeting all the above mentioned objects, such surplus shall be utilized towards general corporate purposes. Alternatively, if surplus funds are unavailable or in the event of cost overruns, we expect that a shortfall will be met by way of such means available to our Company including internal accruals and/or appropriate debt or equity arrangements.

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.

INTERIM USE OF FUNDS

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

MONITORING OF ISSUE PROCEEDS

As the Net Proceeds of the Issue will be less than Rs. 10,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the applications 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. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

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 Promoters 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 and Group Entities, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoter, our Directors or key managerial personnel or our Group Entities, except in the normal course of business and in compliance with the applicable laws.

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2009 , our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

For details in relation to Issue expenses, see "Objects of the Issue" and "Other Regulatory and Statutory Disclosures" on pages 87 and 150 respectively.

Authority for the Issue

The present Public Issue of 25,00,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on January 05, 2018 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on January 22, 2018 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company 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 "Main Provisions of Articles of Association of the Company" on page 321 of the Draft 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 recommended 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. For further details, please refer to "Dividend Policy"on page 193 of the Draft Prospectus.

Face Value and Issue Price

The Equity Shares having a Face Value of Rs.10.00 each are being offered in terms of the Draft Prospectus at the price of Rs.30/-per equity Share (including premium of Rs.20/-per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "Basis for Issue Price"on page 100 of the Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with the disclosure and accounting norms

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.

Minimum Application Value, Market Lot and Trading Lot

As per 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 [●] between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated [●] between CDSL, our Company and Registrar to the Issue; and

The trading of the Equity Shares will happen in the minimum contract size of 4000 Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 4000 Equity Shares and is subject to a minimum allotment of 4000 Equity Shares to the successful applicantsin terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

The minimum number of allottees in the Issue shall be 50 shareholders In case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Period of Operation of Subscription List of Public Issue

ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

Underwriting and Minimum Subscription

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Draft Prospectus and shall not be restricted to the minimum subscription level.

As per section 39 of the Companies Act 2013, if the "stated minimum amount" has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (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 8 (eight) days after the issuer becomes

liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of Companies(Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with Regulation [106R] of SEBI ICDR Regulations, The minimum number of allottees in this 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 amounts in the ASBA Account shall be unblocked forthwith.

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

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 106 Q of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of 4000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Exchange.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled “Capital Structure” beginning on page 58 of the Draft 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 sub-heading "Main Provisions of the Articles of Association" on page 321 of the Draft Prospectus.

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 Managers 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 to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Option to receive Equity Shares in Dematerialized Form

As per section 29(1) of the new Companies Act 2013, every company making public offer shall issue securities only in dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial

public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

Migration to Main Board

In accordance with the BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, 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 Rs.25 Crore 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 or

- If the Paid-Up Capital of our Company is more than Rs.10.00 Crore and up to RS.25.00 Crore, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of BSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME platform of BSE, 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 "General Information - Details of the Market Making Arrangements for this Issue"on page 55 of the Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	**Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)**	**Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)**
Upto Rs.20 Crore, as applicable in our case	25%	24%

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

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.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Gujarat, Ahmedabad, India.

The Equity Shares have not been and will not be registered under the U.S. 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.

BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10 and Issue Price is Rs.30/-per Equity Share and is 3.0 times the face value.

The financial data presented in this section are based on our Company's restated financial statements. Investors should also refer to the sections titled '***Risk Factors***' and '***Financial Statements***' on page no. 19 and 194 respectively of this Draft Prospectus to get a more informed view before making the investment decision.

QUALITATIVE FACTORS

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

- Experienced promoters and Management Expertise;
- Quality projects and committed operations;
- Independent Execution capabilities ; and
- Networking strength

For details of Qualitative factors please refer to the paragraph ***'Our Competitive Strengths'*** in the chapter titled '***Business Overview***' beginning on page no. 135 of this Draft Prospectus.

QUANTITATIVE FACTORS

The information presented in this section relating to the Company is based on the restated financial statements of the Company for the period ended January 31, 2018 and for the Financial Year 2016-17, 2015-16 and 2014-15 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. **Basic & Diluted Earnings Per Share (EPS):**

Period	Basic EPS (In Rs.)	Weights
Fiscal 2017	0.77	3
Fiscal 2016	(14.45)	2
Fiscal 2015	0.38	1
Weighted Average	**Negative**	
10 Months ended on January 31, 2018	**0.20**	

Notes:

(i) The figures disclosed above are based on the restated financial statements of the Company.

(ii) The face value of each Equity Share is Rs. *10.00.*

(iii) Earnings per Share has been calculated in accordance with ***Accounting Standard 20 – "Earnings per Share"*** *issued by the Institute of Chartered Accountants of India.*

(iv) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure - 4 on page no. 204.

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

Particulars	P/E at the Issue Price of Rs. 30/-:
Based on the Basic and Diluted EPS of Rs.0.77, as per restated financial statements for the year ended March 31, 2017	38.96
Based on the Basic and Diluted EPS of Rs. (14.45), as per restated financial statements for the year ended March 31, 2016	--
Based on the weighted average EPS of Rs. --, as per restated financial statements	--
Industry PE	
Highest	39.79
Lowest	11.57
Industry Composite PE	25.68

3. **Return on Net Worth#:**

Period	Return on Net Worth (%)	Weights
Year ended March 31, 2017	3.1%	3
Year ended March 31, 2016	N.A.*	2
Year ended March 31, 2015	13.4%	1
Weighted Average	**Negative**	
10 Months ended on January 31, 2018	**2.2%**	

#Restated Profit after Tax/Net Worth

*The Company has incurred a loss and the Networth of the Company is negative for the year ended on March 31, 2016

4. **Minimum Return on increased Net Worth required to maintain Pre-Issue EPS**

a) Based on Basic and Diluted EPS, as adjusted of FY 2016-17 of Rs. 0.77 at the Issue Price of Rs. 30/-:

- 2.56 % on the restated financial statements.

- Based on Weighted Average Basic and Diluted EPS, as adjusted of Negative at the Issue Price of Rs. 30/-: Negative % on the restated financial statements.

5. **Net Asset Value (NAV) per Equity Share:**

Particulars	Amt. (in Rs.)
As on January 31, 2018	8.35
As on March 31, 2017	6.00
As on March 31, 2016	(8.60)
As on March 31, 2015	2.10

6. **Comparison of Accounting Ratios with Industry Peers:**

Sr. No.	Particulars	Face Value	EPS 31/03/17	P/E 20/02/18	RONW	NAV 31/03/17	CMP 20/02/18
		(In Rs.)	(In Rs.)	Ratio	(%)	(In Rs.)	
1	Career Point Limited	10	8.62	14.58	4.22	199.89	125.65
2	CL Educate Limited	10	6.05	39.79	2.00	255.54	240.75
3	MT Educare Limited	10	2.69	26.08	6.85	39.24	70.15
4	Siddharth Education Services Limited	10	3.02	11.57	17.85	16.92	34.95
5	Arihant Institute Limited	10	0.77	38.96	3.00	6.00	30.00

Note: Since there are no listed peers available with the same line of business, the nearest listed peers matching with the business models of our Company has been considered and disclosed for the Investors to take better investment decisions.

1) *Based on March 31, 2017 financial statements as reported to BSE & NSE*
2) *Based on March 31, 2017 restated financial statement.*
3) *Basic & Diluted Earnings per share (EPS), as adjusted*
4) *Price Earning (P/E) Ratio in relation to the Issue Price of Rs.*30/-

7. ***The face value of Equity Shares of our Company is Rs. 10 per Equity Share and the Issue Price of Rs.* 30/- *per Equity Share is* 3.0*times the face value.***

The Issue Price of Rs. 30/- is determined by our Company in consultation with the Lead Manager and is justified based on the above accounting ratios. For further details, please refer to the section titled ***'Risk Factors'***, and chapters titled ***'Business Overview***' and ***'RestatedFinancial Statement***' beginning on page no.19, 135 and 194, respectively of this Draft Prospectus.

Investors should read the above mentioned information along with section titled "Our Business", "Risk Factors"and "Financial Information of the Company" beginning on page no. 135, page no.19 and page no. 194 respectively including important profitability and return ratios, as set out in "Annexure – 6" to the Financial Information of the Company on page no 210 of the Draft Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

To,

The Board of Directors,
Arihant Institute Ltd.
Ahmedabad
India

Sub: Certificate of Statement of possible tax benefits available to the Company- Arihant Institute Limited and its shareholders

Dear Sirs,

We hereby report that the enclosed statement provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income tax Act, 1961(Provisions of Finance Act, 2016) (**'IT 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 statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax-advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money based on this statement.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the current tax laws in force in India.

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

• The Company or its shareholders will continue to obtain these benefits in future; or

• The Conditions prescribed for availing the benefits have been or 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.

No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change. The views are exclusively for the limited use of Milestone Furniture Limited in connection with its public issue referred to herein above and shall not, without our prior written consent, be disclosed to any other person.

Yours faithfully,

For M/S NGST & Associates
Chartered Accountants
Firm Registration No.: 135159W

Sd/-
Bhupendra Gandhi
Partner
Membership No. 122296
Place: Mumbai
Date: February 02, 2018

THE FOLLOWING KEY TAX BENEFITS ARE AVAILABLE TO ARIHANT INSTITUTE LIMITED AND THE SHAREHOLDERS UNDER THE CURRENT DIRECT TAX LAWS IN INDIA

A. SPECIAL TAX BENEFITS AVAILABLE TO OUR COMPANY AND ITS SHAREHOLDERS

I. **Special Benefits available to the Company:** There are no special tax benefits available to the Company.

II. **Special Benefits available to the Shareholders of Company:** There are no special tax benefits available to the Equity Shareholders.

B. OTHER GENERAL TAX BENEFITS TO OUR COMPANY AND ITS SHAREHOLDERS

The following tax benefits shall be available to the Company and its Shareholders under Direct tax law:

Under the Income-Tax Act, 1961 ("IT Act"):

I. Benefits available to the Company

1) **Depreciation:** As per the provisions of Section 32 of the Act, the Company is eligible to claim depreciation on tangible and specified intangible assets (held if any) as explained in the said section and the relevant Income tax rules there under. Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

2) **Dividend Income:** Dividend income, if any, received by the Company from its investment in shares of another domestic Company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961.

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax (DDT) at the rate of 15%. A surcharge of 10% would be levied on the amount of DDT. Further, Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge. Credit in respect of dividend distribution tax paid by a subsidiary of the Company could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O (1A) of the Act, subject to fulfillment of prescribed conditions. For the purposes of determining the tax on distributed profits payable in accordance with this section, any amount by way of dividends referred to in sub-section 115-O (1) as reduced by the amount referred to in sub section 115-O (1A) [hereafter referred to as net distributed profits], shall be increased to such amount as would, after reduction of the tax on such increased amount at the rate specified in sub-section 115-O (1), be equal to the net distributed profits.

- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of as specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.

- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (excluding surcharge and education cess).

3) **Income from Mutual Funds / Units:** As per section 10(35) of the Act, the following income shall be exempt in the hands of the Company:

- ✓ Income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10; or
- ✓ Income received in respect of units from the Administrator of the specified undertaking; or
- ✓ Income received in respect of units from the specified company.

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified company or of a mutual fund, as the case may be.

For this purpose (i) "Administrator" means the Administrator as referred to in section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) "Specified Company" means a company as referred to in section 2(h) of the said Act.

4) **Income from Long Term Capital Gain:** As per section 10(38) of the Act, long term capital gains arising to the Company from the transfer of a long-term capital asset, being an equity share in a company or a unit of an equity oriented fund where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the Company.

For this purpose, "Equity Oriented Fund" means a fund –

a. Where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and

b. Which has been set up under a scheme of a Mutual Fund specified under section 10(23D) of the Act.

5) As per section 115JB, the Company will not be able to reduce the income to which the provisions of section 10(38) of the Act apply while calculating "book profits" under the provisions of section 115JB of the Act and will be required to pay **Minimum Alternative Tax** as follows-

Book Profit	**A.Y.2018-19**		
	Tax	**Surcharge**	**Cess**
If book profit is less than or equal to Rs. 1 Crore	18.5%	-	3%
If book profit is more than 1 Crores but does not exceed Rs. 10 Crores	18.5%	7%	3%
If book profit is more than Rs. 10 Crores	18.5%	12%	3%

6) **Credit for Minimum Alternate Taxes ("MAT") :** Under Section 115JAA (2A) of the Income Tax Act, 1961, tax credit shall be allowed in respect of any tax paid (MAT) under Section 115JB of the Income Tax Act, 1961 for any Assessment Year commencing on or after April 1, 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Income Tax Act, 1961. Such MAT credit shall not be available for set-off beyond 10 assessment years immediately succeeding the assessment year in which the MAT credit initially arose.

7) Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.

8) As per the provisions of Section 112 of the Income Tax Act, 1961, long-term capital gains as computed above that are not exempt under Section 10(38) of the Income Tax Act, 1961 would be subject to tax at a rate of 20 percent (plus applicable surcharge plus education cess plus secondary and higher education cess). However, as per the provision to Section 112(1), if the tax on long-term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long-term capital gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge plus education cess plus secondary and higher education cess).

9) As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long-term specified asset" within a period of 6 months after the date of such transfer. If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. Provided that the investment made in the long term specified asset during any financial year does not exceed Fifty Lakhs rupees. Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would becom chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

a. by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or

b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, and notified by the Central Government in the Official Gazette for the purposes of this section.

10) As per section 111A of the Act, short-term capital gains arising to the Company from the sale of equity share or a unit of As per section 111A of the Act, short-term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge plus education cess plus secondary and higher education cess).

11) **Preliminary Expenses :** Under Section 35D of the Act, the company will be entitled to the deduction equal to 1/5th of the Preliminary expenditure of the nature specified in the said section, including expenditure incurred on present issue, such as Brokerage and other charges by way of amortization over a period of 5 successive years, subject to stipulated limits.

II. **Benefits to the Resident members / shareholders of the Company under the Income-Tax Act, 1961:**

1) As per section 10(34) of the Act, any income by way of dividends referred to in Section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003) received on the shares of the Company is exempt from tax in the hands of the shareholders.

2) Section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition/ improvement and expenses incurred in connection with the transfer of

a capital asset, from the sale consideration to arrive at the amount of capital gains. However, in respect of long-term capital gains, it offers a benefit by permitting substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index as prescribed from time to time.

Under Section 10(38) of the Income Tax Act, 1961, long-term capital gains arising to a shareholder on transfer of equity shares in the company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to STT. However, the long-term capital gain of a shareholder being company shall be subject to income tax computation on book profit under section 115JB of the Income Tax, 1961.

3) Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.

4) As per the provisions of Section 112 of the Income Tax Act, 1961, long-term capital gains as computed above that are not exempt under Section 10(38) of the Income Tax Act, 1961 would be subject to tax at a rate of 20 percent (plus applicable surcharge plus education cess plus secondary and higher education cess). However, as per the provision to Section 112(1), if the tax on long-term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long-term capital gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge plus education cess plus secondary and higher education cess).

5) As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long-term specified asset" within a period of 6 months after the date of such transfer. If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. Provided that the investment made in the long term specified asset during any financial year does not exceed Fifty Lakhs rupees. Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would becom chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

a. by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or

b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, and notified by the Central Government in the Official Gazette for the purposes of this section.

6) Under Section 54F of the Income Tax Act, 1961 and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the Income Tax Act, 1961) arising to an Individual or a Hindu Undivided Family (_HUF') on transfer of shares of the company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of

such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of a residential house property within a period of 3 years after the date of such transfer.

7) Under Section 111A of the Income Tax Act, 1961 and other relevant provisions of the Income Tax Act, 1961, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the company would be taxable at a rate of 15 percent (plus applicable surcharge plus education cess plus secondary and higher education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the Income Tax Act, 1961, would be subject to tax as calculated under the normal provisions of the Income Tax Act, 1961.

8) As per section 36(1)(xv) of the Act, the securities transaction tax paid by the shareholder in respect of taxable securities transactions entered in the course of the business will be eligible for deduction from the income chargeable under the head ―Profits and Gains of Business or Profession if income arising from taxable securities transaction is included in such income.

III. Non-Resident Indians/Non-Resident Shareholders (Other than FIIs and Foreign Venture Capital Investors)

1) Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961. Income, if any, received on units of a Mutual Funds specified under Section 10(23D) of the Income Tax Act, 1961 will also be exempt from tax under Section 10(35) of the Income Tax Act, 1961, received on the shares of the Company is exempt from tax.

2) As per section 10(38) of the Act, long-term capital gains arising to the shareholders from the transfer of a long-term capital asset being an equity share in the Company, where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the shareholder.

3) Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which do not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not tax deductible.

4) As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long-term specified asset" within a period of 6 months after the date of such transfer. If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. Provided that the investment made in the long term specified asset during any financial year does not exceed Fifty Lakhs rupees. Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would becom chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2006:

a. by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988, and notified by the Central Government in the Official Gazette for the purposes of this section; or

b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, and notified by the Central Government in the Official Gazette for the purposes of this section.

5) Under Section 54F of the Income Tax Act, 1961 and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the Income Tax Act, 1961) arising to an Individual or a Hindu Undivided Family (‗HUF') on transfer of shares of the company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of a residential house property within a period of 3 years after the date of such transfer.

6) Under Section 111A of the Income Tax Act, 1961 and other relevant provisions of the Income Tax Act, 1961, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the company would be taxable at a rate of 15 percent (plus applicable surcharge plus education cess plus secondary and higher education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the Income Tax Act, 1961, would be subject to tax as calculated under the normal provisions of the Income Tax Act, 1961.

7) Under section 115-C (e) of the Act, the Non-Resident Indian shareholder has an option to be governed by the provisions of Chapter XIIA of the Act viz. "Special Provisions Relating to Certain Incomes of Non-Residents" which are as follows:

(i) As per provisions of section 115D read with section 115E of the Act, where shares in the Company are acquired or subscribed to in convertible foreign exchange by a Non-Resident Indian, capital gains arising to the nonresident on transfer of shares held for a period exceeding 12 months, shall (in cases not covered under section 10(38) of the Act) be concessionally taxed at the flat rate of 10% (plus applicable surcharge plus education cess plus secondary and higher education cess) (without indexation benefit but with protection against foreign exchange fluctuation).

(ii) As per section 115F of the Act, long-term capital gains (in cases not covered under section 10(38) of the Act) arising to a Non-Resident Indian from the transfer of shares of the company subscribed to in convertible foreign exchange shall be exempt from income tax, if the net consideration is reinvested in specified assets within six months from the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

(iii) As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is

income from specified investments or long-term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

(iv) As per section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for the assessment year in which he is first assessable as a Resident, under section 139 of the Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

(v) As per section 115-I of the Act, a Non-Resident Indian may elect not to be governed by the provision of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XIIA shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance the other provisions of the Act.

8) The tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

IV. Benefits available to Foreign Institutional Investors ('FIIs') under the Income Tax Act, 1916:

1) Dividend income, if any, received by the Company from its investment in shares of another domestic company will be exempt from tax under Section 10(34) read with Section 115-O of the Income Tax Act, 1961. Income, if any, received on units of a Mutual Funds specified under Section 10(23D) of the Income Tax Act, 1961 will also be exempt from tax under Section 10(35) of the Income Tax Act, 1961 received on the shares of the Company is exempt from tax.

2) As per section 10(38) of the Act, long-term capital gains arising to the FIIs from the transfer of a long-term capital asset being an equity share in the Company or a unit of equity oriented fund where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the FIIs.

3) As per section 115AD of the Act, FIIs will be taxed on the capital gains that are not exempt under the section 10(38) of the Act at the following rates:

Nature of income	Rate of tax (%)
Long-Term Capital Gain	10
Short-Term Capital Gain (Referred to Section 111A)	15
Short-Term Capital Gain (other than under section 111A)	30

The above tax rates have to be increased by the applicable surcharge, education cess, and secondary and higher education cess.

4) In case of long-term capital gains, (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.

5) As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long-term specified asset" within a period of 6 months after the date of such transfer. If only a part of the capital gains is invested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. Provided that the investment made in the long term specified asset during any financial year does not exceed Fifty Lakhs rupees. Provided further that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. However, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would becom chargeable to tax as long-term capital gains in the year in which the long-term specified asset is transferred or converted into money.

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b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, and notified by the Central Government in the Official Gazette for the purposes of this section.

6) The tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.

7) However, where the equity shares form a part of its stock-in-trade, any income realized in the disposition of such equity shares may be treated as business profits, taxable in accordance with the DTAA between India and the country of tax residence of the FII. The nature of the equity shares held by the FII is usually determined on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases, sales and the ratio between purchases and sales and the holding etc. If the income realized from the disposition of equity shares is chargeable to tax in India as business income, FII's could claim, STT paid on purchase/sale of equity shares as allowable business expenditure. Business profits may be subject to applicable Tax Laws.

V. Venture Capital Companies/Funds

Under Section 10(23FB) of the Income Tax Act, 1961, any income of Venture Capital company / funds (set up to raise funds for investment in venture capital undertaking notified in this behalf) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. As per Section 115U of the Income Tax Act, 1961, any income derived by a person from his investment in venture capital companies / funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.

VI. Mutual Funds

As per Section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board ofIndia Act, 1992 or Regulations made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India would be exempt from income tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

Tax Treaty Benefits

An investor has an option to be governed by the provisions of the Income Tax Act, 1967 or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial.

Benefits available under the Gift Tax Act: Gift tax is not leviable in respect of any gifts made on or after 1st October 1998. Therefore, any gift of shares of the Company will not attract gift tax in the hands of the donor.

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 of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;

3) The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India as amended from time to time. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;

4) 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, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;

5) In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and

6) The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.

SECTION V – ABOUT THE ISSUER COMPANY

INDUSTRY OVERVIEW

The information in this section has not been independently verified by us, the Lead Manager or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.

Global Economic Scenario

Since the April 2017 meeting of the MPC, global economic activity has expanded at a modest pace, supported by firming growth in major advanced economies (AEs) and in some emerging market economies (EMEs) as well. In the US, a tightening labour market is generating wage gains. Alongside, industrial production has steadily improved in recent months and retail sales remain robust, although home sales ebbed in April. Political risks remain high, however. In the Euro area, the recovery has been underpinned by consistently falling unemployment, rising retail sales and a brighter outlook for manufacturing reflected in purchasing managers' and business surveys. In Japan, exports supported by a depreciated yen and industrial activity are driving an acceleration in growth. Wages and inflation, however, are depressed and holding back domestic demand. Among EMEs, the Chinese economy is stabilising, especially in manufacturing, but financial risks in the form of the credit-fuelled debt overhang could impinge on the outlook

The pick-up in global merchandise trade volume since the start of the year has been sustained in Q2 of 2017, buoyed by strengthening global demand as reflected in rising international air freight and container throughput. International financial markets have been lifted by improving global growth prospects, broadly accommodative monetary policy stances of systemic central banks and generally positive incoming data. Equity markets in most AEs have gained in Q2, surpassing past peaks in the US; boosted by corporate profits in Japan; and supported by easing political tensions and upbeat data in the case of the Euro area. In EMEs, equities have turned in a mixed performance, with high valuations across Asia, but weaker in Latin America on softer commodity prices.

Table V.1: Real GDP Growth (q-o-q, annualised)

(Per cent)

	2015: Q2	2015: Q3	2015: Q4	2016: Q1	2016: Q2	2016 (P)	2017 (P)
Advanced Economies (AEs)							
US	2.6	2.0	0.9	0.8	1.4	2.2	2.5
Euro Area	1.6	1.2	1.6	2.4	1.2	1.6	1.4
Japan	-1.9	2.1	-1.7	2.1	0.7	0.3	0.1
UK	2.0	1.2	2.8	1.6	2.8	1.7	1.3
Canada	-0.5	2.2	0.5	2.5	-1.6	1.4	2.1
Emerging Market Economies (EMEs)							
China	7.2	7.2	6.0	4.8	7.2	6.6	6.2
Brazil	-9.1	-6.2	-5.1	-1.7	-2.2	-3.3	0.5
Russia*	-4.5	-3.7	-3.8	-1.2	-0.6	-1.2	1.0
South Africa	-2.0	0.3	0.4	-1.2	3.3	0.1	1.0
Korea	1.6	4.8	2.8	2.0	3.2	2.7	2.9
Thailand	2.1	3.6	3.4	4.0	3.2	3.0	3.2
Malaysia	3.6	3.6	4.8	4.0	2.8	4.4	4.8
Mexico	3.3	2.8	1.8	2.0	-0.7	2.5	2.6
Saudi Arabia**	-4.7	2.1	5.9	2.8	-	1.2	2.0
Memo					2015	2016 (P)	2017 (P)
World Output					3.1	3.1	3.4
World Trade Volume					2.7	1.7	1.8 - 3.1

P : Projection, * year-on-year, **: Seasonally Unadjusted.
Source: Bloomberg, IMF, WTO and Eurostat.

Global economic activity is picking up with a longa waited cyclical recovery in investment, manufacturing, and trade. World growth is expected to rise from 3.1 percent in 2016 to 3.5 percent in 2017 and 3.6 percent in 2018, slightly above the October 2016 World Economic Outlook (WEO) forecast. Stronger activity and expectations of more robust global demand, coupled with agreed restrictions on oil supply, have helped commodity prices recover from their troughs in early 2016. But these positive developments should not distract from binding structural impediments to a stronger recovery and a balance of risks that remains tilted to the downside, especially over the medium term. Structural problems—such as low productivity growth and high income inequality—are likely to persist.

In the second half of 2016, the stronger global momentum in demand—investment in particular— resulted in marked improvements in manufacturing and trade, which were very weak in late 2015 and early 2016 Consistent with indications of firming global manufacturing activity, global trade is showing some signs of recovery after a long period of weakness

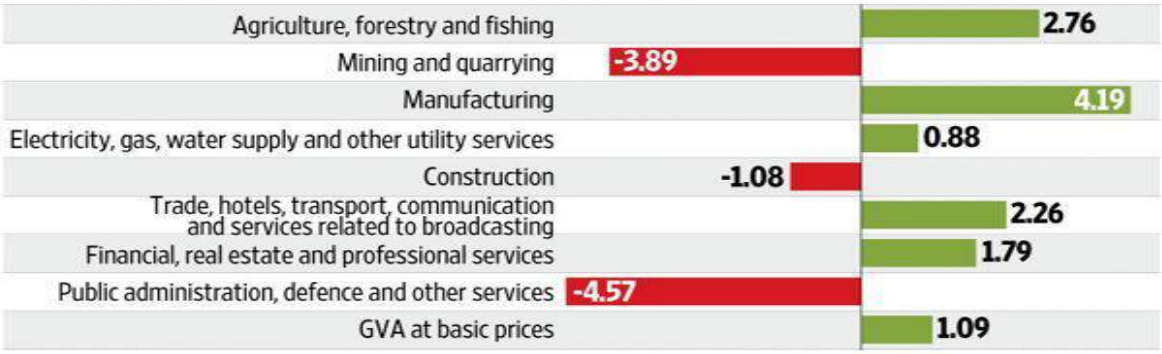
Economic activity gained some momentum in the second half of 2016, especially in advanced economies. Growth picked up in the United States as firms grew more confident about future demand, and inventories started contributing positively to growth (after five quarters of drag). Economic performance across emerging market and developing economies has remained mixed. Whereas China's growth remained strong, reflecting continued policy support, activity has slowed in India because of the impact of the currency exchange initiative, as well as in Brazil, which has been mired in a deep recession.

Indian Economic Scenario

	'16-17	'15-16
Real GDP growth	7.1%	7.9%
GVA growth	6.7%	7.8%
Real GDP growth in Q3	7.0%	6.9%
GVA growth in Q3	6.6%	7.0%

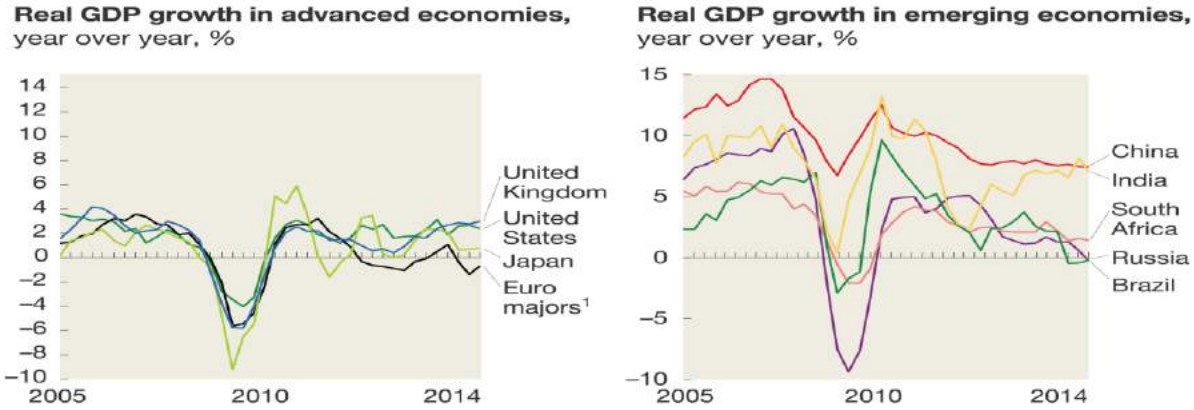
The growth of real gross value added (GVA) for 2016-17 has been pegged at 6.6 per cent, 0.1 percentage point lower than the second advance estimates released in February 2017. Underlying the revision is a downward adjustment in services sector growth in Q4 for the constituents of construction, financial and professional services, and real estate. The Ministry of Agriculture (MoA) released its third advance estimates of food grains production, which confirmed the record level of output achieved in 2016-17 and, in fact, revised it upwards to 273 million tonnes.

Percentage change between CSO's 1st and 2nd advance estimates of GVA at current prices:



Source: Ministry of statistics and programme implementation

A wider divergence in growth has surfaced among emerging and advanced economies.

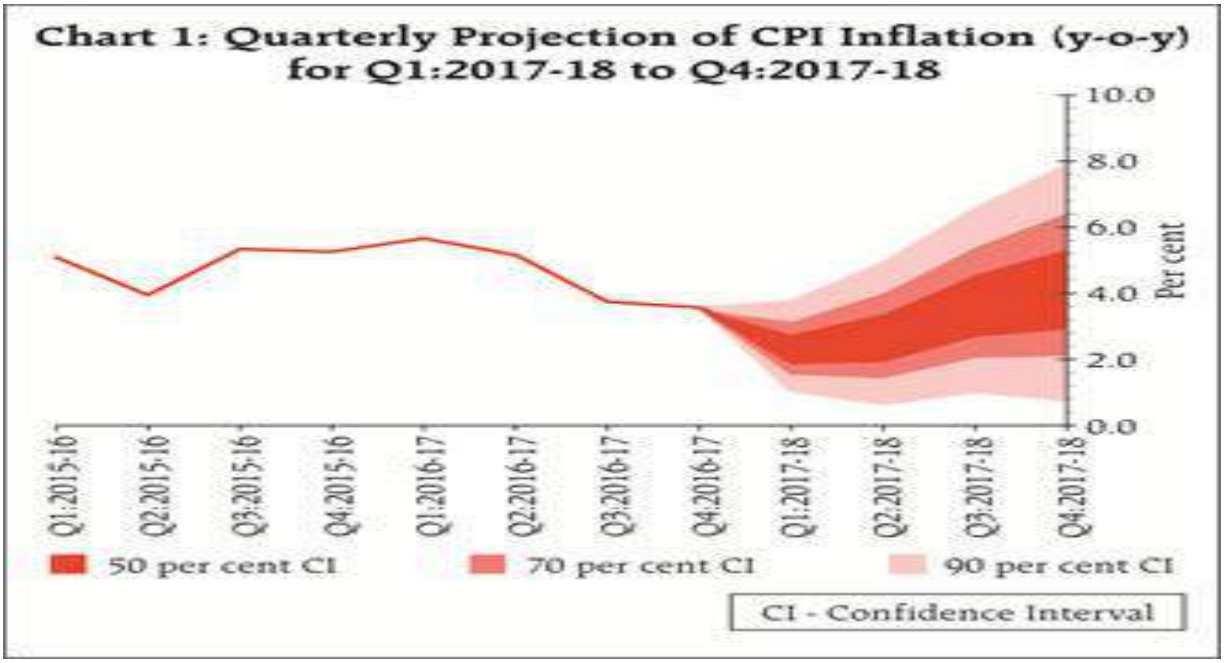


[1]France, Germany, Italy, and Spain.

McKinsey&Company | Source: Haver Analytics

April reading has imparted considerable uncertainty to the evolving inflation trajectory, especially for the near months. If the configurations evident in April are sustained, then absent policy interventions, headline inflation is projected in the range of 2.0-3.5 per cent in the first half of the year and 3.5-4.5 per cent in the second half. Risks are evenly balanced, although the spatial and temporal distribution of the monsoon and the government staying the

course in effective food management will play a critical role in the evolution of risks.. The implementation of the GST is not expected to have a material impact on overall inflation.



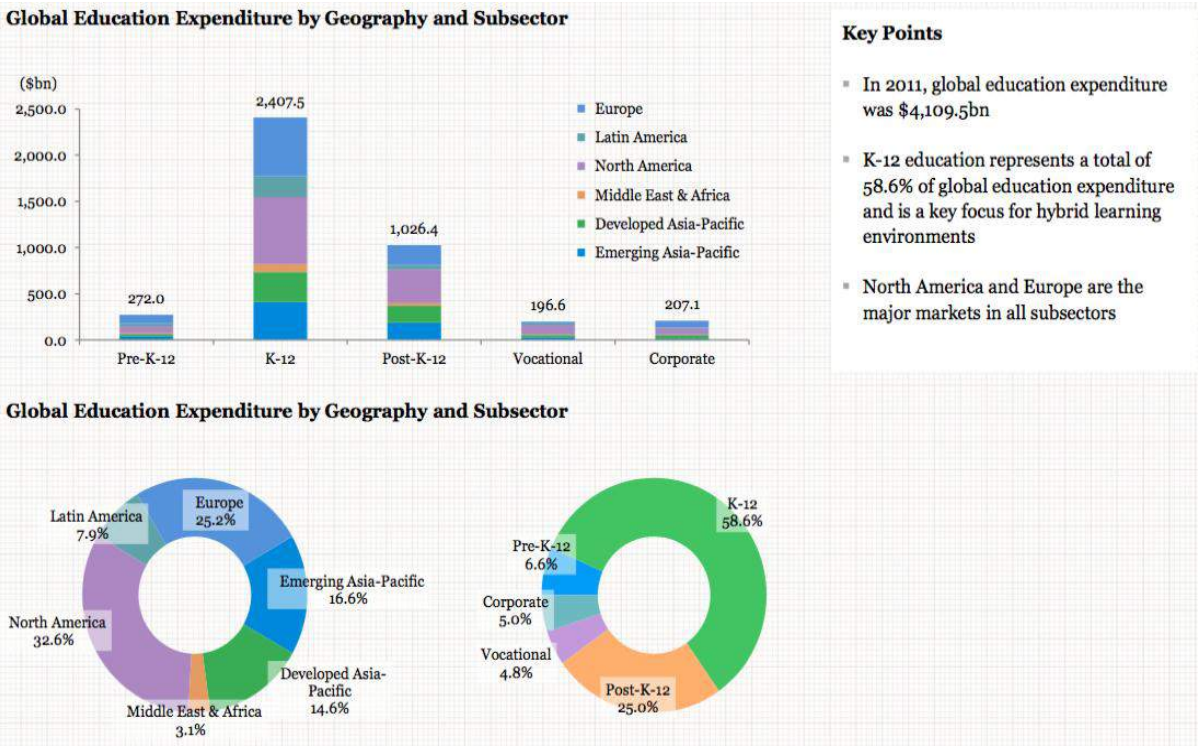
The MPC noted that incoming data suggest that the transitory effects of demonetisation have lingered on in price formations relating to salient food items, entangled with excess supply conditions with respect to fruits and vegetables, pulses and cereals.

Industrial production expanded by 5.0 per cent during 2016-17 based on the new series (as against 0.7 per cent in the old series). Turning to the current financial year, the output of eight core industries decelerated sharply in April on account of contraction in coal, crude oil and cement due to structural constraints and low demand. the manufacturing purchasing managers' index (PMI) moderated sequentially in May as employment contracted and new orders, both domestic and exports, slowed down. The index, however, remained in the expansion zone and the future output index accelerated for the third month in succession.

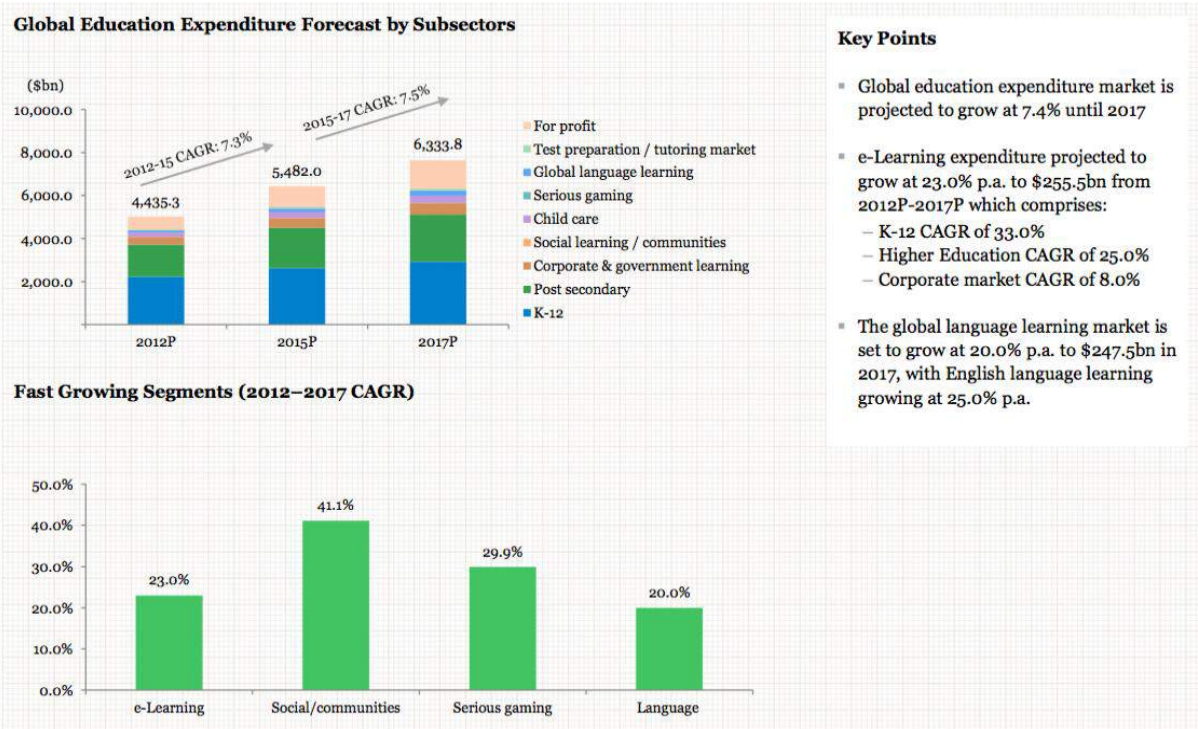
With the CSO's provisional estimates for 2016-17, the projection of real GVA growth for 2017-18 has accordingly been revised 10 bps downwards from the April 2017 projection to 7.3 per cent, with risks evenly balanced The continuing remonetisation should enable a pick-up in discretionary consumer spending, especially in cash-intensive segments of the economy. Furthermore, the reductions in banks' lending rates post-demonetisation should support both consumption and investment demand of households and stress-free corporates.

Global Education Industry

According to a study conducted in 2015, Global Industry Analysts, the global private tutoring market is projected to surpass $102.8 billion by 2018. GIA figures state that United States, Europe, and Asia-Pacific (notably Hong Kong, Japan, Singapore, South Korea, and China) are responsible for more than 90% of the global private tutoring market and most importantly South Korea alone is going to reach $19.5 billion - roughly 20% of the entire market.

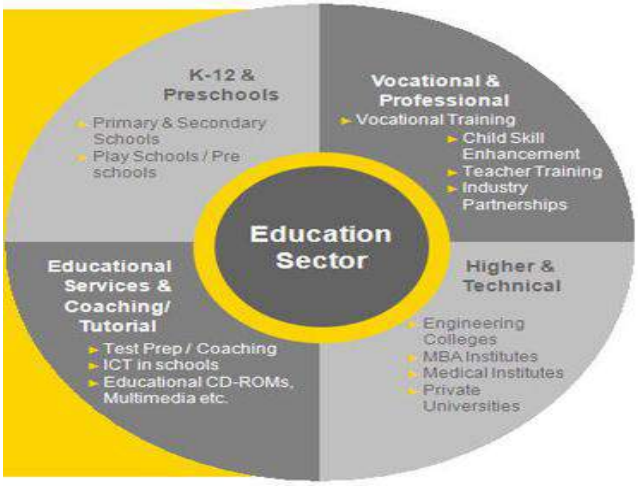


According to a report by Global Market Insights, the global e-learning market was valued at over USD 165 million in 2015 and is expected to grow at over 5% from 2016 to 2023, exceeding USD 240 million. The statistics clearly indicate the growth that this sector has been experiencing, and this trend is expected to continue. Interestingly, the report also forecasts that the e-learning market in the Asia Pacific region, and particularly in India is poised to exhibit the highest growth within this period.In addition, India is leading the way in online tutoring by offering professional linguistic and academic coaching capabilities at an affordable cost.



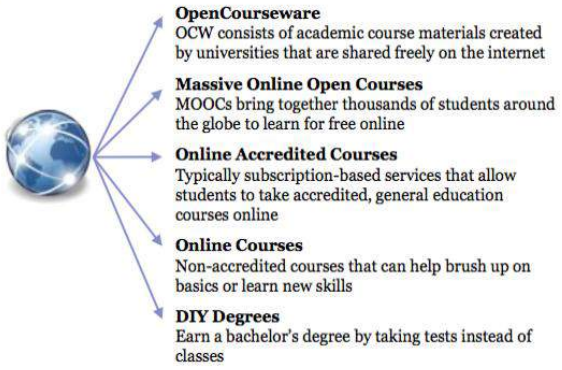
While Asia has clearly lead the global tutoring boom, U.S. is catching up. The mentoring industry existing in India, has had a record growth of almost 35% in the last five-six years. At present the size of private coaching industry is $45 billion and likely to touch $70 billion by 2017.

According to the 'Asian Development Bank Report, 'Shadow Education: Private Supplementary Tutoring and Its Implications for Policy Makers in Asia,' the sector is estimated to be growing at over 15 per cent each year.



The Evolution of Education

Pressure on government education budgets and rising costs of higher education are driving the necessity for cheaper alternatives for education. Various models that address the online market are detailed below:



Benefits:

- ✓ Cheaper alternatives provide access to large student audiences
- ✓ User-defined service
- ✓ High quality resources raise global standards

Limitations:

- × Recognition of qualifications and credentials
- × One size fits all approach
- × Not suitable for all students

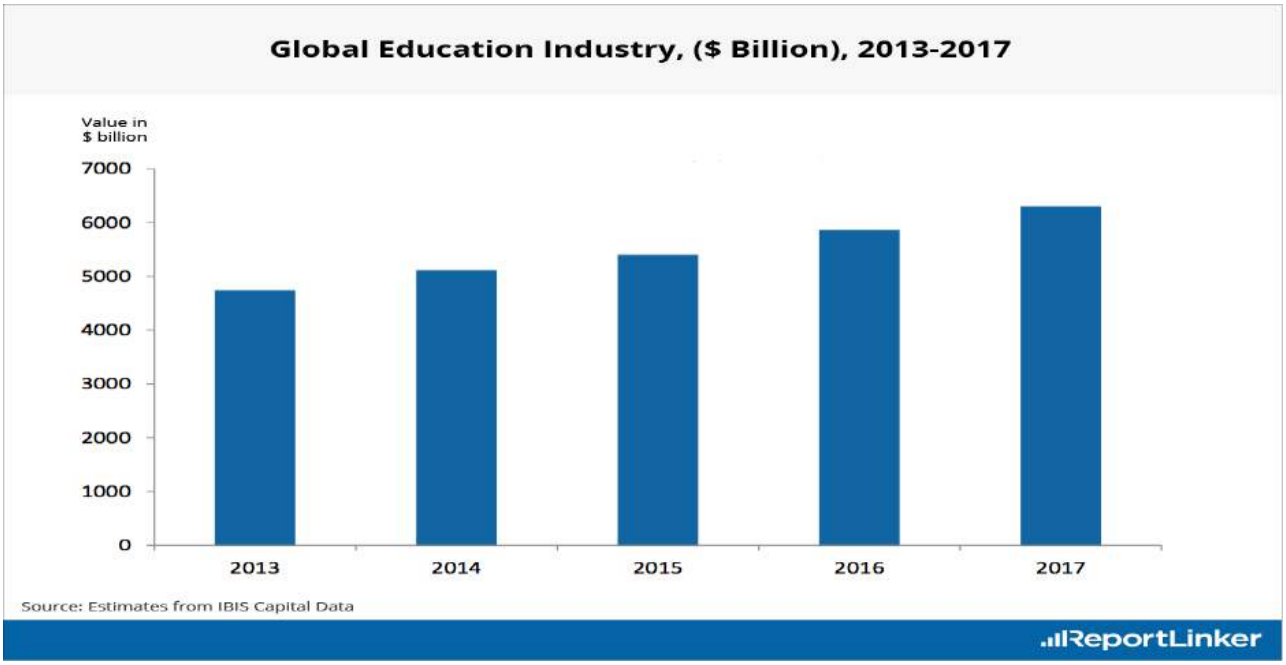
Competitive Landscape

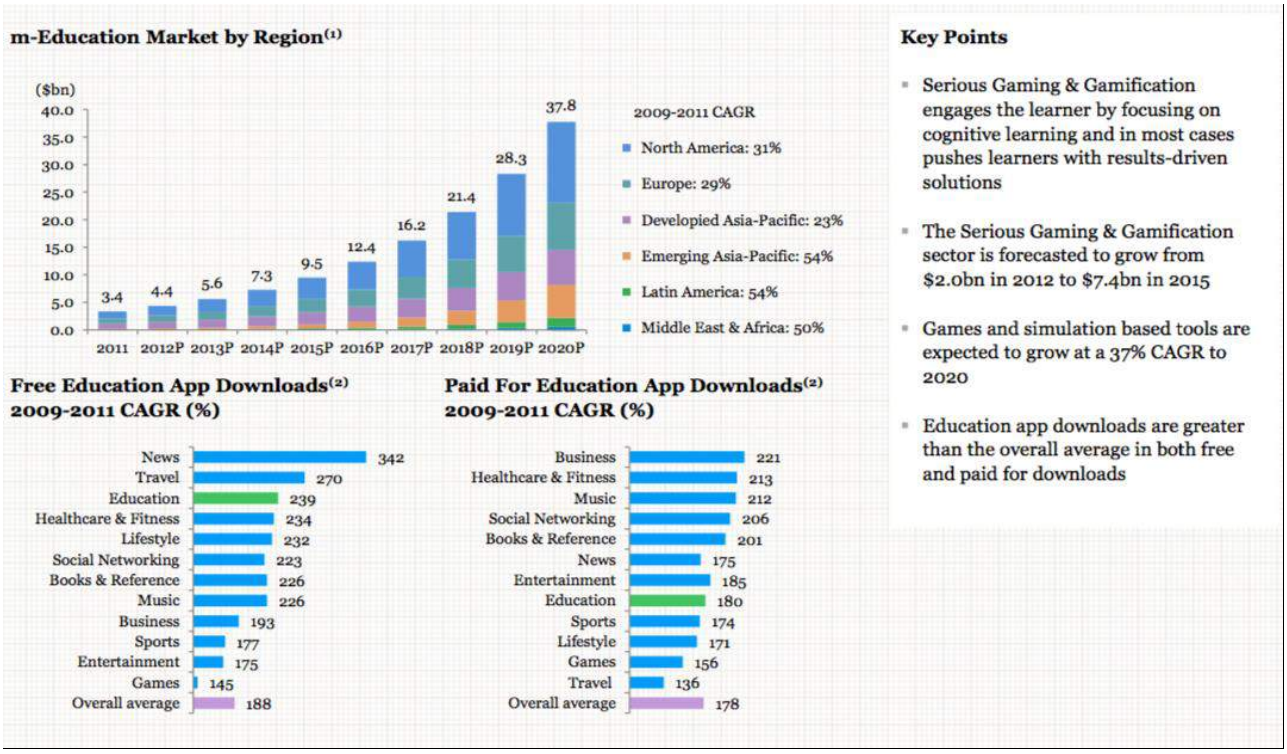
Providers	# of Courses	Courses Covered	Cost
coursera	207	College courses	Free
U	19	University level courses	Free
edX	9	University level courses	Free
udemy	5,015	Courses can be made by anyone, including academic courses	Free – $29+
KHANACADEMY	3,600	K-12, SAT prep, GMAT prep and college level topics	Free
BenchPrep	200	High school, college, SAT, GRE, MCAT, professional courses	$20+ pcm
The Great Courses	390	High school, college and professional courses	$20-$200+
straighterline	42	College prep and college courses	$99 pcm +$49 per course

Other Players

10gen Education, MRUNIVERSITY, ACADEMIC EARTH, UNIVERSITY OF THE PEOPLE, openlearning, canvas, OPEN, Venture Lab

As the world is coming closer, the need to be better than the rest is touching the sky. According to ASSOCHAM's survey, a whopping number of close to 87% of primary school children and up to 95% of the higher secondary attend private coaching classes.



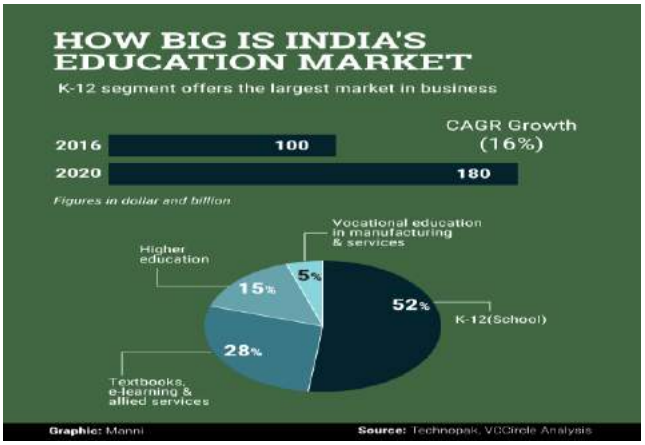


Key Points

- Serious Gaming & Gamification engages the learner by focusing on cognitive learning and in most cases pushes learners with results-driven solutions
- The Serious Gaming & Gamification sector is forecasted to grow from $2.0bn in 2012 to $7.4bn in 2015
- Games and simulation based tools are expected to grow at a 37% CAGR to 2020
- Education app downloads are greater than the overall average in both free and paid for downloads

Indian Education Industry

India holds an important place in the global education industry. The country has more than 1.5 million schools with over 260 million students enrolled and about 751 universities and 35,539 colleges. India has one of the largest higher education systems in the world. However, there is still a lot of potential for further development in the education system. India has become the second largest market for e-learning after the US. The sector is currently pegged at US$ 2 billion and is expected to reach US$ 5.7 billion by 2020. The distance education market in India is expected to grow at a Compound Annual Growth Rate (CAGR) of around 11 per cent# during 2016-2020. Moreover, the aim of the government to raise its current gross enrolment ratio to 30 per cent by 2020 will also boost the growth of the distance education in India.



The education sector in India is poised to witness major growth in the years to come as India will have world's largest tertiary-age population and second largest graduate talent pipeline globally by the end of 2020. The education market in India is currently valued at US$ 100 billion and is expected to nearly double to US$ 180 billion by 2020.* Currently, the school segment is valued at US$ 52 billion and contributes 52 per cent to the education market in India, higher education contributes 15 per cent of the market size, text-book, e-learning and allied services contribute 28 per cent and vocational education in manufacturing and services contributes 5 per cent. Higher education system in India has undergone rapid expansion. Currently, India's higher education system is the largest in the world enrolling over 70 million students while in less than two decades, India has managed to create additional capacity for over 40 million students. It witnesses spending of over Rs 46,200 crore (US$ 6.93 billion).

India's education sector offers a great opportunity with approximately 29 per cent of India's population being between the age group of 0-14 years. India has one of the largest networks of higher education institutions in the world with 666 universities and 39,671 colleges

ON THE RIGHT TRACK

Year	2012-13	2013-14	2014-15
No. of universities	667	723	757
No. of colleges	35,525	36,634	38,056
No.of standalone institutions	11,565	11,664	11,922
Enrolment in higher education (total in million)	30.1	32.3	33.3
Men	16.7	17.5	17.9
Women	13.5	14.8	15.4
Gross enrolment ratio (total)	21.5	23.0	23.6
Men	22.7	23.9	24.5
Women	20.1	22.0	22.7

Source: Ministry of Human Resource Development

Education is a booming market for startups right now. The concept of Education startups is rising in terms of changing perceptions and expectations of people. Constant innovations along with the proliferation of internet and smart-phones have triggered a fundamental change in how school and college students as well as professionals seek new skills and learning. Players in the educational sector have today, adopted different methodologies to change the way how tuitions and coaching are delivered to students.

Just as in other parts of the world, technology has made huge inroads in India too, and today everything is available at the touch of a button. With laptops and tablets now at everyone's disposal, online learning is catching on in a big way. . Besides being low cost, online courses can be opted for anytime and anywhere, and fit well into the busy schedule of 21st century denizens. Online classrooms also facilitate personalised learning. Whereas traditional classrooms fail to cater to the individual learning needs of students, sophisticated algorithms coupled with online

lessons by subject matter experts can make learning more effective. With so many massive open online courses (MOOCs) available on a wide variety of subjects, education is truly getting democratic.

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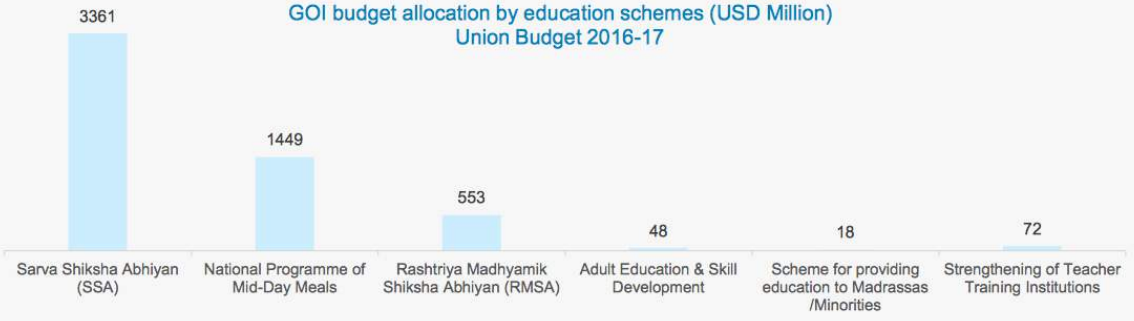
- As per Union Budget FY17, Government of India (GOI) allocated USD149.37 million for setting up a higher education financing agency.
- Under budget 2017, government launched programme 'SANKALP' worth USD594.97 million, in which 35 million youth will be given market relevant training
- The GOI is planning to open 62 Navodaya Vidyalayas, under the Union Budget 2016 – 17. Also, to expand the quality of education in India, an increased focus would be on Sarva Shiksha Abhiyan.
- 10 public institutions & 10 private institutions would be positioned with a regulatory architecture, so that they could emerge as world class teaching & research institutions across the country.
- In March 2017, the government has made Aadhar mandatory in order to avail benefits under nearly 3 dozen central schemes such as mid-day meal scheme at schools & the Sarv Shiksha Abhiyan.



Source: Union Budget 2016 – 17, Centre for Policy Research
Notes: GOI – Government of India

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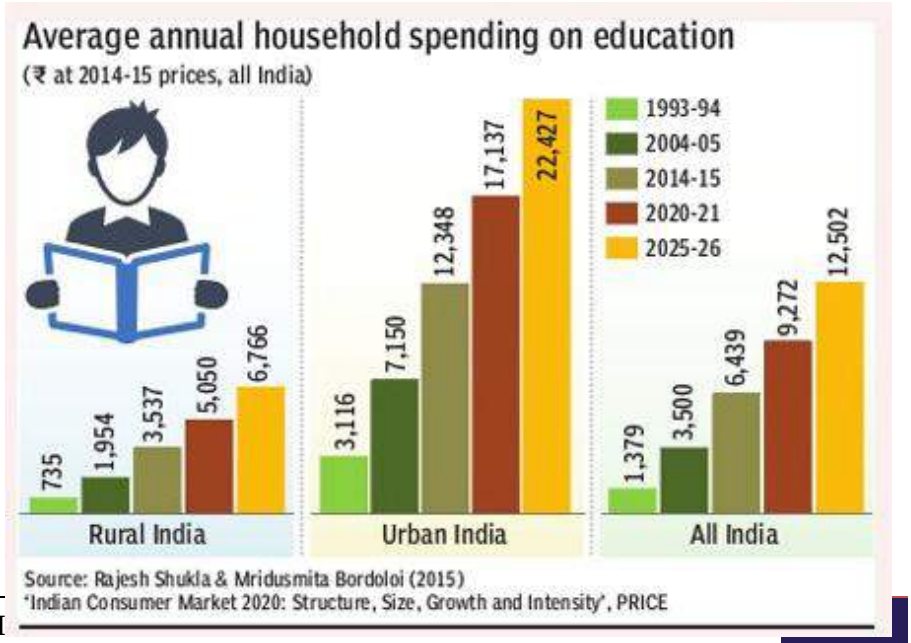
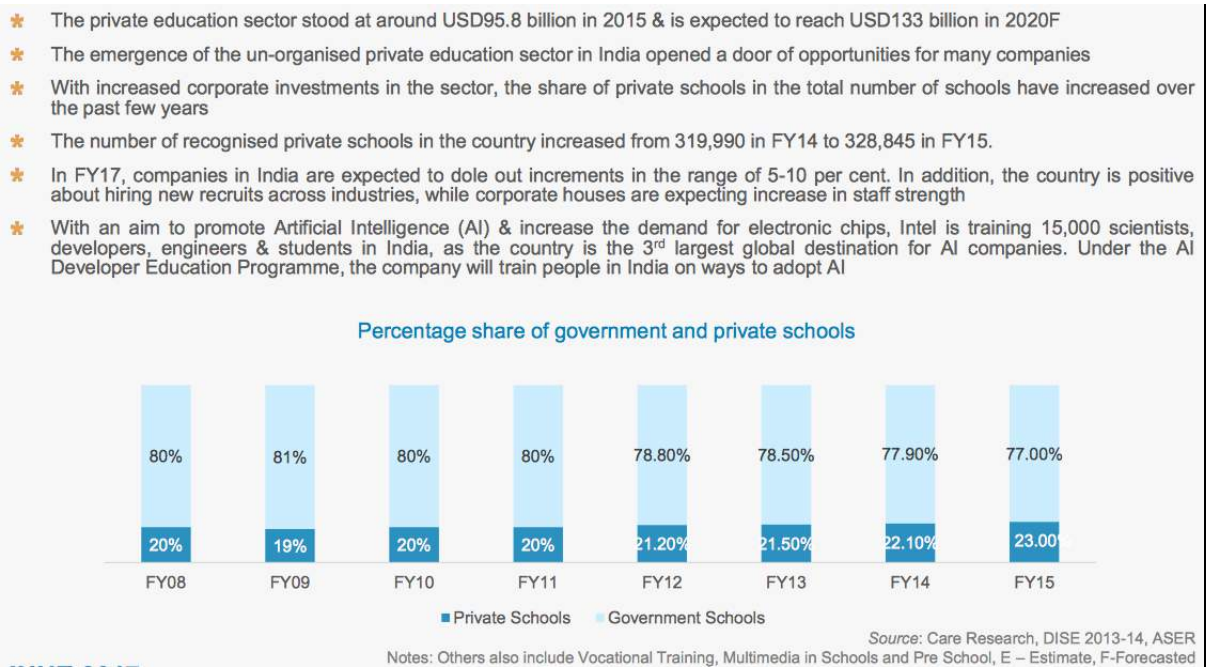


classrooms fail to cater to the individual learning needs of students, sophisticated algorithms coupled with online lessons by subject matter experts can make learning more effective. With so many massive open online courses (MOOCs) available on a wide variety of subjects, education is truly getting democratic.

We can clearly see how the spending of households has been increasing over the years on education thus making it one of the most promising sectors for business growth as the market pie itself is increasing so even just maintaining market share can lead to business revenue growth. The growth rate of rural India is comparatively faster for wanting to have a better life with more amenities.

Private educational coaching Industry in India

According to ASSOCHAM's survey, a whopping number of close to 87% of primary school children and up to 95% of the higher secondary attend private coaching classes.



Most of these classes run in metros like New Delhi, Mumbai, Kolkata, Hyderabad, Bangalore, and Chennai for civil services, law, C.A. or medical coaching urban towns like Jaipur, Chandigarh and Kota for engineering, Pune for Designing or Management etc. You won't be surprised to know that the proportions of kids relying on tuitions has increased by 100%. And in between 2006 to 2013, secondary school enrolments have also gone up by 92%.

With the increasing peer pressure, majority of parents are forced to rely on private tuitions for in addition to attending classes in school. Over 86% of parents think that they are ill-equipped or lack time to teach their children on their own and here's where coaching classes come handy. The statistics reveal that the middle-class parents have been spending 1/3rd of their monthly on their wards' private tuitions.

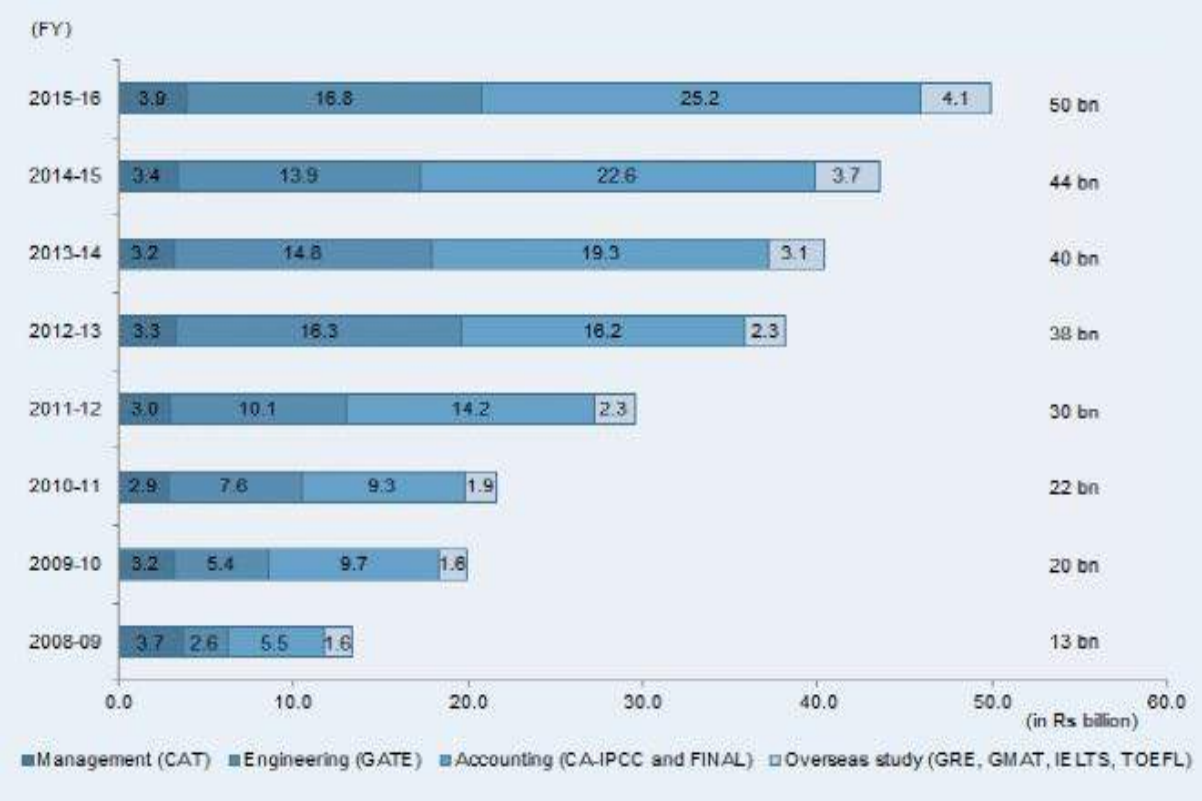
Amidst the general support with school education, youngsters are also engaging with coaching centres for competitive entrance examinations for professional courses or government exams. However, it does not mean that people's disposable incomes have risen or the coaching centres have become affordable. It is just the demand and supply forces that are working.

The idea is clear that the number of classes have increased rise tremendously, and this in turn has been promoting the culture of outstation students settling at these educational hubs. Over five Lakhs of private tutors are active in

Delhi-NCR currently and with competition for increased admission intake into the best colleges intensifying, the demand for private tuition is rising continuously.

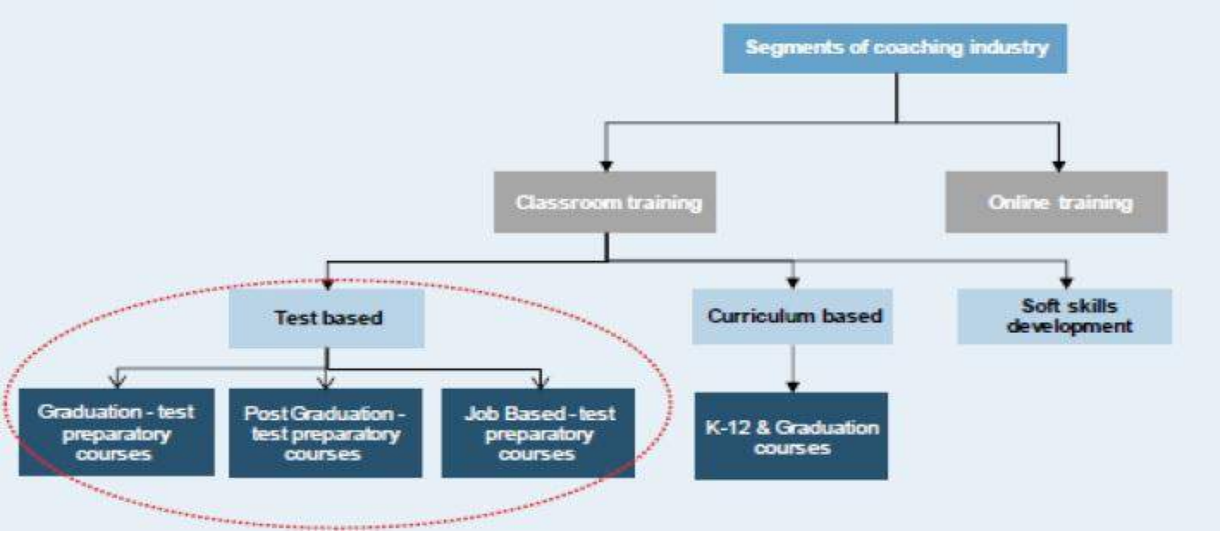
The survey further reveals that many of the best teachers of reputed schools and colleges have left their jobs and taken up private coaching, for the simple reason that there the monthly income of good tutors is equal to the annual salaries of school teachers.

Following graph will shows growth of educational coaching industry in India from 2008-09 to 2015-16



Overview of the Test Prep Market in India

The Indian coaching sector forms a part of the non-formal category of the overall educations sector in India and is largely unregulated. It can be broadly classified as illustrated below:



Over the years, the sector has witness a transition from home tuitions to a host of renowned chains of coaching classes. The mode of knowledge transfer has also evolved from a traditional blackboard class to modern technology driven sessions. Once restricted to textbooks and printed study notes, the segment has evolved to include online content delivery, where students can access course material via online portals and smartphone applications.

Industry Structure	Content	Management Systems	Distribution	Customers
Key Affecting Factors	▪ Regulatory/Curriculum ▪ Corporate Requirements ▪ Consumer Requirements	▪ Scale ▪ Complexity ▪ Efficiency	▪ Online ▪ Free/Paid ▪ One-to-One/One-to-Many	▪ Cost ▪ Level of Qualification ▪ Flexibility
Type of Business	Publishers	Software Platform	Immersive Learning	
	Content	Tools	MOOCs	
	Open Source	Smart Technology	Learning Portal	

Structural changes in the Indian economy (such as rising disposable incomes and growing number of nuclear families, along with factors such as rising share of private institutions and enrolments), few quality educational institutions and social issues in regard to high stress on marks in the Indian education system are expected to drive the coaching industry. Also, the coaching industry being a less capital intensive industry, has attracted entrepreneurial interest.

The test prep market comprises classes which focus on students appearing for entrance exams at the undergraduate and postgraduate levels, as well as for job-oriented tests, and are typically aptitude-based.

Test Prep Segment

This segment caters to students appearing for entrance examinations for admission to undergraduate, graduate and post graduate courses across varied streams such as engineering, medical, law, finance and accounting, architecture, design, fashion and management.

Engineering

The engineering entrance examinations include the following:

- the Joint Entrance Exam – Main ("**JEE-Main**") for admission to undergraduate programs in the National Institutes of Technology ("**NITs**"), IITs, and other Centrally-funded technical institutes; and

- the Joint Entrance Exam-Advanced ("**JEE-Advanced**"), which is the second stage of admission to undergraduate courses to the IITs and the Indian School of Mines.

Medical

The medical entrance examinations include the All India Pre-Medical Test ("**AIPMT**"), which was replaced in 2013 by the National Eligibility cum Entrance Test, but reintroduced from 2014 onwards, for admission to 15% of the merit seats available across Government-run colleges in India, in undergraduate courses in the medicine and dental streams (except in the states of Andhra Pradesh and Jammu & Kashmir). The entrance examination conducted by the All-India Institute of Medical Science MBBS ("**AIIMS MBBS**") is also popular among medical aspirants.

Law

The law entrance examinations include the Common Law Admission Test ("**CLAT**"), introduced in May 2008, for admissions to undergraduate and postgraduate degree programs offered by 17 national law universities. The Law School Admission Test ("**LSAT**") is used for admission to law schools in countries such as the United States, Canada and the United Kingdom. LSAT scores are also accepted by other law schools, including certain law schools in India.

Finance and Accounting

The finance and accounting examinations include

- Chartered Accountancy(**CA**):

Chartered Accountancy degree consists of three levels of Exam 1. CA-CPT 2. CA-IPCC 3.CA Final Where CA CPT is Entrance level of exam for chartered accountancy degree. These Exams are conducted twice in a year by Institute of Chartered Accountants of India (ICAI). Chartered Accountancy course mostly pursued by commerce background while pursuing their graduation.

- Company Secretary (**"CS**")

Company Secretary Course also consists of three stages exam 1.Foundation 2.Executive 3.Professional which is conducted twice a year by Institute of Company Secretary of India(ICSI). Students who likes to join Company Secretary Course before graduation has to undergo three stages of exam while Students who likes to join Company Secretary Course after graduation has to undergo two stages of Exam.

- Cost Management Accountant ("**CMA**")

Cost Management Accountant previously known as Cost and Works Accountant (**CWA**) also consists of three levels of exam 1.Foundation 2.Intermediate 3.Final. Student who has pass 10+2 exam from recognised board or examination equivalent 10+2 which is recognised by the central government.

Entrance examinations in architecture include the National Aptitude Test in Architecture ("**NATA**"), which is an annual all-India entrance examination for admission to undergraduate courses in architecture across all recognized institutes.

International tests at the graduate level include the Scholastic Assessment Test ("**SAT**") for admission to most undergraduate programs across universities in the United States, Canada and certain other countries.

Management

The management entrance examinations include the following:

- the Common Admission Test ("**CAT**"), which is an annual all-India entrance examination for admission to the IIMs' postgraduate business administration courses. From 2011, the IITs and Indian Institutes of Science began to use CAT scores instead of the Joint Management Entrance Test for admission to their management programs;

- the Graduate Management Admission Test ("**GMAT**"), which is an entrance examination for admission into business management courses across 2,100 universities in 112 countries worldwide; and

- the Graduate Record Examinations ("**GRE**"), which is an entrance examination for admission into various masters and doctoral programs across universities in the United States.

Factors behind the rise of Educational Coaching Industry

Structural changes in the Indian economy, such as increase in disposable income, number of nuclear families, and expenditure on education along with other factors such as improvement in the Gross Enrolment Ratios ("**GERs**") across schools and peer pressure for high grades in the Indian educational system are the major demand drivers of the Indian test prep segment.

The major factors behind the rise of educational coaching industry can be broadly classified under the following parameters:

- **Increase in income levels***:*

  Over the years, the transition of households from the lower-income to higher income bracket in India has resulted in a rise in per capital spend on education, especially in urban areas. Additionally, with increasing globalization, a large number of people are beginning to opt for higher education and vocational training in a bid to improve their employment chances. This has played a crucial role in the growth of the test prep industry.

- **Growth in urbanization***:*

  Increasing urbanization in India over the years has resulted in a larger pool of population being exposed to global trends, especially in the fields of employment and education. This has increased the incidence of people opting for higher education in graduate and postgraduate courses as well as vocational training for specific skill enhancement.

- **Growth in GERs***:*

Improving GERs across schools and higher educational institutes across India imply a significantly enlarged population of students, aiming at securing admission to limited seats in topinstitutes and universities. This has fuelled the growth of the test prep market in India.

- **Growing acceptance of coaching classes:**

There has been an important shift in the perception of coaching classes over the years. What was once considered an unnecessary expense, to be borne only by not-so intelligent students, is now widely accepted as a necessary tool in augmenting the academic strengths of a student.

- **Complexity of entrance tests***:*

Complexity of key entrance exams has played a cardinal role in the growth of the test prep industry In India. Since the majority of the entrance tests are aimed to prepare students for admission to limited seats, the tests themselves are typically complex in nature.

- **Dependence on coaching classes from a young age***:*

Growing acceptance of coaching classes and the notion that a student requires additional help to understand concepts, has translated into a trend of students attending classes at an early age. This trend, in turn, creates a sense of continued dependence on classes in students and dictates their choices and actions in their graduate and postgraduate studies. Additionally, the increase in the number of working parents has augmented the growth of coaching classes in India.

- **Exam Anxiety**

The exam phobia is a major attributor for enrolling in coaching classes as it is seen as the most common solution amongst children who want to excel academically.

- **Extra Push**

Even the best of the best students have room for improvement, keeping this thought in mind even school teachers sometimes recommend classes as they have little time for individual attention.

- **A sign of caliber**

Signing up for tuition to score higher grades is also seen as a signal of high -intellect these days, it's a matter of pride.

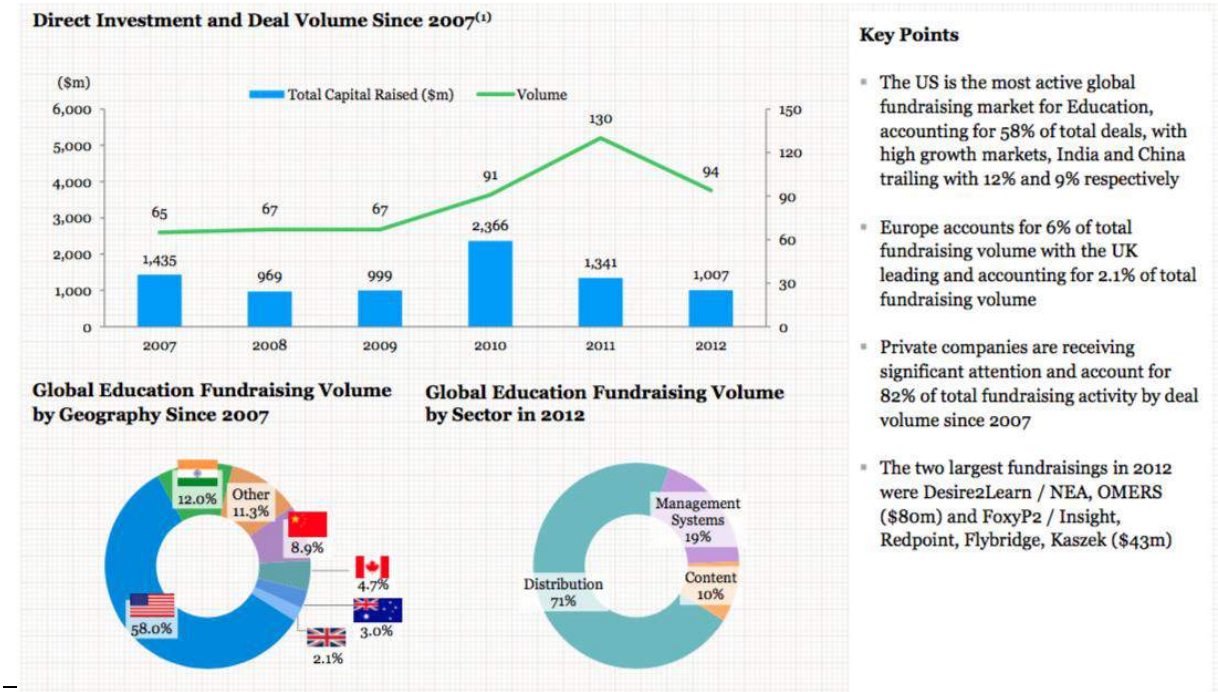
It is not an astonishing fact anymore that private tutorials are expanding at an alarming rate in the tier-2 and 3 cities as more and more set of parents are spending staggering chunks of their incomes on it. The business is not only booming, it is picking up at a very high profitability. However, private tutoring further disadvantages children from lower family incomes and serves the needs of only those, whose pockets can mint money.

Investment

The total amount of Foreign Direct Investments (FDI) inflow into the education sector in India stood at US$ 1.42 billion from April 2000 to March 2017, according to data released by Department of Industrial Policy and Promotion (DIPP).

The education and training sector in India has witnessed some major investments and developments in the recent past. Some of them are:

- TalentSprint, a skill development company based in Hyderabad, has announced the launch of 'SmartCampus', where it plans to skill around 1 million people in the areas of IT and banking by the year 2020.
- KKR and Co Lp, the US-based private equity giant, plans to invest around Rs 700 crore (US$ 105 million) in coaching firm Resonance Eduventures Limited, which will be used to buy back shares from existing investors and expand its presence to more geographies.
- UAE-based Gamma Group, outlined plans of investing around Rs 3,000 crore (US$ 450 million) in the infrastructure, health and education sectors of Kerala, which is expected to generate around 2,000 indirect and direct jobs in the state.
- Welingkar Institute of Management Development and Research has signed two memorandum of understanding (MoUs) with Israeli universities, namely Hafia University of Israel and IDC Herzliya, which includes pledging cooperation in the fields of study of technology, agriculture, archaeology, biology, etc.
- International Finance Corporation (IFC) has invested US$ 15 million in education venture Byju's for a minority stake, which is expected to help the test-preparation platform to expand domestically and internationally.
- Education technology companies in India raised around US$ 323 million across 26 deals in 2016, as against US$ 98 million raised through 23 deals in 2015[##].
- New York Life Insurance Company, the largest mutual life insurance company in the US, has invested Rs 121 crore (US$ 18.15 million) in Max Ventures and Industries Ltd for a 22.51 per cent stake, which will be used by Max for investing in new focus areas of education and real estate.



Government Initiatives

Some of the other major initiatives taken by the Government of India are:

- The Union Budget 2017-18 has made the following provisions for the education sector:
    - The Budget has pegged an outlay of Rs 79,685.95 crore (US$ 11.952 billion) for the education sector for financial year 2017-18, up from Rs 72,394 crore (US$ 10.859 billion) in 2016-17—a 9.9 per cent rise.
    - The Government of India has allocated around Rs 17,000 crore (US$ 2.55 billion) towards skilling, employment generation, and providing livelihood to millions of youth, in order to boost the Skill India Mission.

- The Government of India has approved an all-time record of over 4,000 post-graduation (PG) medical seats to be added in various medical colleges and hospitals for the academic session 2017-18, said Mr J P Nadda, Union Minister of Health and Family Welfare.

- The Cabinet Committee on Economic Affairs, Government of India, has approved the proposal to open 50 new Kendriya Vidyalayas (KVs) under Civil/Defence sector in the country requiring an investment of Rs 1,160 crore (US$ 180.11 million).

- The Government of India and the World Bank have signed a US$ 201.50 million International Development Association (IDA) credit agreement for the Third Technical Education Quality Improvement Programme (TEQIP III), aimed at improving the efficiency, quality and equity of engineering education across several focus states.

- The Ministry of Skill Development and Entrepreneurship has launched the Pradhan Mantri Yuva Yojana, which will provide entrepreneurship education and training to over 700,000 students in 5 years through 3,050 institutes.

- The Cabinet Committee on Economic Affairs has approved opening of one Jawahar Navodaya Vidyalaya (JNV) in each of the 62 uncovered districts with an outlay of Rs 2,871 crore (US$ 430.6 million), which is expected to benefit over 35,000 students in rural areas and provide direct permanent employment to 2,914 individuals.

- The Ministry of Labour and Employment will set up Model Career Centres (MCC) across the country. Out of the 950 employment exchanges in India, 100 would be developed as model centres with an investment of Rs 350 crore (US$ 52.5 million). The Union Government also plans to set up 100 driver training institutes across India.

- The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved 'Pradhan Mantri Gramin Digital Saksharta Abhiyan' (PMGDISHA) to make 60 million rural households digitally literate. The outlay for this project is Rs 2,351.38 crore (US$ 353.70 million) to usher in digital literacy in rural India by March, 2019.

- Prime Minister Mr Narendra Modi launched the Skill India initiative – 'Kaushal Bharat, Kushal Bharat'. Under this initiative, the government has set itself a target of training 400 million citizens by 2022 that would enable them to find jobs. The initiatives launched include various programmes like: Pradhan Mantri Kaushal Vikas Yojana (PMKVY), National Policy for Skill Development and Entrepreneurship 2015, Skill Loan scheme, and the National Skill Development Mission.

- PMKVY is the flagship program under the Skill India Initiative. The Union Government plans to set up skill development centres across India with an investment of Rs 12,000 crore (US$ 1.8 billion) to create job opportunities for 10 million individuals by 2020 under PMKVY, as per Mr Bandaru Dattatreya, Minister of Labour and Employment.

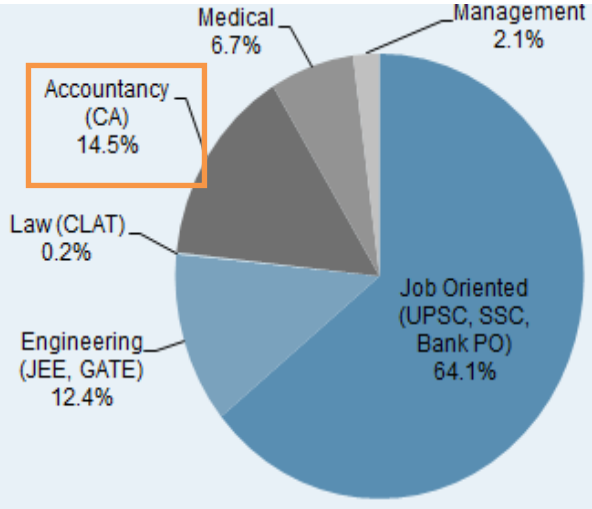
- National Policy for Skill Development and Entrepreneurship 2015 is India's first integrated program to develop skill and promote entrepreneurship simultaneously. The Union Government plans to provide Rs 7,000 crore (US$ 1.05 billion) to states to spend on skill development, and thereby accelerate the ambitious task of skilling 500 million Indians by 2022, and encourage creation of an ecosystem of entrepreneurs.

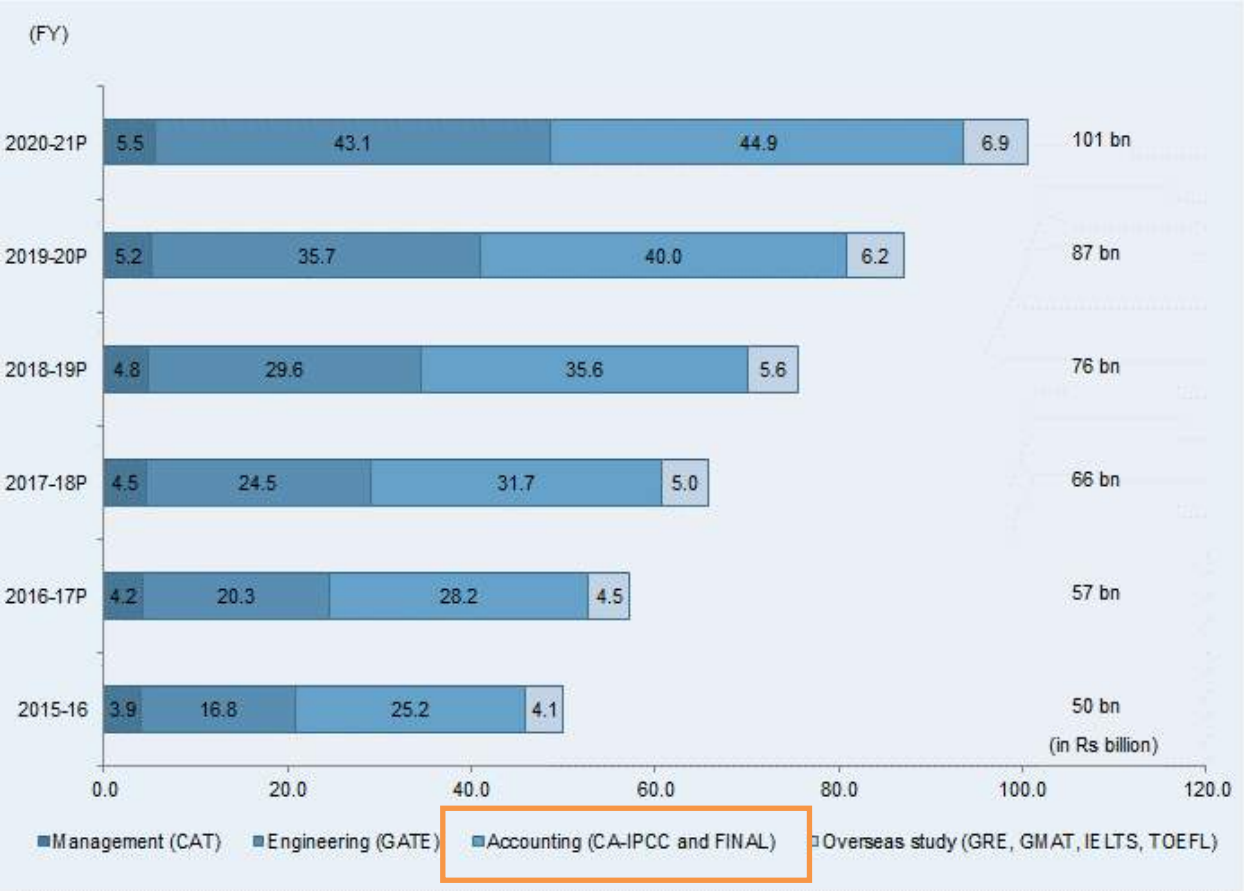
- The National Skill Development Mission has created an elaborate skilling eco-system and imparted training to 7.6 million youth since its launch in 2015 and the government now plans to set up 1,500 Multi Skill Training Institutes across the country.

Educational Industry Forecast

Test prep to register the strongest growth at 16% CAGR.Technical and professional courses, with a promise of better employment prospects, have slowly gained popularity with the student fraternity. This market is expected 34 billion in 2020-21.

Among the post-graduate tests, Accounting (CA,CS,CMA), is expected to register second highest growth at 12% CAGR after Engineering (GATE) test during the period 2015-16 to 2020-21, as an increasing number students opting for professional course like (CA, CS,CMA).





Challenges faced by the sector

- **Insufficient digital infrastructure**

While the government has been making efforts to create and improve a digital infrastructure across the country. According to the World Economic Forum, only 15 out of 100 households have access to the Internet, and mobile broadband remains for a privileged few, with only 5.5 subscriptions for every 100 people. Further, currently broadband reaches just about 600 corridors, largely in and around the top 50-100 Indian cities, leaving rural areas with poor connectivity.

- **Exorbitant fees:**

The statistics reveal that the middle-class parents have been spending 1/3rd of their monthly on their wards' private tuitions. Cost of education has been witnessing continuous rise not only in private sector but in the government owned institutions as well.

- **Lack of availability of trained faculty:**

Educational coaching industry is person centric. In India availability of trained faculty is less which leads to higher demand for trained personal. This increases the cost of the education and less satisfaction among the students.

- **Threat from piracy:**

In India, pirated books account for 15-20% of the total books sold. In the non-academic segment, illegally reprinted and photocopied books impact the publishers' revenues.

- **Second-hand books are less expensive:**

The second-hand book market (especially academic) is huge and very popular in India. Students sell their used books to retail book sellers who, in turn, sell these books at a steep discount to new books.

How to Mitigate these Challenges

The rising Government focus and favorable policies do support the industry. Following are the ways to mitigate these challenges:

- **Technological Improvements:**

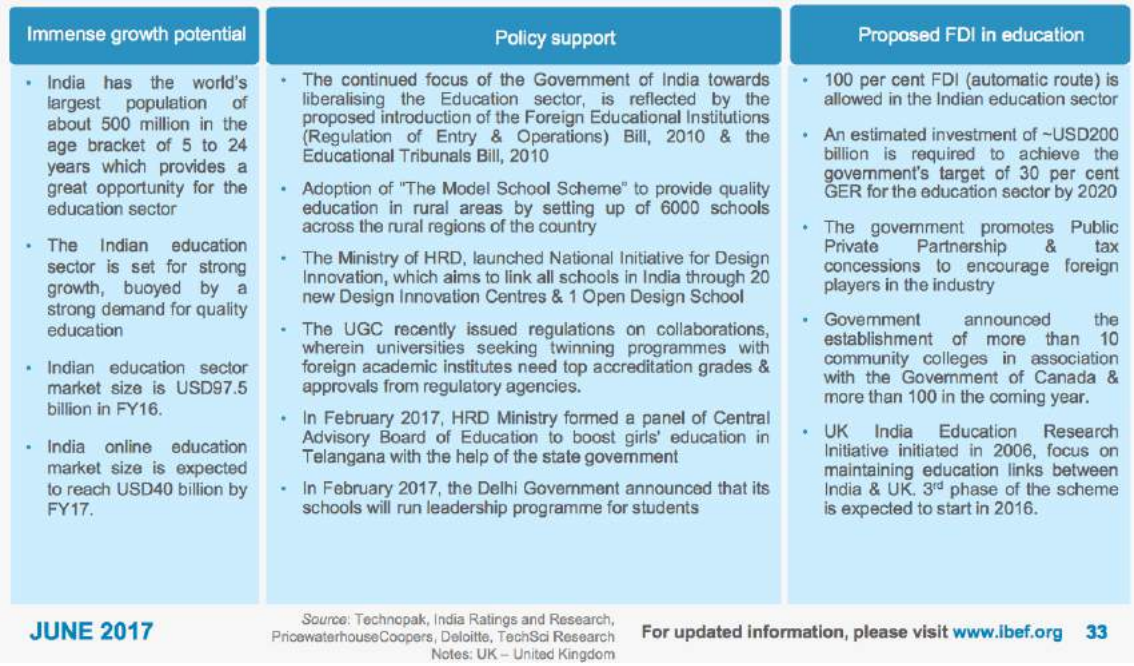
Technological Changes can lead to increase in digital coaching classes so that large number of student can be trained at single point in time. This reduces requirement of trained faculty and operating cost of the industry which will lead reduction in fees.

- **Reduce Faculty Attrition:**

One of the major problem which educational industry is lack of availability of trained faculty which leads Higher faculty attrition. Benefits like Sweat Equity(ESOP) or Profit Sharing should be given to Faculties to ensure their long term services.

Thus industry needs to develop a healthy mix of these two markets which can complement each other. The optimum balance between both will strengthen its position and drive the category sales.

SWOT Analysis of Indian Education Industry



Strengths

For a tutoring business to succeed, one strength has to be its people. Whether you're offering general academic tutoring to grade-school students or specialized subject-matter knowledge in a more advanced curriculum, your tutors have to be experts at their designated subjects and adept at communicating their knowledge to the customer. If your people fit that description, you have a big edge over rivals whose tutors lack one of those abilities. Having advanced resources, such as enough computers to accommodate those looking for tutoring on their programming skills, can be a strength. Location is also key: If you're within walking distance of the local university, you'll likely draw more business than a similar service that requires its clients to drive and park.

Weaknesses

One weakness for a tutoring service is a lack of space. A tutoring service that can't offer clients enough space on site will be limited to customers who want the tutors to come to their homes. A lack of funding can force your business to reduce its offerings. Maintaining qualified tutors may also be a problem, particularly if their expertise is in a high-demand subject and competition for their services is fierce. You might have low participation due to a lack of awareness of your services or apathy among your target market, or low brand name recognition might make it difficult for you to stand out.

Opportunities

A tutoring service can increase its offerings and operate on a more stable footing when it has a regular source of clients. Use the strength of your people to find partnerships with academic institutions that may have students who need tutoring. A local community college, for example, may not have the funding or capacity to provide individual tutoring for those needing training in remedial English or math. But the school might be willing to advertise the easy availability of your tutoring services, which helps you expand your business at little cost. In addition, some schools have federal or state funding available for tutoring or a line item in their own budget for this service. Find out if you qualify to receive those funds for providing services.

Threats

Other competitors entering your space pose the greatest threat. That's why building your brand name is key; without a strong marketing campaign, one algebra tutoring service is likely to look much the same as another. If a competitor is trying to poach your best people, find out what motivates your tutors and make sure you provide it. It might not require a payroll increase; more flexible working hours might be more motivating. A lack of physical space can be a threat, but if rents are too high for an office and you can't use the facilities at local schools, consider making your market niche online tutoring and homework help.

Way Forward

Various government initiatives are being adopted to boost the growth of distance education market, besides focusing on new education techniques, such as E-learning and M-learning.
Education sector has seen a host of reforms and improved financial outlays in recent years that could possibly transform the country into a knowledge haven. With human resource increasingly gaining significance in the overall development of the country, development of education infrastructure is expected to remain the key focus in the current decade. In this scenario, infrastructure investment in the education sector is likely to see a considerable increase in the current decade Moreover, availability of English speaking tech-educated talent, democratic governance and a strong legal and intellectual property protection framework are enablers for world class product development

The Government of India has taken several steps including opening of IIT's and IIM's in new locations as well as allocating educational grants for research scholars in most government institutions. Furthermore, with online modes of education being used by several educational organizations, the higher education sector in India is set for some major changes and developments in the years to come.

Sources: *(Monetary Policy Report, issued by RBI in June, 2017),*

(Media Reports, Press Releases, Press Information Bureau, RNCOS Report, Department of Industrial Policy and Promotion (DIPP), Union Budget 2017-18),
(http://businessworld.in/article/Business-Of-Private-Tutorials-In-India-Now-A-Multi-Billion-Dollar-Industry/28-07-2016-100972/),
(CRISIL Research Report),
(World Economic Outlook Update, IMF, April 2017),
(https://www.ibef.org/industry/education-sector-india.aspx),
(https://www.franchiseindia.com/education/Online-Education-Market-in-India-2016-2020.9263),
(https://www.franchiseindia.com/education/What-does-the-future-hold-for-Indian-education-industry.9315)
(http://smallbusiness.chron.com/swot-analysis-tutoring-services-68936.html)

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the section titled '**Risk Factors**', beginning on page no. 19 of this Draft Prospectus.*

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled '**Risk Factors**' and the chapters titled* **'Restated*Financial Statement*'** *and '**Management Discussion and Analysis of Financial Conditions and Results of Operations**' beginning on page no.19, 194 and 221 respectively, of this Draft Prospectus.*

Unless the context otherwise requires, in relation to business operations, in this section of this Draft Prospectus, all references to "we", "us", "our" and "our Company" are to Arihant Institute Limited and Group Entities as the case may be.

Overview

Our Company was incorporated as Arihant Institute Private Limited on 30th March, 2007 under the provisions of Companies Act, 1956 with Registrar of Companies, Gujarat, Ahmadabad vide registration no. (CIN:U80301GJ2007PTC050413). Pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on 22nd January, 2018 our Company was converted into a Public Limited Company and the name of our Company was changed to "Arihant Institute Limited" vide a fresh Certificate of Incorporation dated 01st February, 2018, issued by the Registrar of Companies, Ahmedabad, Gujarat. CIN:U80301GJ2007PLC050413.

Our Company was incorporated by our Promoters- Mr. Sandip Vinodray Kamdar, Mr. Vinodray Keshavlal Kamdar, Mrs. Madhuben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar with an aim of running Coaching Institute for Professional courses. As a part of business growth, the Company registered with the Registrar of Companies, Gujarat on 30th March, 2007 as Arihant Institute Private Limited.

Our company engaged in providing coaching & educational guidance for students appearing for professional course – Chartered Accountant, Company Secretary and CMA. We provides the coaching and guidance from Entry level test exam till final exam and covers all the subjects in depth with test series to improve their confidence and overall result.

Our Company operates the educational program and coaching under the Brand Name "Arihant Institute" since inception. With dedicated professors and trained staff, our company has given education to more than 10000 students appeared for professional & Graduates exam. Our student strength has improved and with dedicated efforts of our promoters, from our institute, there were 205 National Rankers in CA Inters and Final Courses, 2000+ Chartered Accountant and 175+ Company Secretary.

Our motto is to impart education with wider horizon to masses with affordable fee structure based on regional and economical consideration. A brilliant alumni base of 10,000+ students has inspired us to cover other courses. Arihant premises spread over 9,500 sq. feet which includes 8 air conditioned class room, well equipped library, canteen, staff room, 2 studios, back-up lab, conference room and large administrative blocks.

The company establishes a good relationship with their students by providing good quality education, which will surely go a long way and benefit the company. The company is backed by a team of highly educated and experienced professionals who have an affinity for providing better education to the students. The company's team has been a major strength as it understands the varied needs students and works accordingly. From providing study material to teaching students in class Arihant Institutes ensures quality of the same

Our institutes is considered as preferred choice for the best professional coaching institute among the students based in, Gujarat & Rajeshthan, in the field of Professional Exams like Chartered Accountancy, Company Secretary and other Professional and Foreign Courses. Currently, we have a head office located in Ahmedabad, Gujarat.

Our promoter - CA Sandeep Kamdar, having experience and qualification in professional course, has developed the skill and education techniques for competitive exam and professional course. Our promoters has developed the innovative idea and training program for faculty members and teaching staff. Our strengths lie in continuously updating and upgrading our faculty by virtue of training & development so that they can train to acquire new skills, sharpen existing ones, perform better, increase productivity and be better leaders at their work places. We offer test series courses which have been systematically designed to provide effective and efficient education to students in simple and lucid manner.

Our promoters has developed the innovative ideas and means to provides education at distance learning by

- Set up centers for live lectures in and around Ahmedabad
- Develop the virtual classroom by providing link to Arihant portal to download & view the lecture
- Provide Connectivity with E library, content of lectures and subject wise material
- Provide the content and recorded lecture to student in Laptop, pen drive and e mail.

Technology and recorded content shall give boost to our company by providing best professors education program on regular basis to students located at any part on India.

Our Promoters, Mr. Sandip Vinodray Kamdar , Mr. Vinodray Keshavlal Kamdar, Mrs. Madhuben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar with their rich experience of more than 10 years, have been prominent is growing the Professional Coaching Institute in a more organized manner thereby expanding their horizon to various sectors. For further information on our business, please refer to "Business Overview" beginning on page no. 135 of this Draft Prospectus.

Our Revenues have grown from Rs. 167.10 Lakhs in fiscal 2016 to Rs. 169.20 Lakhs in fiscal 2017. Our net Loss was Rs. 144.52 Lakhs in fiscal 2016 and Net profit Rs. 11.27 Lakhs in fiscal 2017. Our Revenue for period ended January 31, 2018 is Rs. 114.12 Lakhs and net profit after tax is Rs. 12.30 Lakhs.

For further details pertaining to our financial performance, please see "Financial Information" beginning on page no. 194 of this Draft Prospectus.

Our Location

Our Corporate and Registered office is located at 2, Navin park Society, Nr. Muncipal School No.4, Nr. Sardar Patel Colony Road, Naranpura, Ahmedabad - 380 013.

This premise is spread over 8400 sq. feet which includes 8 air conditioned class room, well equipped library, canteen, staff room, 2 studios, E library & Computer lab, conference room and large administrative blocks.

Coaching for the following Course offered by the Company

1. ***Chartered Accountant(CA):***

Old Course

Old Chartered Accountant course is divided into three levels.

- Common Proficiency Test(CPT):

  Common Proficiency Test is an entry level test for Chartered Accountancy Course. CPT is an objective type test with negative marking. It is a test of four subjects i.e., Fundamentals of Accounting,

Mercantile Laws, General Economics and Quantitative Aptitude. This test is of 200 marks. This test is divided into two sessions each session is of hours and having a break.

- Integrated Professional Competence Course (I.P.C.C.):

  Integrated Professional Competence Course is Second level of Chartered Accountancy Course. This level is divided into two groups, Group - I and Group – II. First Group test is for 400 marks and includes subjects like Accounting, Law & Ethics, Cost Accounting, Financial Management, Taxation. Second Group test is for 300 marks and includes subjects like Advanced Accounting, Auditing &Assurance , Information Technology and Strategic Management.

- Final:

  Final Test is last level of test for Chartered Accountancy Course. This level also divided into two groups, Group – I and Group – II. First Group test is for 400 marks and includes subjects like Financial Reporting, Strategic Financial Management, Advance Auditing & Professional Ethics and Corporate & Allied Laws. Second Group test is also for 400 marks and includes subjects like Advanced Management Accounting, Information System Control & Audit, Direct Tax Laws and Indirect Tax Laws.

New Course

New Chartered Accountant course is also divided into three levels.

- **Foundation:**

  This is an entry to CA Course for candidates who have appeared for Class-12 Examination. Foundation Course Consists of 4 Subjects related Accounting, Business Laws &correspondence , Mathematics & Statistics and Business Economics.

- **Intermediate Course:**

  Students who have cleared Foundation Exam or Commerce Graduates/Post-Graduates (with minimum 55% marks) or Other Graduates/Post-Graduates (with minimum 60% marks) and Intermediate level passed candidates of Institute of Company Secretaries of India and Institute of CostAccountants of India can appear for Intermediate level exam. This Level divided into two groups consist 4 Subjects in each group.

- **Final Course:**

  Students who have clearedIntermediate Exam can appear for Final Level Exam of CA Course. This Level is also divided into two groups consists of 4 Subjects in each group. 6th Subject is Elective subject which you have to choose from the list of 6 Elective subjects.

2. ***Company Secretary(CS)***:

The Company Secretary course is divided into three levels as well.

- Foundation:

  Foundation is entry Level Examination for CS course. Foundation is objective type examination (MCQ). This Exam are divided into two sessions for 200 marks each and includes subjects like

Business Environment & Law, Business management, Ethics & Entrepreneurship, Business Economics and Fundamentals of Accounting & Auditing.

- Executive Programme :

  Executive Programme is second Level Examination for CS course. Executive Programme Exam consist of 7 Papers divided into 2 Modules. It includes subjects like Company Law, Cost & Management Accounting, Economic and Commercial Laws, Tax Laws & Practice, Company Accounts & Auditing, Practice, Capital Markets & Securities Laws, Industrial, Labour, and General Laws.

- Professional Programme:

  Professional Programme is Final Level Examination for CS course. There are 8 papers divided into 4 Modules in CS Professional Programme. It includes subjects like Company Secretarial Practice, Drafting Appearances & Pleading, Financial Treasury and Forex Management, Advance Tax Laws & Practices, Corporate Restructuring & Insolvency, Strategic Management, Due diligence & Corporate Compliance, Business Ethics.

3. ***Association of Chartered Certified Accountant(ACCA)***:

The Association of Chartered Certified Accountants (ACCA) is the global professional accounting body offering the Chartered Certified Accountant qualification (ACCA or FCCA). ACCA degree is British Chartered Accountant and recognized in several other countries in the world. This exam consists of 14 professional examinations divided into 4 Modules. There are 4 exam cycles in a year and this are conducted in March, June, September and December. Maximum 4 Exams can be given in a cycle subject to 8 a maximum 8 exams in a calendar year.

- Fundamental Knowledge Module:

  This Module consists of 3 papers which include Accountant in business, Management Accounting, Financial Accounting. After successful completion of this module students will be awarded diploma in Accounting & Business.

- Fundamental Skill Module:

  This Module consists of 6 papers which include Corporate & Business Law, Performance Management, Taxation, Financial Reporting, Audit & Assurance, Financial Management. After successful completion of this module students will be awarded Advanced Diploma in Accounting & Business.

- Professional Essential Module:

  This Module consists of 3 papers which include Governance, Risk and Ethics, Corporate Reporting, Business Analysis.

- Optional Module:

This Module consists of 4 papers, Advanced Financial Management, Advanced Performance Management, Advanced Taxation, Advanced Audit & Assurance out of which students need to give 2 papers.

The Company has entered into agreement dated 3rd March, 2017 with Jailaxmi Education Society a registered trust referred as FINPLAN having its office in Mumbai, Maharashtra for the development of Association of Chartered Certified Accountant(ACCA) course and related services. FINPLAN is approved learning partner having "GOLD STATUS" with ACCA.

OUR COMPETITIVE STRENGTHS:

We derive our strengths from following factors:

Experienced promoters and Management Expertise

Our Promoter, Mr. Sandip V Kamdar is Fellow Chartered Accountant and Master of Commerce has been actively involved with the Private Coaching since 20 years for professional courses. He has hence developed immense knowledge of Coaching and its intricate workings.

For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please refer to chapter titled *"Our Management"* beginning on page no. 163 of this Draft Prospectus. We believe that our management team's experience and their understanding of the Coaching Institute will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business.

Quality Assurance

Our promoter has excellent record of providing quality education which makes our company unique from our competitors. In terms of Quality, our company focuses significantly on the experience of coaching staff and quality of material provided to the students to ensure the desired quality is attained.

Unique Brand Positioning

The company believes in providing the students value for their money and provide coaching at an affordable price with a focus on the middle income segment. The company is providing affordable quality education in Gujarat region since many years. Our Company also provides education through E learning & E library program since 2014 which makes our brand unique from other competitors. Our brands give us a broader platform to market our offerings to our students.

Result oriented methods of coaching

Over a period of time, we have developed an effective coaching method and system of imparting conceptual Knowledge which we believe is capable of aiding our students to perform better in examinations. We focus on training our students by enhancing their conceptual knowledge base, enabling them to improve their accuracy levels and speed. We aim at achieving a holistic development of our students and along with academics; we Include activities for personality development, time and stress management and improving communication and Presentation skills. We believe these will provide a competitive advantage to our students over their peers. We have also developed an in-house system to constantly monitor the progress of the students and to identify their special requirements to administer content delivery based on regular feedback from students. With the help of our in-house developed system, we continuously administer faculty allocation and conduct constant reviews for improvement.

Pioneer in coaching Industry

The Coaching industry is largely an unorganized industry. We believe we have pioneered and created a niche for ourselves in this industry by introducing our brand in Satellite & E learning Program. We believe that our brand is

synonymous with quality assurance. We have been able to sustain the demand for coaching services by offering a continuous flow of value additions by content creation, E library and online study materials.

Team of professional and experienced coaching staff

Our team has been a major strength as it understands the varied needs of the students and gives training accordingly. Our Coaching staffs are highly educated and have vast experience in coaching industry which enables us to bring quality in our offerings.

Our Products & Services

Our Business is derived from three segments

1. Educational Guidance, coaching program and material for Professional Courses
2. Revenue from E learning, E library, Contents and Online study material with test series
3. Vocational Guidance and Training program for Graduate for GST, Direct Tax filing, TDS and operation of various accounting, financial & billing packages
4. Human Resource Restructure and Personality development by DMIT software

Educational Guidance, coaching program and material for Professional Courses

Our company is engaged in business of providing coaching and guidance to students in following

- Educational Program and Training Session for Chartered Accountancy Courses of Institute of Chartered Accountant of India – ICAI which covers – Common Entrance Test, Intermediate and Final (All subjects)
- Educational Program and Training Session for Company Secretary Courses of Institute of Company Secretary of India – ICSI which covers – Common Entrance Test, Intermediate and Final (All subjects)
- Subjects study for Commerce and Accounts in B.Com, BAF, BFA and others
- Subjects study for ACCA - The Association of Chartered Certified Accountants (ACCA) is the global professional accounting body offering the Chartered Certified Accountant qualification (ACCA or FCCA)

Revenue from E learning, E library, Contents and Online study material with test series

Our Company offers

- Recorded content of Lecture, Education material and presentation for CA, CS and ACCA
- E Library and Online materials for study material, reference books and contents
- Printed Study material and test papers with solution
- Class room test series and evaluation

Vocational Guidance and Training program

Our Company has made standard program for Graduate and Professional for

- Guidance and practical knowledge on GST, Income tax, TDS filing, compilation and submission of various forms online
- Training and Education on operation and function of Various GST, Tax, Financial and Accounting packages
- Training on Payroll, Billing and E commerce

Human Resource Restructure and Personality development by DMIT software

Our company offers

- Training program for Human Resource and Personality Development
- Guidance by using DMIT software to analysis to know the strength and skill of employees

- Guidance on presentation and vocabulary
- Training to Faculty members and teachers for giving better presentation and learning skill
- Career counselling

Course delivery process

Course delivery

Our Course delivery is based on the concept of experimental learning, which we believe makes complex Concepts easily comprehensible. At our Coaching Centres, classroom teaching is supplemented with the use of online services, group discussion. We believe that the use of such supplements induce greater retention in students. Our faculty members have been trained to deliver the Courses based on an interactive teaching method which ensures Communication between the students and the faculty while teaching. We ensure that our classrooms provide an Environment which is conducive for learning and continuously endeavour to improve the quality of the ambience provided to our students.

Study material

We provide study materials to our students to improve the value and effectiveness of our services. Our Study materials are prepared by faculty heads of the respective subjects along with other members of the faculty, using reference material to ensure that theory and concept of various subjects are addressed in an efficient and simple manner. With an aim to simplify the learning process, the contents of the study material are provided in the form of questions and corresponding answers. Our study materials also include significant points and summaries of each portion, pictures and illustrations and question papers from previous board examinations to help the students easily understand and memorize the subjects. To equip the students to face various competitive examinations, we provide multiple choice questions in our study materials. We believe our well planned and structured study materials enable us to deliver our services in an effective manner.

Tests and examinations

A series of tests and examinations are conducted for each Course at our Coaching Centres to evaluate our Students and to prepare them to face the professional examinations. Question papers for the examinations of various Courses are prepared in accordance with the examination patterns prescribed by the respective institute governing such Courses. We provide our students with a printed model answer paper after each examination, along with the marking scheme which resolves their doubts on various questions asked for the examinations. We conduct test series in accordance with a time table prepared at the beginning of each Course to cover each portion of the subjects.

Monitoring and reviewing

Our faculty members make constant efforts to reach out to each of the students and pay close attention to their Needs by helping them in their day-to-day academics. Student monitoring at our Coaching Centres is based on factors such as attendance and test performance of the students. Any absence of a student for an extended period is communicated to the parents, which helps in checking students from absenting themselves from classes without the knowledge of the parents. The extent of attention required by a student is assessed based on the performance of the students in the tests conducted and parents are advised on the areas of focus for the students including the aptitude of the student for a particular career. Based on their performance, students are categorized into different groups and each group of students is provided with customized training and attention to address the specific areas of concern and to improve their performance.

Faculty

As on date, our Company have 24 (Twenty Four) faculty members, with holding postgraduate degrees or other professional qualifications. We recruit our faculty members through interview and from among our ex-students/ references who wish to associate with us.

Upon successful completion of the training workshop by us, which includes training on the teaching methodologies followed by us and other important skill sets, a candidate is offered the post of a faculty member. Our faculty

members are associated with us on contractual arrangements for a fixed hourly remuneration. The faculty members are paid contractual fees calculated on an hourly basis for any extra classes undertaken by such faculty members.

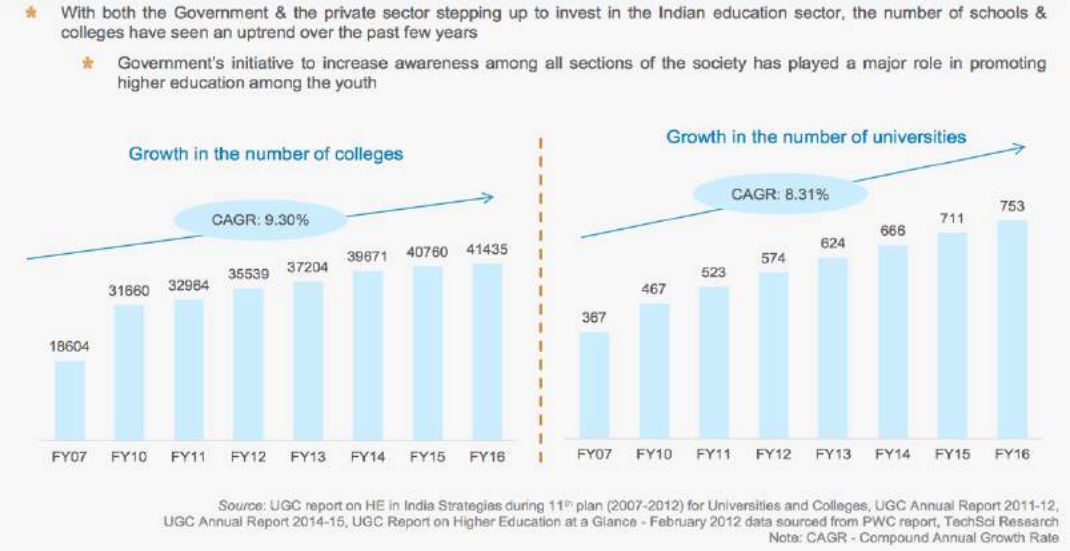
Our faculty members have the relevant experience to guide and teach our students for the various Courses. Further, we conduct regular training sessions for our faculty members on teaching methodologies and teaching skills in order to equip them to adapt and reciprocate to students" changing needs and changing examination trends as well as academic syllabus. We believe that the quality of our faculty is critical to our success and accordingly strives to maintain a pool of faculty with consistent quality.

OUR BUSINESS STRATEGIES & FUTURE PLANS

More Diverse Courses offerings for Coaching and Guidance

Considering the growth in industry for professional and diverse education program available for Finance, Management, Account and International Business, We have chosen to diversify into other value-added courses with larger demand abroad like CPA, ACCA, CMA, CFA, FRM etc. which make them globally employable. On an average, consultancy firms are getting around 5000 enquiries in a year from Gujarat. This would open avenues for us to do education based counseling for students.

Our company also plans to add courses at Master and Bachelor level in Commerce – B.Com, BMS, BAF, BFM and Master in Finance and Account. Below mentioned data shows that there is upward trends in India for Colleges and Universities. This leads to increase in students strength in coming years.



More Vocational and Training Courses offerings

Our company plan to offers vocational and training program for graduates for HR, Job Oriented Module, that is focused on improving employability for smaller positions like receptionist, telecaller, field sales, BPO executive etc. This again would help us to leverage even larger strata of people as a large segment of graduates who aren't aligned to a career in commerce, are deemed to be unemployable.

Geographical Expansions

We have planned geographical expansion as follows:

- Setting up own 21 coaching centres with modern technology and infrastructure to support E learning, Online study and virtual online class rooms for students

- Centres also have live classroom for personal training and coaching program.
- Plans to have centres in Gujarat, Rajeshthan, Mumbai and Thane.

Technology and Servers

Our company plans to use technology and network systems to reach students and faculty in any part of the world. We have plans to provide educations for diverse professional courses conducted in India, UK and USA. By having our technology, software and content, our company can offer platforms & services as follows

- Online Live lecture of professors to student located at any part of world
- Access to E library and E learning as per the convenience of Students
- Huge Data base and recorded content available for study and reference
- Plateform for professors to earn revenue by shares their content

New Business Expansion

Arihant Publications

Our company would be looking for tie-up with various institutions for promoting its recorded content. We would be attempting to commercialize on our recorded content and aim to continue using it as the USP for promoting our coaching centres. Our books would be focused to build market credibility and make us recognized as experts. We are planning to also build an e-Library wherein we can promote usage of learning via digital media given that the newer generation is using digital learning to the maximum. We also plan to record more content for our archives which can be used to capitalize on remote centres and take education to the door step of our students. If commodities can be delivered there by various e Commerce providers, why not education – that's what our company believes in.

Training and Placement Academy

One of the key areas we would expand into is vocational training which has been a key focus area of Skill India mission. We shall plan for B. Voc. Programme. We shall specializes in improving employability of commerce graduates while getting them job-ready through a short-term certification course. After that, through its industry linkages – it helps to place the same trained candidates in various small and large businesses. Given the potential of its job assurance, it has been a huge demand in business and also has enabled government to express interest in spreading the same.

Till date, Our Company had only been targeting the above average student whose aspiration was to pursue a career in CA, CS or ICWA. Now, with this approach, it has vocational training into the belt and thus, the entire gamut of commerce students become our target market. This would truly bring huge economies of scale to our business expansion plan as it yields a significantly higher churn rate of students. Also, government outlay has Rs. 17,000 crores for Skill India Mission which focuses on improving employability of young Indians. Our objective is to further penetrate and work with state and central governments to ensure that we contribute to a Kaushal Bharat, Kushal Bharat. We hereby support the pledge of the government's vision to make India Skill Capital of the world.

RepHRase – Foray into Business Services

RepHRase is a new HR Restructuring concept to improve employee retention which has been a big issue for companies. There are two main reasons for the same: hiring the right employee and exposing him to right opportunity so he can utilize his potential in the right manner. RepHRase is DMIT based concept which enables to explore the right fitness of candidate in the particular profile, right mode of training and right incentivising method for retention.

This will be foray into business services which would be a first for us but given that we have a huge network of 2000+ CAs and 15000+ students – we see easy and quick penetration into the market as they are serving as employees or are financial / accounting managers for various businesses giving us a wide berth and easy access within their companies. Since it is our own innovation, we definitely see that it would go a long way to creating

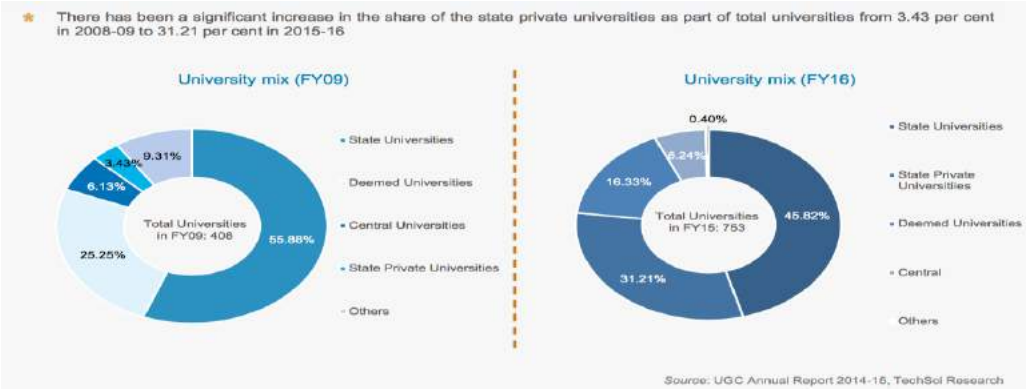
more revenues due to first mover advantage and market monopoly. Hence, we are certain of a huge and quick top line boost from RepHRase. The market entry strategy is to quickly penetrate and then spread wide.

Brainmapper - Entering the K-12 market

K-12 has been a major push for us as it acts as a feeder into our courses. Zuckerberg Chan initiative's investment into this segment in India through Byju's is a testimony to the growth potential of the segment. The strategy for them is twofold – to obviously focus and improvise on child education and capture young generation and invite them to Facebook platform thereby it also acting as a feeder to their main business. Thus, our K-12 penetration is not just through education, but also through DMIT so the possible talents of a kid can be known and he can be channelled into a career path that he would not only enjoy but flourish in. This will usher in a new change era into education where children will explore right methods of learning.

Virtual Learning

Company wants to expand their Virtual Class room in major metros and tier 2 cities. The Company wants to create 40 centers across India having virtual Learning Facility. Company also wants to create the database, E-Learning and E-Library for CA, CS and MBA.



E-Commerce

The Company also plans to sell Study Material, Video Recorded Lecture and LMR through E-Commerce. Company also plans to sell specially designed and animated material for CBSE, ICSE and also for Regional boards for all subject of primary school

Edu32

Edu32 aims to resolve more than 32 problems of educational institutions and would be catering to a wide array of services within India and abroad. It will be a superb backward integration and we would gain first mover advantage into the segment.

Marketing and Promotion Strategy

- Advertisement of brand through various social network
- Various promotional materials such as handbills, flyers,brochures public hoardings.
- Conduct seminars to create awareness
- Mobile Advertisement

- Demo lectures on website
- Scholarship

SWOT ANALYSIS OF OUR COMPANY

Strength:	Weakness:
1. 20+ years into business. 2. Strong & Known Brand in Western India 3. Excellent history for result creation 4. Experienced & Expert Faculties Team 5. Good Experience of Network management 6. Strong infrastructure for growth 7. Young & dynamic management team	1. Working into limited segments of commerce stream. 2. Lack of Fund availability for rapid growth.
Opportunities:	**Threats:**
1. Positive market sentiments for Education industry. 2. Ease of diversification into other systems. 3. Government projects for skill development under Skilled India Mission. 4. Professional courses for foreign markets in India. 5. Content for all level of education. 6. Business services for Education industry is largely untapped	1. High Competition level in Industry. 2. Change of preference amongst students. 3. Faculty attrition rate high in industry. 4. Changes in government policy.

SWOT ANALYSIS

INFRASTRUCTURE & UTILITIES

Power:-

Power is sourced from state electricity board. The Company has consumed 58,634 kwh of Power in Last one year.

Water:-

Water requirement for the manufacturing and allied activities is very minimal and the same is met through own bore well and Municipal corporation. The Company has consumed 4,76,000 Litres of Water in last one year.

HUMAN RESOURCES/ EMPLOYEES

We believe that a team of committed and motivated employees is a key competitive advantage and will benefit us in our future growth and expansion. Our business model requires a mix of skilled, semi-skilled and un-skilled labour. Our Company currently has 23 employees in total.

The details of manpower employed as on date are as under:

Category	Company Pay Roll
ED/Senior Managerial Team / KMP	3
Managers / Officers / Executives	6
Full Time Faculties	3
Support staff \operators	11

Category	Company Pay Roll
TOTAL	**23**

COMPETITION

We face competition from different regional & national domestic Private Coaching Institute. Competitors having superior financial, research, execution and marketing resources than us pose competition to us. Our competitors include both large and small coaching Institutes in the regions and areas where we operate. We also face competition from various small unorganized coaching institutes. However, we expect that our commitment to quality, past record of Success and transparency will provide us with an edge over our competitors.

COLLABORATIONS

The Company has entered into agreement dated 3rd March, 2017 with Jailaxmi Education Society a registered trust referred as FINPLAN having its office in Mumbai, Maharashtra for the development of Association of Chartered Certified Accountant (ACCA) course and related services. FINPLAN is approved learning partner having "GOLD STATUS" with ACCA. FINPLAN will provide assistance to Our Company in following areas:

- FINPLAN will train trainers in terms of academics.
- FINPLAN will be party to do registration.
- FINPLAN will arrange for mock examination and do the students analysis for examination before the appear for final exams with ACCA.
- FINPLAN will assist the teachers in the session plans and also guide them in terms of various resources for teaching and set the pedagogy for them.
- FINPLAN will also assess the teachers appointed for teaching by screening their profiles and attending the demo lecture.
- FINPLAN, if required, will provide few online lectures to the students to help them in doubts from our ACCA qualified faculties and ensure that their doubts are solved.
- FINPLAN will do the audits from time to time ensuring quality education is given and the set standards are implanted.
- FINPLAN will assist them in placements and internships in Mumbai & Ahmedabad.

INFORMATION TECHNOLOGY

We use information technology systems to enhance our reach to students across region. We are in the process of expanding our E Learning & E library Program to enhance our reach to maximum number of students. We believe that this system will allow us to maximize the growth of our company.

OUR PROPERTIES

Immovable properties

Our Registered office and corporate office are leased by our Companies. The detail of the lease properties is as follows:

Lease	Name of the	Location	Area	Period	Consideration (Rs.)

Date	Licensor				Rent Amount	Security Deposit
30/04/2016	Dr. Ashish C. Shah Dr. Rupal A. Shah Mr. Navin H. Shah Mr. Mahendrabhai H. Shah	1st floor to 5th floor, Arihant complex, Sub-plot No.2 of final Plot No. 38 & 40 in TP Scheme No.19	From 1st to 5th floor Area 783.59 sq. meters	9 years from the date of Lease Agreement From 30/4/2016 To 30/4/2024	Rs. 4,25,000 Per month Plus Rs. 2,03,000 per month towards municipal and other taxes. Rent shall increase by 7% p.a.	Rs. 17.00 Lakhs Interest free

Intellectual Property

Arihant

As on the date of this Draft Prospectus, the current logo of the Company belongs to and under registration in the name of Arihant Institute Private Limited.

Our Company has made an application on 13thDecember, 2017 for the registration of the logo under class 41 with the Trade Mark Registry, Ahmedabad.

The application is under the process and approval for the registration is pending. Any delay in receiving the registration or rejection in processing the application form for registering the logo or if there is any opposition filed against the trademark application; our company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks and right to use the said logo. For details on the status of the application made to register our logo, please refer to the chapter "Government and Other Approvals" on page no.233.

Rephrase

As on the date of this Draft Prospectus, the current logo of the Company belongs to and under registration in the name of Sandip Vinodray Kamdar.

Sandip Vinodray Kamdar promoter of our Company has made an application on 13th December, 2017 for the registration of the logo under class 35 with the Trade Mark Registry, Ahmedabad.

The application is under the process and approval for the registration is pending. Any delay in receiving the registration or rejection in processing the application form for registering the logo or if there is any opposition filed against the trademark application; our company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks and right to use the said logo For details on the status of the application made to register our logo, please refer to the chapter "Government and Other Approvals" on page no. 233.

Commerce Champ

As on the date of this Draft Prospectus, the current logo of the Company belongs to and under registration in the name of Sandip Vinodray Kamdar.

Sandip Vinodray Kamdar promoter of our Company has made an application on 13th December, 2017 for the registration of the logo under class 41 with the Trade Mark Registry, Ahmedabad.

The application is under the process and approval for the registration is pending. Any delay in receiving the registration or rejection in processing the application form for registering the logo or if there is any opposition filed against the trademark application; our company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks and right to use the said logo For details on the status of the application made to register our logo, please refer to the chapter "Government and Other Approvals" on page no. 233.

Brain mapper

As on the date of this Draft Prospectus, the current logo of the Company belongs to and under registration in the name of Sandip Vinodray Kamdar.

Sandip Vinodray Kamdar promoter of our Company has made an application on 13th December, 2017 for the registration of the logo under class 41 with the Trade Mark Registry, Ahmedabad.

The application is under the process and approval for the registration is pending. Any delay in receiving the registration or rejection in processing the application form for registering the logo or if there is any opposition filed against the trademark application; our company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks and right to use the said logo For details on the status of the application made to register our logo, please refer to the chapter "Government and Other Approvals" on page no.233.

Edu32

As on the date of this Draft Prospectus, the current logo of the Company belongs to and under registration in the name of Sandip Vinodray Kamdar.

Our Company has made an application on 13th December, 2017 for the registration of the logo under class 41 with the Trade Mark Registry, Ahmedabad.

The application is under the process and approval for the registration is pending. Any delay in receiving the registration or rejection in processing the application form for registering the logo or if there is any opposition filed against the trademark application; our company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks and right to use the said logo For details on the status of the application made to register our logo, please refer to the chapter "Government and Other Approvals" on page no. 233.

INSURANCE POLICIES

Sr. No.	Policy No.	Policy Details	Expiry date	Sum Assured Amt (In Rs.)	Insurance Company
1.	141200/48/2018/19436	Mediclaim Insurance Policy	04/10/2018	1,00,000	The Oriental Insurance Company Ltd.
2.	141200/48/2018/19437	Mediclaim Insurance Policy	04/10/2018	1,00,000	The Oriental Insurance Company Ltd.
3.	141200/48/2018/20306	Mediclaim Insurance Policy	12/10/2018	100,000	The Oriental Insurance Company Ltd.
4.	141200/48/2018/20307	Mediclaim Insurance Policy	12/10/2018	100,000	The Oriental Insurance Company Ltd.
5.	141200/11/2018/382	Standard Fire & Special Peril Policy	30/08/2018	53,87,000	The Oriental Insurance Company Ltd
6.	141200/48/2018/18924	Mediclaim Insurance Policy	28/09/2018	100,000	The Oriental Insurance Company

Sr. No.	Policy No.	Policy Details	Expiry date	Sum Assured Amt (In Rs.)	Insurance Company
					Ltd.
7.	141200/48/2018/19435	Mediclaim Insurance Policy	04/10/2018	1,00,000	The Oriental Insurance Company Ltd.

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 233 of this Draft Prospectus.*

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.

In addition to what has been specified in this Draft Prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Sales Tax Act, 1956, various labor laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the section titled ***"Government and Other Approvals"*** *beginning on page 233 of this Draft Prospectus.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations are applicable to our company

This chapter has been classified as under:

A. Statutory and business laws
B. Laws relating to Labour and Employment
C. Tax Laws
D. Intellectual Property Laws
E. Foreign Investment Regulations

A. STATUTORY AND COMMERCIAL LAWS

The Companies Act, 1956

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act, 1956 primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

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. At present almost all the provisions of this law have been made effective except a very few. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Information Technology Act, 2000 (IT Act)

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. The Act provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "electronic commerce", which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies and further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Bankers' Books Evidence Act, 1891 and the Reserve Bank of India Act, 1934 and for matters connected therewith or incidental thereto. A major amendment was made in 2008 introducing Sections 66A and 69 giving wide powers to the government authorities.

Competition Act, 2002

The Competition Act, 2002 "prohibits 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 provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. 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. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, and implement 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. Each contract creates some right and duties upon the contracting parties. Indian contract deals with the enforcement of these rights and duties upon the parties.

The Indian Contract Act also lays down provisions of indemnity, guarantee, bailment and agency. Provisions relating to sale of goods and partnership which were originally in the Act are now subject matter of separate enactments viz., the Sale of Goods Act and the Indian Partnership Act. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

Negotiable Instruments Act, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

Shops and Establishments legislations in various States

Company is governed by the various Shops and Establishments legislations, as applicable, in the states where it has its branch offices. These legislations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

The Registration Act, 1908 ("Registration Act")

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

Indian Stamp Act, 1899(the "Stamp Act")

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.

The Sale of Goods Act, 1930(Sale of Goods)

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of this Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by

instalments or that the delivery or payment or both shall be postponed. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer's right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

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 and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimise the supervisory role of courts in the arbitral process, to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

Electricity Act, 2003

The Electricity Act, 2003 has been recently introduced with a view to rationalize electricity tariff, and to bring about transparent policies in the sector. The Act provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatization of the state electricity boards. The related Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory Commissions the responsibility of regulating this sector.

B. LAWS RELATING TO LABOUR AND EMPLOYMENT

As part of business of the Company it is required to comply from time to time with certain laws in relation to the employment of labour. A brief description of certain labour legislations which are applicable to the Company is set forth below:

The Employees State Insurance Act, 1948, ("ESIC Act")

An ESI Act aims to provide for certain benefits to employees in case of sickness, maternity, 'employment injury disablement and to make provision for certain other matters in relation thereto. The Act provides for the establishmentof a Corporation to be known as the Employees' State Insurance Corporation for the purpose of the administration of Employees State Insurance Scheme. The Corporation shall be a body corporate by the name of Employees' State Insurance Corporation having perpetual succession and a common seal and shall by the said name sue and be sued.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees

engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule.

Employees Compensation Act,1923

The Employees 'Compensation Act, 1923 has been enacted with the object to provide compensation to employees by employers for injuries caused by accident(s) arising out of and in the course of employment, resulting into (i) death, (ii) permanent total disablement (iii) permanent partial disablement (iv) temporary disablement whether total or partial, or who has contracted an occupational disease. The Act inter-alia lays down the amount of compensation to be paid in any such circumstance. In case the employer fails to pay the compensation under the provisions of the Act within 1 (one) month from the date it falls due, the employer may be directed to pay the compensation along with simple interest interest or may be liable to pay penalty as directed.

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, either directly or indirectly through a sub-contractor, where the monthly wages payable to such persons is less than Rs.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.

The Payment of Gratuity Act, 1972

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions. Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 1 million.

Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("Act") and the schemes formulated there under ("Schemes")

This Act provides for the institution of provident funds, family pension funds and deposit linked insurance fundfor the employees in the factories and other establishments. Accordingly, the following schemes are formulatedfor the benefit of such employees:

i. ***The Employees Provident Fund Scheme***: As per this Scheme, a provident fund is constituted and both the employees and employer contribute to the fund at the rate of 12% (or 10% in certain cases) of the basic wages, dearness allowance and retaining allowance, if any, payable to employees per month.

ii. ***The Employees Pension Scheme***: Employees' Pension Scheme is Pension Scheme for survivors, old aged and disabled persons. This Scheme derives its financial resource by partial diversion from the Provident Fund contribution, the rate being 8.33%. Thus, a part of contribution representing 8.33 per cent of the employee's pay shall be remitted by the employer to the Employees' Pension fund within 15 days of the close of every month by a separate bank draft or cheque on account of the Employees' Pension Fund contribution in such manner as may be specified in this behalf by the appropriate authority constituted under the Act. The Central

Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees' Pension Scheme and credit the contribution to the Employees' Pension Fund.

iii. ***The Employees Deposit Linked Insurance Scheme:*** As per this Scheme, the contribution by the employer shall be remitted by him together with administrative charges at such rate as the Central Government may fix from time to time under Section 6C (4) of the Act, to the Insurance Fund within 15 days of the close of every month by a separate bank draft or cheque or by remittance in cash in such manner as may be specified in this behalf by the appropriate authority constituted under the Act.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 (**"PoB"**) Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

The Maternity Benefit Act, 1961("Maternity Act")

The Maternity Benefit Act, 1961 was enacted by Parliament in the Twelfth Year of the Republic of India to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for maternity benefit and certain other benefits.

The Gujarat Shops and Establishments (Employees Life Insurance) Act, 1980

The Gujarat Shops and Establishments (Employees Life Insurance) Act, 1980 was enacted to provide for life insurance benefits to employees engaged in shops, commercial establishment, residential hotels, restaurants, eating houses, theatres, other places of public amusement or entertainment and other establishments and for matters connected therewith.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**SHWW Act**") 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).

C. TAX LAWS

The 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.

Goods and Service Tax Act, 2017

Goods and Service Tax (GST) is one of the most remarkable tax reforms that has taken place in India so far. The Central Goods and Services Tax Act, 2017 ("GST Act"), simplifies the process of taxation on goods and services in India. The act bestows power on the Parliament and the State legislatures to make laws for imposing taxes on goods and services at the national level.**GST** is an indirect tax which was introduced in India on 1 July 2017 and is applicable throughout India which has replaced multiple cascading taxes levied by the central and state governments.The single GST replaced several former taxes and levies which includes central excise duty, services tax, additional customs duty, surcharges, state-level value added tax and Octroi. Other levies which were applicable on inter-state transportation of goods have also been done away with in GST regime.

Gujarat Value Added Tax Act, 2003

The Gujarat Value Added Tax Act,2003enacted by the Legislative Assembly of the State of Gujarat in the Fifty Fourth Year of the Republic of India to provide for and consolidate the law relating to levy of value added tax on sale or purchase of goods in the state of Gujarat and for matters connected therewith and incidental thereto.

The Central Sales Tax Act, 1956

The Central Sales Tax Act, 1956 enacted by Parliament in Seventh Year of Republic of India to formulate principles for determining when a sale or purchase of goods takes place in the course of inter-state trade of commerce or outside a State or in the course of imports into or export from India, to provide for the levy, collection and distribution of taxes on sales of goods in the course of inter-state trade of commerce and to declare certain goods to be of special importance in inter-state or commerce and specify the restrictions and conditions to which state laws imposing taxes on the sale or purchase of such goods of special importance.

Finance Act, 1994 (Service Tax)

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, (as amended from time to time) which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service tax Rules, the assesses is required to pay Service tax in TR 6 challan by fifth of the month immediately following the month to which it relates. Further under Rule 7(1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half year to which the return relates.

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

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Gujrat promulgated this law to structure and formulate the respective professional tax criteria and to collect funds through professional tax. The professional tax is charged on the income of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such

employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under this Act (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

D. INTELLECTUAL PROPERTY LAWS

India has certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000.

The Trademarks Act, 1999

The Act provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

E. FOREIGN INVESTMENT REGULATIONS

***Foreign Exchange Management Act, 1999 ("the FEMA"), and Rules and Regulations there*under**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sect oral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sect oral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer of Issue of Security by a person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

Apart from the abovementioned legislations, the following enactments, rules and guidelines may also apply to our Company:

1. Consumer Protection Act, 1986;
2. Foreign Exchange Management (Transfer Or Issue Of Any Foreign Security) Regulations, 2004;
3. Information Technology Amendment Act, 2008;
4. The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011;
5. The Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976;
6. Inter-State Migrant Workmen"S (Regulation Of Employment And Conditions Of Service) Act, 1979;
7. Research and Development Cess Act, 1986;
8. Service Tax Rules, 1994 read with Finance Act, 1994; and
9. Indian Copyright Act, 1957 (Copyright Act)

HISTORY AND CERTAIN CORPORATE MATTER

Brief History and Background

Our Company was incorporated as Arihant Institute Private Limited on 30th March, 2007 under the provisions of Companies Act, 1956 with Registrar of Companies, Gujarat, Ahmadabad vide registration no. (CIN:U80301GJ2007PTC050413). Pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on 22nd January, 2018 our Company was converted into a Public Limited Company and the name of our Company was changed to "Arihant Institute Limited" vide a fresh Certificate of Incorporation dated 01st February, 2018, issued by the Registrar of Companies, Ahmedabad, Gujarat. CIN:U80301GJ2007PLC050413

Our Company was incorporated by our Promoters- Mr. Sandip Vinodray Kamdar , Mr. Vinodray Keshavlal Kamdar, Mrs. Madhuben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar with an aim of running Coaching Institute for Professional courses. As a part of business growth, the Company registered with the Registrar of Companies, Gujarat on 30th March, 2007 as Arihant Institute Private Limited.

Our company engaged in providing coaching & educational guidance for students appearing for professional course – Chartered Accountant, Company Secretary and CMA. We provides the coaching and guidance from Entry level test exam till final exam and covers all the subjects in depth with test series to improve their confidence and overall result.

Our Company operates the educational program and coaching under the Brand Name "Arihant Institute" since inception. With dedicated professors and trained staff, our company has given education to more than 10000 students appeared for professional & Graduates exam. Our student strength has improved and with dedicated efforts of our promoters, from our institute, there were 205 National Rankers in CA Inters and Final Courses, 2000+ Chartered Accountant and 175+ Company Secretary.

Our institutes is considered as preferred choice for the best professional coaching institute among the students based in, Gujarat & Rajeshthan, in the field of Professional Exams like Chartered Accountancy, Company Secretary and other Professional and Foreign Courses. Currently, we have a head office located in Ahmedabad, Gujarat.

Our promoter - CA Sandeep Kamdar, having experience and qualification in professional course, has developed the skill and education techniques for competitive exam and professional course. Our promoters has developed the innovative idea and training program for faculty members and teaching staff. Our strengths lie in continuously updating and upgrading our faculty by virtue of training & development so that they can train to acquire new skills, sharpen existing ones, perform better, increase productivity and be better leaders at their work places. We offer courses & test series which have been systematically designed to provide effective and efficient education to students in simple and lucid manner.

Our Promoters, Mr. Sandip Vinodray Kamdar , Mr. Vinodray Keshavlal Kamdar, Mrs. Madhuben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar with their rich experience of more than 20 years, have been prominent is growing the Professional Coaching Institute in a more organized manner thereby expanding their horizon to various sectors. For further information on our business, please refer to "Business Overview" beginning on page no. 135 of this Draft Prospectus.

Our Revenues have grown from Rs. 167.10 Lakhs in fiscal 2016 to Rs. 169.20 Lakhs in fiscal 2017. Our net Loss was Rs. 144.52 Lakhs in fiscal 2016 and earned net profit Rs. 11.17 Lakhs in fiscal 2017. Our Revenue for period ended January 31, 2018 is Rs. 114.12 Lakhs and net profit after tax is Rs. 12.30 Lakhs.

For further details pertaining to our financial performance, please see "Financial Information" beginning on page no. 194 of this Draft Prospectus.

For details on the government approvals, please refer to the chapter titled "***Government and Other Approvals"*** on page no. 233 of this Draft Prospectus.

For further details of our Company's activities, services and the growth of our Company, please refer to the chapters titled '***Business Overview***' and '***Management's Discussion and Analysis of Financial Conditions and Results of Operations***' beginning on page no. 135 and 221 respectively of this Draft Prospectus.

The total number of members of our Company as on the date of filing of this Draft Prospectus is 47 (Fourty Seven only). For further details, please refer the chapter titled ***'Capital Structure'*** beginning on page no. 58 of this Draft Prospectus.

Registered Office

Our Company's Registered Office is currently situated at 2, Navinpark Society, Near Municipal School No. 4, Sardar Patel Colony Road, Naranpura, Ahmadabad - 380013, Gujarat, India. Since incorporation, the registered office address has remained the same and there is no change in the registered office address as on the date of filing this Draft Prospectus.For further details of our Properties, please refer to the chapter titled '***Business Overview***' beginning on page no. 135 of this Draft Prospectus

Amendments to the MOA of our Company since Incorporation

Since incorporation, the following amendments have been made to the MOA of our Company:

Sr. No.	Changes In MOA	Date & Type of Meeting
1.	Increase in authorized capital from Rs.1.00 Lakhs to Rs.100.00 Lakhs.	21/06/2011; EGM
2.	Increase in authorized capital of the Company from Rs.100 Lakhs to Rs.135 Lakhs.	09/02/2015; EGM
3.	Increase in authorized capital of the Company from Rs. 135 Lakhs to Rs. 170 Lakhs	13/02/2015; EGM
4	Increase in authorized capital of the Company from Rs. 170 Lakhs to Rs. 252 Lakhs	28/09/2016: AGM
5	Increase in authorized capital of the Company from Rs. 252 Lakhs to Rs. 600 Lakhs	15/03/2017: EGM
6	Increase in authorized capital of the Company from Rs. 600 Lakhs to Rs. 950 Lakhs	06/06/2017: EGM
7	Change in the name of Company from "Arihant Institute Private Limited" to " Arihant Institute Limited"	22/01/2018; EGM
8	Adoption of new set of Memorandum of Association and Articles of Association	22/01/2018; EGM

Our Main Object

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

To establish, run, operate, conduct, promote, subscribe, encourage, provide maintain, organize, develop, set-up manage tutorial classes, coaching classes, academy, education classes, institutions, schools, colleges, management consultants, health education club, libraries, reading rooms, boarding house, ashram etc. to give, import training, education, learning of various course such as but not limited to Chartered Accountancy, C-SAT, L-SAT, TOFEL, GRE, GMAT, CAT, IELTS, fashion designing, commerce, art, science, engineering, medical pharmacy, military, dance, music acting, sports, journalism, management, social welfare, various accounting software's, applications, taxation software's, value added taxation system, taxation laws, accounting systems, accounting standards, English

classes, legal framework training, corporate training, etc. for India and other countries; further to provide visa guidance, student admission and its procedure, becoming representatives of national and international Universities, provide job assistance services in India and abroad, guidance to i m m i g r a t i o n , guidance to work permits, student placements and to give franchisee, appoint agents, setup branches, etc. in various places in India and abroad for the same purpose.

Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-ordinary General Meeting of the Company dated January 22, 2018.

Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
2017-18	Change in the name of the Company from "Arihant Institute Private Limited" to Arihant Institute Limited.

Other Details about our Company

For details of our Company's activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price" on pages 135, 221and 100 respectively of this Draft Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "Our Management" and "Capital Structure" beginning on pages 163 and 58 of this Draft Prospectus respectively.

Promoters of our Company:

The Promoters of our Company are Mr. Sandip Vinodray Kamdar , Mr. Vinodray Keshavlal Kamdar, Mrs. Madhuben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar. For details, please refer to the Chapter titles "Our Promoters and Promoter Group" beginning on page 179 of the Draft Prospectus.

Acquisition of Business/Undertakings & Amalgamation

Except as disclose in this Draft Prospectus, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

Holding Company

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

Subsidiary of our Company

As on the date of the Draft Prospectus, our Company is not a holding of any company.

Capital raising (Debt / Equity)

For details in relation to our capital raising activities through equity, please refer to the chapter titled "Capital Structure" beginning on page 58 of the Draft Prospectus. For details of our Company's debt facilities, please refer section "Statement of Financial Indebtedness" on page 220 of the Draft Prospectus.

Time and Cost overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company.

Injunction or restraining order

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

Revaluation of Assets

Our Company has not revalued its assets since incorporation

Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Draft Prospectus. Furthermore, except as disclosed in chapter titled "Capital Structure" beginning on Page 58 of this Draft Prospectus, none of the Company's loans have been converted into equity in the past.

Lock-out or strikes

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this draft Prospectus, our employees are not unionized.

Shareholders of our Company:

Our Company has Forty Seven (47) shareholders as on the date of this Draft Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled "Capital Structure"beginning on page 58 of the Draft Prospectus.

Changes in the Management

For details of change in Management, please see chapter titled "Our Management" on page no. 163 of the Draft Prospectus.

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

There has been no change in the business activities of our Company during last five (5) years from the date of this Draft Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled "Management's discussion and analysis of financial conditions & results of operations" beginning on page 221 of this Draft Prospectus,

Shareholders Agreements

As on the date of this Draft Prospectus, there are no subsisting shareholders agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

Collaboration Agreements

As on the date of this Draft Prospectus, our Company is not a party to any collaboration agreements other then mentioned in our business, please see chapter titled "Our Business" on page no. 135 of the Draft Prospectus.

Material Agreement

Our Company has not entered into any material agreement, other than the agreements entered into by it in normal course of its business.

OTHER AGREEMENTS

Non Compete Agreement

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Draft Prospectus.

Joint Venture Agreement

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

Strategic Partners

Except as mentioned in this Draft Prospectus, Our Company does not have any strategic partners as on the date of this Draft Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of this Draft Prospectus.

Changes in the activities of Our Company having a material effect

Other than as mentioned above in the chapters titled ***'Business Overview***' and '***History and Corporate Structure***' beginning on page no. 135 and 158, respectively, of this Draft Prospectus, there has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors.

Details of Past Performance

For details in relation to our financial performance in the previous two financial years, including details of nonrecurring items of income, please refer to the section titled "*Financial Information"* beginning on page 194 of this Draft Prospectus.

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 for IssuePrice*" on pages 135, 221 and 100 of this Draft Prospectus.

Other declarations and disclosures

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, our Company has not made any Public Issue or Rights Issue (as defined in the SEBI (ICDR) Regulations) in the past. No action has been taken against our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

OUR MANAGEMENT

Currently, our Company has 6 (six) Directors out of which 2 (two) Executive Directors, 2 (Two) are Non-Executive Independent Directors, 1 (one) Non Executive Director and 1 (one) Chairman & Non Executive Director. We confirm that the composition of our Board of Directors complies with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Board of Directors of our Company

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Prospectus:

Name : VINODBHAI CHIMANLAL SHAH	**Name : RUSHIRAJ ZAVERBHAI PATEL**
DOB : 23/04/1947	DOB : 22/04/1989
AGE : 70 Years	AGE: 28 Years
DIN : 08033798	DIN : 08017580
PAN : ANWPS0135M	PAN : ASOPP1002F
Designation: Chairman &Additional Non -Executive director	Designation: CFO &Additional Executive Director
Address : 66, Girdharnagar Society, Shahibaug, Ahmedabad-380004	Address : B-10 Krishna Bunglows, Near Lad Society, Sandesh Press Road, Bodakdev, Ahmedabad:-380054 Gujarat
Experience : 35 Years	Experience : 10Years
Occupation : Business	Occupation : Business
Qualification: Bachelor of Arts and Commerce	Qualification: Post Graduate Diploma in Agri – Business Management & B. Pham
Appointment: 05/01/2018	Appointment: 05/01/2018
Date of Expiry of Term of Office: Liable to retire by Rotation	Date of Expiry of Term of Office: Liable to retire by Rotation
Holding : Nil	Holding : Nil
Other Directorships: Nil	Other Directorships: Nil
Name : KASHYAP TRIVEDI	**Name : JIGAR UMESHBHAI SHAH**
DOB : 31/03/1963	DOB : 18/10/1980
AGE: 54 Years	AGE: 37 Years
DIN : 01931400	DIN : 05328340
PAN : AAWPT4422D	PAN : BEXPS8272L
Designation: CEO & Whole Time Director	Designation: Non Executive Director
Address : 5/4, Aanik Appartment, Opp. Vastrapur Tol Naka, Vastrapur, Ahmedabad- 380015	Address : B/6, Siddhi Apartment, Near Pintu Flats, Srinivas Soc., Paldi, Ahmedabad- 380007
Experience : 10 Years	Experience : 10 years
Occupation : Business	Occupation : Profession
Qualification: Bachelor of Science and Bachelor of Education	Qualification: Chartered Accountant
Appointment: 03/11/2017	Appointment: 03/11/2017
Change in Designation: 05/01/2018	
Date of Expiry of Term of Office: 5 Years	Date of Expiry of Term of Office: Liable to retire by Rotation
Holding :Nil	Holding : Nil
Other Directorships: GTK Tradelink Private Limited	Other Directorships: Munimji Training And Placement Private Limited

Name : PRASHANTCHANDRAPRAKASH SRIVASTAV	Name : SHIVANI KETUL PATEL
DOB : 31/03/1979	DOB : 04/10/1987
AGE: 39 Years	AGE: 30 Years
DIN : 02257146	DIN : 08033788
PAN : AMBPS5882M	PAN : CPXPP7546E
Designation: Additional Independent Director	Designation: Additional Independent Director
Address :16, Hem Appts, Nehru Park Lad Soc Road Vastrapur Ahmedabad 380015, Gujarat	Address : D/6,Prabhakar Appartment, Near Subhash Chowk,Memnagar, Ahmedabad 380052 GJ IN
Experience : 15 years	Experience : 10 years
Occupation : Profession	Occupation : Business
Qualification: Chartered Accountant	Qualification: Bachelor of Pharmacy
Date of Expiry of Term of Office: 5 years	Date of Expiry of Term of Office: 5 years
Appointment: 05/01/2018	Appointment: 05/01/2018
Holding : Nil	Holding :Nil
▪ Other Directorships: ▪ Sakar Healthcare Limited ▪ Flatrox Technosolutions (India) Private Limited ▪ P R Residency Services Private Limited	Other Directorships: - NIL

As on the date of the Draft Prospectus:

1. ***None of the above mentioned Directors are on the RBI List of willful defaulters as on date of this Draft Prospectus.***

2. ***None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or Our Company are debarred by SEBI from accessing the capital market.***

3. ***None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.***

4. ***Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.***

Brief Profile of the Directors of our Company

OTHER DIRECTORS

Mr. Vinodbhai Chimanlal Shah– Chairman & Additional Non Executive Director

Mr. Vinodbhai C. Shah is one of the most experienced office bearers in the entire management. He has worked with reputed organizations like Gujarat State Corporation (GSC). He holds degrees in Commerce and Arts. He got 35 years of rich experience at various corporate roles across Accounts, Finance & Legal area. He has been incumbent at various prominent positions in many Govt. projects. His last assignment was as CFO in GISC before retirement from active duties. He is also serving various non-profit organizations for Account & Audit area. He is Trustee in few social organizations & deeply involved in uplifting of community. His experience and understanding of Commerce and Business would help to achieve financial goals and organizational milestones of AIL.

Mr. Rushiraj Zaverbhai Patel- CFO & Additional Executive Director

Rushiraj Patel, CFO and Executive Director, is a B. Pharm.- pharmacist from the pharmacy college - LM College of Pharmacy, Ahmadabad. He further did Post Graduate Diploma in Agri – Business Management from IIM-Ahmadabad. He started his career with Research and Strategy officer of regional party. He also held various leadership positions during his college career & IIM project. He has been a Strategy and business advisors to various businesses for their business expansion, growth and improve the overall efficiency of the firm. He has being advisors for clients in Pharma, Stationery, Chemical and bulk drug industry. He has successfully advised companies in their growth journey over the past 3 years and has worked across various sectors. He has also worked with private educational coaching institutes like IMS, Endeavor, Elite, Renaissance, Arihant in the past on the operational and strategy roles who are into Coaching for various management and higher studies competitive exams. He holds the experience and knowledge to explore various strategies that he has used successfully in the past to grow organizations across sectors.

Being CFO of AIL, He shall play major role to initiate and implement innovative business plan of E learning, E library, Brainmapper and vocational guidance in various education stream. He shall be responsible and looking for overall business development and day to day business operation. With his experience and professional team of executives, AIL can achieve the business goal and plan in near future.

Mr. Kashyap Trivedi- CEO & Whole Time Director

Kashyap Trivedi is a qualified mathematician and statistician from Gujarat University having more than 30 years experience. He's a graduate in Mathematics and Education as well as post graduate in Statistics. He has served as faculty for various renowned institutions that includes Adani Vidya Mandir, EDII, CEPT, Parul University, LJ Institutes, IIPM- Ahmedabad, ASIA school, Alpha classes, Modasa Sarvajanik School, LJ Haria school and many more. He has been Author and published various textbooks in Mathematics, Commerce graduates, C.P.T. and CA along with BS Prakashan, S. Chand, Pearson and McGraw Hill Publications.

His experience and involvement in our organization will be more like torchbearer or guiding beacon for solving problems and providing the right direction to the organization. He shall be responsible and look after the business development, brand building, co-ordination with faculty, design course and student study material.

Mr. Jigar Umeshbhai Shah- Non- Executive Director

Jigar Shah is a Post Graduate in commerce from Gujarat University Ahmadabad. He is a qualified Chartered Accountant and holds a degree in law as well. He has practiced for a short stint with Gujarat High Court. He holds more than 10 years' of experience in field of educating especially in commerce & finance stream. He has been a pioneer in skill development and employment for commerce graduates with his venture of vocational guidance for GST, Accounting Software and Online filing of Return. He has profound knowledge and understanding of the education industry.

His specific industry experience makes him the right representative to protect the interests of shareholders fine-tuning customer acquisition and marketing strategy for AIL. He had been running Govt. Certified Vocational Training courses through which he has mentored 1000s of students. His operational expertise would drive a lot of efficiency in performance of people of the organization.

Mr. Prashant Chandraprakash Srivastav - Additional Independent Director

Prashant Srivastav is practicing Chartered Accountant. He also is a Diploma holder in International Taxation. He is a Certified Information Systems Auditor from ICAI. He also did JAIIB from Indian Institute of Banking and Finance.

With more than 13 years of experience & wide knowledge due to his professional qualifications of both CA and CS. He has been a visiting faculty with renowned educational institutes like Amity. His vast experience and knowledge would be useful for management audits and evaluation of MIS in the system.

Mrs. Shivani Ketul Patel - Additional Independent Director

Shivani Patel is a B. Pharm - pharmacist by qualification. She has pursued her career in pharmacy while nurturing her interests in arts and educational fields. She has worked in business development for pharmaceuticals and also started her own painting business. She is also into teaching children Arts and Crafts. She is an inspiring figure to a lot of parents who look up to her for shaping their children's interests in arts. She also has a wide array of business development strategies to fuel growth of any business. She would bring in the fresh perspective of inspiring the missing EQ in the today's education system and opening up new arenas of growth.

Relationship between Directors

None of the directors are related to each other and they have no family relationship**.**

Borrowing Powers of the Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum or sums of money for the purposes of our Company.

Pursuant to a resolution passed in Board meeting as on February 10, 2018 our Board of directors has approvedto borrow from time to time such sums of money as may be required, provided that such amount shall not exceed Rs. 50.00 Lakhs subject to confirmation by shareholders in forth coming general Meeting .

For further details of the provisions of our Articles of Association regarding borrowing powers, please refer to the section titled '***Main Provisions of the Articles of Association***' beginning on page no. 321 of this Draft Prospectus.

Remuneration/ Compensation of our Directors

Set forth below is the remuneration received by our Directors in FY 2017.

Sr. No.	Name of Director	Designation	Amt (Rs. In Lakhs)
1.	Vinodbhai Chimanlal Shah	Chairman & Additional Non-Executive Director	NIl-
2.	Rushiraj Zaverbhai Patel	Additional Executive Director & CFO	NIL
3.	Kashyap Trivedi	Whole Time Director& CEO	Nil
4.	Jigar Umeshbhai Shah	Non-Executive Director	NIL-
5.	PrashantChandraprakash Srivastav	Additional Independent Director	NIL
6.	Shivani Ketul Patel	Additional Independent Director	NIL

*All Directors has been appointed Since November 2017 therefore no remuneration or compensation payable to them in FY 2017.

Terms and conditions of employment of our Whole Time Director

Mr. Kashyap Trivedi, ***Whole time Director***

Mr. **Kashyap Trivedi** was designated as the Whole Time Director for a term of five years commencing, w.e.f. 05th January, 2018 *vide* a resolution of the Board of Directors dated 05th January, 2018.

Remuneration of our Whole time Director - As per the approved Board resolution in the Board of Director's Meeting dated 05th January 2018, the Remuneration of the Whole Time Director is as follows:

Period	5 yrs
Remuneration	Rs. 3.60 Lakhs
Perquisite, Allowances and Commission	As per Schedule V of the Companies Act, 2013

Non-Executive and Independent Directors

Our Independent Directors and Non-Executive Directors are entitled to sitting fees for attending meetings of the Board, or of any committee of the Board.

We also confirm that no remuneration being paid to independent directors.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares. As on date of filing of this Draft Prospectus, except the following, none of our Directors hold any Equity Shares of our Company:

Sr. No.	Name of the Directors	Designation	No. of Shares held in our Company	% of pre-issue paid-up Equity Share Capital
1.	Vinodbhai Chimanlal Shah	Chairman & Additional Non-Executive Director	NIL	-
2.	Rushiraj Zaverbhai Patel	Additional Executive Director & CFO	NIL	-
3.	Kashyap Trivedi	Whole Time Director & CEO	NIL	-
4.	Jigar Umeshbhai Shah	Non-Executive Director	NIL	-
5.	Prashant Chandraprakash Srivastav	Additional Independent Director	NIL	-
6.	Shivani Ketul Patel	Additional Independent Director	NIL	-
	TOTAL		**NIL**	**-**

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the BSE / NSE and reasons for suspension.

None of our Directors is/ was a Director in any listed company during the last five years before the date of filing this Draft Prospectus, whose shares have been/ were suspended from being traded on the BSE and NSE.

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting.

None of our Directors is or was a director on any listed companies which have been or were delisted from any stock exchange during the term of their directorship in such companies.
None of our Directors is or was a director of any listed companies during the five years immediately preceding the date of filing of this Draft Prospectus and until date, whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such companies.

Interest of Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as CEO / CFO of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/ paid or any loans or advances provided to any body corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of equity shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the Issue and also to the extent of any dividend payable to them and other distribution in respect of the said equity shares.

The Directors may also be regarded as interested in the equity shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/ or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the equity shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as directors, members, partners and promoters, pursuant to the Issue.

All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Director himself or other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Interest in promotion of Our Company

Except for, being Promoters and to the extent to remuneration received/ to be received, none of our Directors have any interest in the promotion of our Company.

Interest in the property of Our Company

Our Directors have no interest in any property acquired or proposed to be acquired by our Company in the preceding two years from the date of the Draft Prospectus nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest in the business of Our Company

Further, save and except as stated otherwise in ***'Annexure 14: Statement of Related Parties' Transactions'*** in the chapter titled ***'Restated Financial Statement'*** beginning on page no. 213 of this Draft Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the directors was selected as a director or member of senior management.

Details of Service Contracts

However, there is no service contracts entered into with any Directors for payments of any benefits or amount upon termination of employment. Further, since our Company does not have any subsidiaries or associate companies as on the date of filing of this Draft Prospectus, our Directors have received remuneration only from our Company.

Bonus or Profit Sharing Plan for the Directors

There is no bonus or profit sharing plan for the Directors of our Company.

Contingent and Deferred Compensation payable to Directors

No Director has received or is entitled to any contingent or deferred compensation.

Changes in the Board for the last three years

Except as mentioned below, there has been no change in the Board of Directors during the last three (3) years:

Sr No.	Name	Designation	Date Of Appointment	Date Of Cessation	Remarks
1.	Prashant Chandraprakash Srivastav	Additional Independent Director	05/01/2018		Fresh Appointment
2.	Shivani Ketul Patel	Additional Independent Director	05/01/2018		Fresh Appointment
3.	Kashyap Trivedi	Whole Time Director	05/01/2018		Change in Designation
4.	Rushiraj Zaverbhai Patel	Additional Executive Director	05/01/2018		Fresh Appointment
5.	Vinodbhai Chimanlal Shah	Additional Non-Executive Director	05/01/2018		Fresh Appointment
6.	Madhuben Vinod Kamdar	Director	01/04/2007	04/11/2017	Disqualified U/s 164
6.	Anjali v kamdar	Director	01/04/2007	04/11/2017	Disqualified U/s 164
7.	Sandip V Kamdar	Director	29/03/2007	04/11/2017	Disqualified U/s 164
8.	Vinodray Keshavlal Kamdar	Director	29/03/2007	04/11/2017	Disqualified U/s 164

Sr No.	Name	Designation	Date Of Appointment	Date Of Cessation	Remarks
9.	Kashyap Trivedi	Director	03/11/2017		Fresh Appointment
10.	Jigar Umeshbhai Shah	Non-Executive Director	03/11/2017		Fresh Appointment
11.	Madhuben Vinod Kamdar	Director	01/04/2007		Fresh Appointment
12.	Anjali v kamdar	Director	01/04/2007		Fresh Appointment
13.	Sandip Vinodray Kamdar	Director	29/03/2007		Fresh Appointment
14.	Vinodray Keshavlal Kamdar	Director	29/03/2007		Fresh Appointment

Corporate Governance

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. Further, our Company undertakes to comply with all the necessary requirements relating to Corporate Governance as prescribed under Companies Act, 2013 and SEBI Regulations.

In addition to the applicable provision of the Companies Act, 2013 with respect to corporate governance, the provisions of the SEBI(LODR) Regulations,2015 will be not be applicable to our Company upon the listing of the Equity Shares on SME Platform of BSE and is exempted follow corporate governance norms of SEBI (LODR), Regulations, 2015.

However, our Company is in compliance with the corporate governance code in accordance with Companies Act, 2013, particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee, Remuneration and Shareholder/ Investors Grievance Committee. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas.

Composition of Board of Directors

The Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in accordance with Companies Act, 2013. Our Board has six Directors, comprising of two Executive Director, two Non-Executive Director and two Independent Directors.

In terms of Companies Act, 2013, our Company has constituted the following Committees of the Board:

1) Audit Committee;
2) Nomination and Remuneration Committee; and
3) Shareholders/ Investors Grievance Committee;

Audit Committee

The Audit Committee was constituted *vide* Board resolution dated February 10, 2018. As on the date of this Draft Prospectus the Audit Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship

Prashant Chandraprakash Srivastav	Chairman	Additional Independent Director
Shivani Ketul Patel	Member	Additional Independent Director
Rushiraj Zaverbhai Patel	Member	Additional Executive Director

Our Company Secretary, Mrs.Falguni Dhrumil Shah the secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013.

1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
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 before submission to the board for approval, with particular reference to:
   - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
   - Changes, if any, in accounting policies and practices and reasons for the same
   - Major accounting entries involving estimates based on the exercise of judgment by management
   - Significant adjustments made in the financial statements arising out of audit findings
   - Compliance with listing and other legal requirements relating to financial statements
   - Disclosure of any related party transactions
   - Qualifications in the draft audit report.
5) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document//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) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8) Approval or any subsequent modification of transactions of the company with related parties;
9) Scrutiny of inter-corporate loans and investments;
10) Valuation of undertakings or assets of the company, 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 any significant findings and follow up there on.
15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

18) To review the functioning of the Whistle Blower mechanism.
19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee enjoys following powers:

a) To investigate any activity within its terms of reference
b) To seek information from any employee
c) To obtain outside legal or other professional advice
d) To secure attendance of outsiders with relevant expertise if it considers necessary
e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Quorum and Meetings

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. The Company Secretary of the Company acts as the Secretary to the Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on February 10, 2018 .

As on the date of this Draft Prospectus the Remuneration Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Prashant Chandraprakash Srivastav	Chairman	Additional Independent Director
Shivani Ketul Patel	Member	Additional Independent Director
Vinodbhai Chimanlal Shah	Member	Additional Non-Executive Director

Our Company Secretary, Mrs. Falguni Dhrumil Shahis the secretary of the Nomination and Remuneration Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2) Formulation of criteria for evaluation of Independent Directors and the Board;
3) Devising a policy on Board diversity;
4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
5) To recommend to the Board, the remuneration packages i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc. of the executive directors;
6) To implement, supervise and administer any share or stock option scheme of our Company; and
7) To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

Quorum and Meetings

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Company Secretary of our Company acts as the Secretary to the Committee. The Committee is required to meet at least once a year.

Shareholders/ Investors Grievance Committee

The Shareholders/ Investors Grievance Committee has been formed by the Board of Directors at the meeting held on February 10, 2018.
As on the date of this Draft Prospectus the Shareholders/ Investors Grievance Committee consists of the following

Name of the Director	Designation in the Committee	Nature of Directorship
Shivani Ketul Patel	Chairman	Additional Independent Director
Prashant Chandraprakash Srivastav	Member	Additional Independent Director
Jigar Umeshbhai Shah	Member	Non-Executive Director

Our Company Secretary,Mrs. Falguni Dhrumil Shahis the secretary of the Shareholders/ Investors Grievance Committee.

This Committee will address all grievances of Shareholders and Investors in compliance of the provisions of section 178 (5) of the Companies Act, 2013and its terms of reference include the following:

1. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares;
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
3. Allotment of shares, monitoring and approving transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers; and

7. Carrying out any other function contained in the SEBI (LODR) Regulations as and when amended from time to time.

Quorum and Meetings

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. The Company Secretary of our Company acts as the Secretary to the Committee.

Internal Complaints Committee:

The Internal Complaints Committee has been formed by the Board of Directors at the meeting held on February 10, 2018 in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As on the date of this Draft Prospectus the Internal Complaints Committee consists of the following:

Name of the Director	Designation in the Committee	Nature of Directorship
Kashyap Trivedi	Presiding Officer	Whole Time Director
Shivani Ketul Patel	Member	Additional Independent Director
Prashant Chandraprakash Srivastav	Member	Additional Independent Director
Jigar Umeshbhai Shah	Member	Non-Executive Director

Our Company Secretary, Mrs. Falguni Dhrumil Shahis the secretary of the Internal Complaints Committee.

This Committee will address all and its terms of reference include the following:
The scope and function of the **Internal Complaints Committee** and its terms of reference shall include the following:

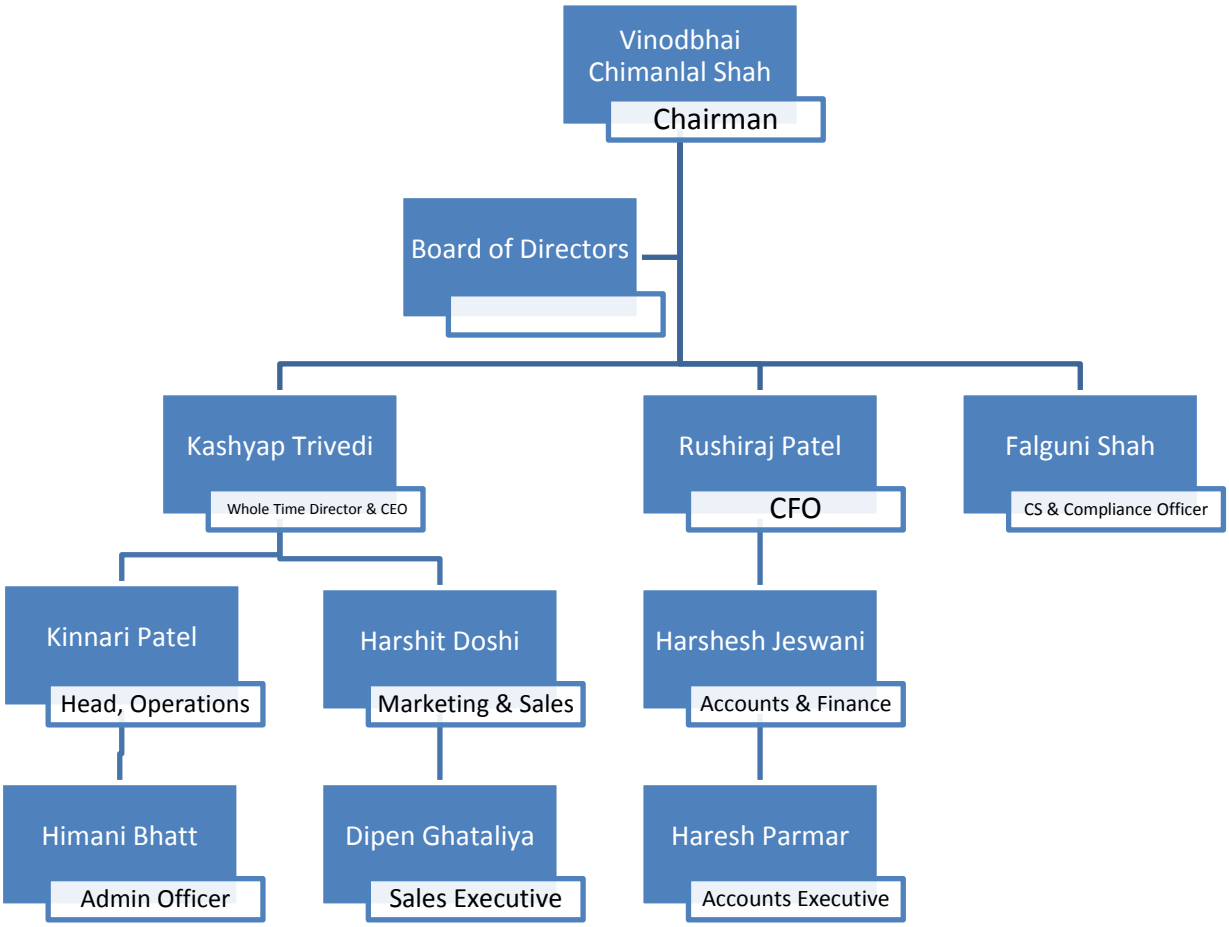
1) To create and maintain an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation.
2) Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behavior is prohibited both by law and by the Company.
3) The committee shall take reasonable steps to ensure prevention of sexual harassment at work which may include circulating applicable policies and other relevant information to all associates, including to all new joinees'.
4) Ensure to provide safeguards against false or malicious charges.
5) To discourage and prevent employment-related sexual harassment.
6) To investigate every formal written complaint of sexual harassment.
7) Review the complainant's complaint in a fair and objective manner.
8) Determine the facts of the case with the individuals concerned and the witnesses, if any, and prepare a report with the findings.
9) To redress complaints of sexual harassment by taking appropriate remedial measures to respond to any substantiated allegations of sexual harassment.
10) To protect the interests of the victim, the accused person and others who may report incidents of sexual harassment, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances.
11) To ensure all records of complaints, including contents of meetings, results of investigations and other relevant material kept are confidential by the Company except where disclosure is required under disciplinary or other remedial processes.
12) Be bound in the principle of natural justice and be unbiased in their evaluation.

The quorum will be either two members or one third of the members of the Sexual Harassment Committee whichever is greater, but there should be a minimum of two independent members present.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchanges. Our Company Secretary, Ms. Hena Shah, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of price sensitive information and in the implementation of the code of conduct under the overall supervision of the Board.

Organizational Structure of The Company



KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Name	Designation	Age	Qual.	Exp. In Yrs	Date Of Joining	Functional Responsibility	Current CTC (Rs. In Lakhs)	Previously Employed
Mr. Vinodbhai Chimanlal Shah	Chairman	70 years	Bachelor of Arts and Commerce	35 years	05/01/2018	Overall business guidance, corporate governance and business development	Nil	Retired as CFO in GISC, Gujarat.
Mr. Kashyap Trivedi	Whole Time Director & CEO	54 years	Bachelor of Science and Bachelor of Education	10 years	03/11/2017	Heads the Business Operations Team wherein he plays a vital role in overall business co-ordination, business venture implementation, Develop E Library & E Learning, development, co-ordination and implementation of new ideas, new business relationships and people flows within the entire organization	Rs. 3.60 Lakhs P.A.	Own Business and Profession
Mr. Rushiraj Zaverbhai Patel	CFO	28 years	Post Graduate Diploma in Agri – Business Management & B. Pharm	10 years	05/01/2018	Heads the financial department of the Company; plays a role in the business development, Content Development and Training to Faculty and Executives. Also in financial planning and budgeting.	Rs. 3.60 Lakhs P.A.	Own Business and Profession
Mrs. Falguni Dhrumil Shah	Compliance officer & CS	33 years	CS	Nil	12/01/2018	In charge of secretarial &Corporate Governance matters.	Rs. 2.40 Lakhs P.A.	Fresher

Notes:

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.

- There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.

- None of the other Key Managerial Personnel are "related" to each other or to the Promoters or Directors of our Company as defined under the Companies Act, 2013.

Bonus and/ or Profit Sharing Plan for the Key Managerial Personnel

Our Company does not have any bonus and/ or profit sharing plan for the Key Managerial Personnel. However, Our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

Contingent and Deferred Compensation payable to Key Managerial Personnel

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

Shareholding of the Key Managerial Personnel other than the Directors

As on date of filing of this Draft Prospectus, none of our KMP holds any Equity Shares of our Company:

Interest of Key Managerial Personnel

None of our key managerial personnel has any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business.

Our key managerial personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such key managerial personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

None of our key managerial personnel has been paid any consideration of any nature, other than their remuneration.

Changes in Key Managerial Personnel during the last three years

Following have been the changes in the Key Managerial Personnel during the last three years:

Name	Designation	Date Of Appointment	Date Of Cessation	Remarks
Mr. Vinodbhai Chimanlal Shah	Chairman	05/01/2018		Fresh Appointment
Mr. Kashyap Trivedi	Whole TimeDirector	05/01/2018	-	Change in Designation
Mr. Rushiraj Zaverbhai Patel	Chief Financial Officer	05/01/2018	-	Fresh Appointment
Mr. Kashyap Trivedi	Chief Executive Officer	05/01/2018	-	Fresh Appointment
Mrs. Falguni Dhrumil Shah	Compliance officer & Company Secretary	12/01/2018	-	Fresh Appointment
Madhuben Vinod	Executive Director	01/04/2007	04/11/2017	Disqualified

Name	Designation	Date Of Appointment	Date Of Cessation	Remarks
Kamdar				U/s 164
Anjali v kamdar	Executive Director	01/04/2007	04/11/2017	Disqualified U/s 164
Sandip V Kamdar	Executive Director	29/03/2007	04/11/2017	Disqualified U/s 164
Vinodray Keshavlal Kamdar	Executive Director	29/03/2007	04/11/2017	Disqualified U/s 164

Scheme of Employee Stock Options or Employee Stock Purchase (ESOP/ESPS SCHEME)

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

Employees

As on the date of this Draft Prospectus, our Company has 23 employees including the CEO & CFO. For details of the Employees/ Manpower of our Company, please refer to the paragraph titled 'Manpower' under the chapter titled '***Business Overview***' beginning on page no.135 of this Draft Prospectus.

Loans to Key Managerial Personnel

There are no loans outstanding against the Key Managerial Personnel as on the date of this Draft Prospectus.

Payment of Benefits to officers of our Company (non-salary related)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, we have not paid/ given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Prospectus.

Retirement Benefits

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.

Arrangements and Understanding with Major Shareholders

None of our key managerial personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

OUR PROMOTERS & PROMOTER GROUP

The Promoters of our Company are:

1) MR. SANDIP VINODRAY KAMDAR:

	Pan	ABAPK6703K
	Passport Number	H8192460
	Nationality	Indian
	Bank A/C Details	State Bank of India; A/c No.:-30062847010
	Address	12, Parikrama Flats, Naranpura, Ahmedabad- 380013, Gujarat, India
	Other Details - **E.C. Voter Id No.;** - **Driving License Number**	- CLJ2520815 - 98/12795

Brief Profile

Sandeep Kamdar is the Founder and Promoter of Arihant Institute Limited. He is a qualified Cost Accountant (1995 batch) and Chartered Accountant (1996 batch). He is a visionary educationist who has dedicated 20 years of his life to build careers of 2000+ Chartered Accountants and 250+ Company Secretaries. Out of the 2000+ CAs he has trained, 200+ were national rank holders. He is also leveraging his expertise to train ACCA and CPA candidates. He has built a strong educational network and spread his expertise across the length and breadth of the country through 53 franchisees centers during 2011 to 2015. During his career, He has initiated Satellite Learning Programs in AIPL way back in 2008 and E Library and E Learning by creating content and data in digital mode during 2014 to 2016.

This digital initiatives & content in servers of recorded lectures and educational material has made possible to reach the student for education and guidance in diverse professional courses on national level.

He is a distinguished alumnus of H.L. College of Commerce, Ahmadabad, Gujarat. His efforts have been recognized by Indian Achievers' Forum in the area of Educational Excellence and also by All India Achievers as *'Arch of Excellence'*. He is a renowned Subject Matter Expert on Accounts, Costing and Financial Management. He is also actively involved in social initiatives through Trust PaPa, Jain Kanya Chhatralaya, and various NGOs as visiting faculty on vocational guidance. He has been Chairman at Educational Committee of Ahmadabad Chapter of JITO.

He has strategically put together a team of young, experienced and qualified individuals in the key management personnel for exponential growth and scaling new heights of the organization. In addition to the same, his strong experience will be better leveraged as a torch bearer and guiding force for the future planning of new initiatives and new business development.

For further details relating to Mr. Sandipbhai Kamdar, including terms of appointment & resignation as Executive Director and other directorships, please refer to the chapter titled '***Our Management***' on page no.163 of this Draft Prospectus.

2. MR. Vinodray Keshavlal Kamdar

	Pan	ADGPK8140G
	Passport Number	G9048861
	Nationality	Indian
	Bank A/C Details	State Bank of India; A/c No.:-30248769979
	Address	12, Parikrama Flats, Naranpura, Ahmedabad-380013, Gujarat, India
	Other Details - **E.C. Voter Id No.;** - **Driving License Number**	- GJ/11/067/199105; - GJ01-108231-00

Brief Profile

Vinodray Keshavlal Kamdar is the father of Sandeep Kamdar, founder of AIL. His value-based lifestyle and years of experience has been pivotal to the growth and success of the organization. He has been the key person in laying the foundation stone of AIL as an enabler of education sector. He has been a patriarchal figure in the institute and the go-to person for all the employees for any guidance and solutions to the problems..

For further details relating to Mr. Vinodray Keshavlal Kamdar, including terms of appointment & resignation as Executive Director and other directorships, please refer to the chapter titled '***Our Management***' on page no.163 of this Draft Prospectus.

3. MRS. Anjali Sandipbhai Kamdar

	Pan	AFUPK7823A
	Passport Number	H8192461
	Nationality	Indian
	Bank A/C Details	State Bank of India; A/c No.:-30248565524
	Address	12, Parikrama Flats, Naranpura, Ahmedabad-380013, Gujarat, India
	Other Details - **E.C. Voter Id No.;** - **Driving License Number**	- CLJ252083; - 99/M/3963

Brief Profile

Anjali Kamdar is promoter of Arihant Institute Limited. She is the Student Engagement Officer of the company. Her Home Science Expertise has been put to productive use as Home Science is the education for "better living". She has been the core ideology driver for providing a homely ecosystem to the institute and improved student success ratio over the years. She has also been involved with the company as a counselor for the past 10 years. She is an avid DMIT expert and is going to be spearhead our new initiatives Brain mapper for student career counseling and Rephrase for HR Restructuring within companies that will enable to employ the right man for the job and also training them in a way that shall enable them to perform better.

For further details relating to Mrs. Anjali Sandipbhai Kamdar, including terms of appointment & resignation as Executive Director and other directorships, please refer to the chapter titled '***Our Management***' on page no. 163 of this Draft Prospectus.

4. MRS. Madhuben Vinodray Kamdar

	Pan	AHBPK1909Q
	Passport Number	G9265274
	Nationality	Indian
	Bank A/C Details	State Bank of India; A/c No.:-30248761471
	Address	12, Parikrama Flats, Naranpura, Ahmedabad-380013, Gujarat, India
	Other Details - **E.C. Voter Id No.;** - **UID Number**	- GJ/11/067/199104; - 6591 2506 3558

Brief Profile

Madhuben Vinodray Kamdar is the mother of Sandeep Kamdar, founder of AIL. She is a silent contributor to the organization and has been a well-wisher for AIL. She has always inculcated and strived educational excellence amongst the society and is a key pillar for the growth of AIL.

For further details relating to Mrs. Madhuben Vinodray Kamdar, including terms of appointment & resignation as Executive Director and other directorships, please refer to the chapter titled '***Our Management***' on page no.163 of this Draft Prospectus.

Other Declaration and Confirmations

Our Company hereby confirms that the personal details of our Individual Promoter viz., Permanent Account Number, Passport Number and Bank Account Number have been submitted to BSE, at the time of filing this Draft Prospectus with them.

Our Promoters and Promoter Group Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities. None of our Promoters was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Further, our Promoters have not been identified as a willful defaulter by RBI or any other Government authority and there are no violations of securities laws committed by the Promoters in the past or any such proceedings are pending against the Promoters.

Payment or Benefit to Promoters of Our Company

No payment has been made or benefit given to our Promoters in the two years preceding the date of the Draft Prospectus or is intended to be given by us except mentioned / referred to in this Chapter and in page no. 213 under Related Party Transactions, under the Chapter ***"Financial Information of our company"*** of the Draft Prospectus.

Common Pursuits Of Our Promoters

Our Promoters have promoted our Group entities i.e.1) Arihant Press Pvt. Ltd..; 2) Aadi Corpways Pvt. Ltd.,being company, established with different objective. For details please refer to chapter titled "***Our Promoters Group Companies"*** on page no. 186 of this Draft Prospectus.

Immediate relatives of our Promoters have not any promoted our Group entities except as mentioned in Our Promoters Group Companies. For details please refer to chapter titled "***Our Promoters Group Companies"*** on page no. 186 of this Draft Prospectus.

Further, our promoters have not established any LLP, Partnership Firm and Sole proprietor firm. For details please refer to chapter titled "***Our Promoters Group Companies"*** on page no. 186 of this Draft Prospectus.

However, as on the date of this Draft Prospectus, our Company has not signed any non-compete or any other agreement / document with any of above mentioned entities.

However, we cannot assure that the said entities will resume their operations nor we can assure that our Promoters who have common interest in such other entities will not favor the interests of the said entities over our interest which may adversely affect our business operations. For details of our Promoter Group and Group Company/entities, please refer to Section titled ***"Our Promoter Group and Group Companies / Entities"*** on page no.186 and page no. 213 under Related Party Transactions, under the Chapter ***"Financial Information of our company"*** of this Draft Prospectus.

INTEREST OF PROMOTERS

Interest in promotion of Our Company

Our Promoters jointly hold Equity Shares aggregating to 73.51 % of pre-issue Equity Share Capital in our Company and they are interested to the extent that they have promoted our Company and to the extent of their shareholding in our Company & dividend payable thereon, if any. The Promoters of our Mr. Sandip Vinodray Kamdar , Mr. Vinodray Keshavlal Kamdar, Mrs. Madhuben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar are also the Managing Director and Executive Directors, respectively of our Company who may be deemed to be interested to the extent of remuneration, as per the terms of his appointment and reimbursement of expenses payable to them or sitting fees paid to them. Our Promoters may be interested to the extent of unsecured loans granted to our Company. Further our Promoters may 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. Further they may be deemed to be interested to the extent of transactions carried on / payment made by our Company to the proprietorship firm / partnership firm / companies in which they are Proprietor/ Partner / Promoter and/or Directors. For further details, please refer to section titled ***"Related Party Transactions"*** on page no. 213 and ***"Interest of Directors"*** on page no. 168 of this Draft Prospectus.

Interest in the property of Our Company

Except as disclosed in the chapters titled ***"Our Business"*** and ***"Restated Financial Statements – Related Party Transactions"*** on page no. 135 and 194 respectively of this Draft Prospectus, our Promoters do not have any interest in any property acquired two years prior to the date of this Draft Prospectus. Further, our Promoters are not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Interest as a creditor of Our Company

Except as stated in the ***'Annexure 14: Statement of Related Parties' Transactions'*** beginning on page no. 213, our Company has not availed any loans from the Promoters of our Company as on the date of this Draft Prospectus.

Interest as Director of our Company

Except as stated in ***'Annexure 14: Statement of Related Parties' Transactions'*** beginning on page no. 213 of this Draft Prospectus, our Promoters/ Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

Interest in transactions involving acquisition of land

Our Promoters are not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Other Ventures of our Promoters

Except as disclosed in the chapter titled '***Promoters and Group Companies***' beginning on page no. 179 & 186 of this Draft Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

Payment or benefit to Promoters

For details of payments or benefits paid to our Promoters, please refer to the paragraph ***"Compensation of our Managing Director"*** in the chapter titled '***Our Management***' beginning on page no.163 of this Draft Prospectus and as disclosed under '***Annexure 14: Statement of Related Parties' Transactions*'** on page no. 213 of the chapter titled ***"Restated Financial Statement"*** beginning on page no.194 of this Draft Prospectus, there has been no payment or benefit to Promoters of our Company.

Related Party Transactions

For details of related party transactions entered into by our Company, please refer to '***Annexure 14: Statement of Related Parties' Transactions'*** on page no. 213 of the chapter titled '***Financial Information'*** beginning on page no.194 of this Draft Prospectus.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled "***Outstanding Litigations***" beginning on page no. 230 of this Draft Prospectus.

OUR PROMOTER GROUP AND GROUP COMPANIES / ENTITIES

In addition to the Promoters named above, the following natural persons are part of our Promoter Group

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(zb)(ii) of the SEBI (ICDR) Regulations, 2009, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	Sandip Vinodray Kamdar	Vinodray Keshavlal Kamdar	Anjali Sandipbhai Kamdar	Madhuben Vinodray Kamdar
Father	Vinodray Keshavlal Kamdar	Keshavlal Shukhlal Kamdar	Vinodbhai Chimanbhai Shah	Popatlal Sanghvi
Mother	Madhuben Vinodray Kamdar	Savitaben Keshavlal Kamdar	Virbalaben Vinodbhai Shah	Savitaben Popatlal Sanghvi
Spouse	Anjali Sandeepbhai Kamdar	Madhuben Vinodray Kamdar	Sandeep Vinodray Kamdar	Vinodray Keshavlal Kamdar
Brother	--	1) Bhupatbahi Keshavlal Kamdar 2) Pravinbhai K Kamdar 3) LT. Sureshbhai Keshvlal Kamdar 4) Jitendrabhai Keshavlal Kamdar 5) Satishbahi Keshavlal Kamadar	--	1) LT. Jayntilal Popatlal sanghvi 2) Navinchandra Popatlal Sanghvi 3) LT. Jitendra Popatlal Sanghvi
Sister	Amitaben Vinodray Kamdar	Pushpaben Keshavlal Kamdar	Pina Chimanbhai Shah	Lalitaben Nagindas Shah
Son	Bhavya Sandeepbhai Kamdar	Sandeep Vinodray Kamdar	Bhavya Sandeepbhai Kamdar	Sandeep Vinodray Kamdar
Daughter-in-Law	--	Anjali Sandeepbhai Kamdar	--	Anjali Sandeepbhai Kamdar
Daughter	--	Amita Rajeshkumar Mehta	--	Amita Vinodray Kamdar
Son-in-Law	--	Rajeshkumar Shantilal Mehta	--	Rajesh Shantilal Mehta
Sister-in-law	--	1) Leelaben Bhupatbhai Kamdar 2) Minaxiben Pravinbhai Kamdar 3) Bindaben Jitendrabhi Kamdar 4) Malaben Satishbhai Kamdar	--	1) Indiraben Jayantilal Sanghvi 2) Ushaben Navinchandra Sanghvi 3) Parag Jitendra Sanghvi
Brother-in-law	Rajesh Shantilal Mehta	Nanubhai Chhotaliya	Vikas Chandanmalji Jain	Nagindas Shah

2. Corporate Entities or Firms forming part of the Promoter Group:

As per Regulation 2(zb) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

Nature of Relationship	Entity
Any Body corporate in which ten percent or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoter or any one or more of his immediate relative is a member.	1) Aadi Corpway Private Limited; and 2) Arihant Press Private Limited;
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital.	--
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent of the total	1) Sandip Vinodray Kamdar HUF 2) Vinodray Keshavlal Kamdar HUF 3) Rajesh S. Mehta HUF

OUR GROUP COMPANIES

As per the SEBI ICDR Regulations, 2009 for the purpose of identification of Group Companies, our Company has considered companies covered under the Accounting Standard 18 (including Subsidiary, Associate Companies) as per Restated Financial Statements. Further, pursuant to a resolution of our Board dated February 10, 2018 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 forms part of the Promoter Group of our Company in terms of Regulation 2(1)(z)(b) of the SEBI Regulations and Companies who entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

The following entities are identified as Group Companies of our Company:

1. AADI CORPOWAY PRIVATE LIMITED

PAN :	AAGCA1851F
CIN.:	U23100GJ2011PTC063890
Date of Incorporation:	31/01/2011
Registered Office Address:	C 404, Kautilya Royale, Vijaynagar Road, Naranpura, Ahmedabad -380013.
Name of the Promoters:	1. Mr. Sandip Vinodkumar Kamdar 2. Mr. Anjali Sandipkumar Kamdar 3. Mr. Madhuben Vinodbhai Kamdar 4. Mr. Vinodray Keshavlal Kamdar

Main Object of the Company:

1. To carry on the business to encourage, provide, maintain, organize, undertake, manage, develop, recondition, operate, conduct, run training institute and conducting various courses, Conducting seminar, different programmes like Interpersonal Relations, Emotional Intelligence, Time Management, Conflict Resolution, Stress Management, Customer Relationship Management, Corporate Grooming, Business Writing, Effective Communication, Public Speaking, Art of making Presentations, Personality Development, Team Building & Leadership, Motivation, Good Housekeeping, Attitudinal Transformation, Cultural Sensitivity, Creative Problem Solving, Comprehensive programmes in Managerial / Supervisory Effectiveness, Project Management, People Management Coaching, Mentoring & Counseling, Retailing Sales Excellence & Negotiation, Work Practices, Financial Accounting for Non-Finance Executives, Selection & Interviewing skills, Performance Management to corporate world, their executives and professionals. We would also offer customized business data processing (BPO) and Knowledge Processing services that match international standards in terms of precision and timely execution to any person. The organization has experience in processing large volumes of data required by major corporate and government organizations. Our various BPO / IT enabled services includes the following: BPO Services, IT Enabled Services, Transcription Services, Content Development, Data Conversion, Data Entry, Data Processing, Knowledge Management Services, Inventory and logistics information Services, Accounting and Reconciliation Services, Electronic Publishing, Quality Audits, Benefits Administration, Payroll Processing, Data Transcription Services, CRM services. We would also focus on in HR processing outsourcing including Recruitment services and Payroll services. Further the Company would also provide staffing solutions for organizational needs and development by designing, implementing and undertaking systems and processes in the area of human resources including but not

limiting to selection process, recruitment, executive search, out sourcing, training, educating, culture building, performance review and appraisal assistance, head hunting and placement, communication-clinic, counselling for organizational effectiveness.

Interest of our Promoters:

Our Promoters are the directors as well as shareholders/Promoters of M/s. Aadi Corpoway Private Limited. Our Promoters are holding 10,000 equity shares of Rs. 10/- each constituting 100 % of paid up share capital of the Company. An individual shareholding of each promoter in M/s. Aadi Corpoway Private Limited is as per following table:

Name	Number of shares holds
Mr. Sandip Vinodkumar Kamdar	2,500
Mr. Vinodray Keshavlal Kamdar	2,500
Mrs. Anjali Sandipkumar Kamdar	2,500
Mrs. Madhuben Vinodbhai Kamdar	2,500
Total:	**10,000**

Board of Directors of the Company

Sr. No.	Name of the Directors & Designation	Age	DIN No.	PAN Card No.	Address
1.	Mr. Sandip Vinodkumar Kamdar	44 Years	00043214	ABAPK6703B	C- 404, Kautilya Royale Flat, Opp. Ladli Showroom, Nr. Naranpura Railway Crossing, Ahmedabad-380013.
2.	Mr. Vinodray Keshavlal Kamdar	73 Years	00043309	ADGPK8140G	C- 404, Kautilya Royale Flat, Opp. Ladli Showroom, Nr. Naranpura Railway Crossing, Ahmedabad-380013.
3.	Mrs. Anjali Sandipkumar Kamdar	42 Years	00040963	AFUPK7823A	C- 404, Kautilya Royale Flat, Opp. Ladli Showroom, Nr. Naranpura Railway Crossing, Ahmedabad-380013.
4.	Mrs. Madhuben Vinodbhai Kamdar	64 Years	00043266	AHBPK1909Q	C- 404, Kautilya Royale Flat, Opp. Ladli Showroom, Nr. Naranpura Railway Crossing, Ahmedabad-380013.

Share Capital History of the Company

Sr. No	Date of Allotment of Equity Share	No of Shares allotted	Cumulative no. of equity shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, Bonus, Consideration other than cash)	Cumulative share capital	Nature of/Reason for Allotment
1.	On Incorporation dated 31st January, 2011	10,000	10,000	10/-	10/-	By cash	Rs. 1,00,000/-	Subscription to MOA

Shareholding Pattern of the Company as on March 31, 2017

Sr. No.	Name of the shareholder	No. of shares held	% of holding
1.	Mr. Sandip Vinodkumar Kamdar	2,500	25.00%
2.	Mr. Vinodray Keshavlal Kamdar	2,500	25.00%
3.	Mrs. Anjali Sandipkumar Kamdar	2,500	25.00%
4.	Mrs. Madhuben Vinodbhai Kamdar	2,500	25.00%
	Total:	**10,000**	**100.00%**

Brief Audited Financials as:

(Amt.In Rs.)

Particulars	As at 31st March		
	2017	2016	2015
Equity Capital	1,00,000/-	1,00,000/-	1,00,000/-
Reserves (excluding revaluation reserve) and Surplus	(32,77,713)	(32,79,624)	(32,82,722)
Net Worth	(31,77,713)	(31,79,624)	(31,82,722)
Income including other income	30,390	47,750	8,80,711
Profit/ (Loss) after tax	1,911	3,098	10,793
Earnings per share (face value of Rs. 10 each)	0.19	0.31	1.08
Net asset value per share	(317.77)	(317.96)	(318.27)

Changes in the Management and Control

There has been no change in the management and control of M/s. Aadi Corpoway Private Limited in the three years preceding the date of this Draft Prospectus.

Other Disclosures:

- M/s. Aadi Corpoway Private Limited is not a listed Company.
- M/s. Aadi Corpoway Private Limited is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.
- No proceedings have been initiated for economic offences against M/s. Aadi Corpoway Private Limited.
- M/s. Aadi Corpoway Private Limited has a negative net-worth and has not made a loss in the immediately preceding years.
- No application has been made to RoC for striking off the name of M/s. Aadi Corpoway Private Limited.
- M/s. Aadi Corpoway Private Limited is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

2. ARIHANT PRESS PRIVATE LIMITED

PAN No.:	AAMCA3713B
CIN No.:	U22120GJ2014PTC078216
Date of Incorporation:	09/01/2014

Registered Office Address:	304, Dev Arcade, Navin Park Society, Naranpura Ahmedabad -380013
Name of the Promoters:	1. Mr. Sandip Vinodkumar Kamdar 2. Mr. Vinodray Keshavlal Kamdar

Main Object of the Company:

To carry on in India or elsewhere the business as printers, publishers, typesetter, DPT operators, proofreaders, binders, cutter, perforators, laminators, designers, authors, writer and editors of publication all varieties, descriptions, specifications, applications & uses including books, novels, magazines, journals, souvenirs, newsletters, periodicals, bulletins, pamphlets, forms catalogues, diaries, calendars, posters, pictures, stickers, text books, law books, school books, college books, professional courses books, private institute books, newspapers & other allied publications on any subject whatsoever in print as well as in electronic media and to develop software, CDs, cassettes, floppies or any other electors mode, devices, systems and to act as jobwork, contractor, sub-contractor, consultant, data entry operator, page maker, website designer, copyright owner and to deal in all goods, articles and things necessary for the attainment of the above objects.

Interest of our Promoters:

Our Promoters are the directors as well as shareholders/Promoters of M/s. Arihant Press Private Limited. Our Promoters are holding 10,000 equity shares of Rs. 10/- each constituting 100 % of paid up share capital of the Company. An individual shareholding of each promoter in M/s. Arihant Press Private Limited is as per following table:

Name	Number of shares holds
Mr. Sandip Vinodkumar Kamdar	5,000
Mr. Vinodray Keshavlal Kamdar	5,000
Total:	10,000

Board of Directors of the Company

Sr. No.	Name of the Directors & Designation	Age	DIN No.	PAN Card No.	Address
1.	Mr. Sandip Vinodkumar Kamdar	44 Years	00043214	ABAPK6703B	C- 404, Kautilya Royale Flat, Opp. Ladli Showroom, Nr. Naranpura Railway Crossing, Ahmedabad-380013.
2.	Mr. Vinodray Keshavlal Kamdar	73 Years	00043309	ADGPK8140G	C- 404, Kautilya Royale Flat, Opp. Ladli Showroom, Nr. Naranpura Railway Crossing, Ahmedabad-380013.

Share Capital History of the Company

Sr. No	Date of Allotment of Equity Share	No of Shares allotted	Cumulative no. of equity shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, Bonus, Consideration other than	Cumulative share capital	Nature of/Reason for Allotment

						cash)		
1.	On Incorporation dated 9th January, 2014	10,000	10,000	10/-	10/-	By cash	Rs. 1,00,000/-	Subscription to MOA

Shareholding Pattern of the Company as on March 31, 2017

Sr. No.	Name of the shareholder	No. of shares held	% of holding
1.	Mr. Sandip Vinodkumar Kamdar	5000	50.00 %
2.	Mr. Vinodray Keshavlal Kamdar	5000	50.00 %
	Total:	**10,000**	**100.00%**

Brief Audited Financials as:

(Amt.In Rs.)

Particulars	As at March 31		
	2017	2016	2015
Equity Capital	1,00,000	1,00,000	1,00,000
Reserves (excluding revaluation reserve) and Surplus	1,73,842	1,43,353	1,28,201
Net Worth	2,73,842	2,43,353	228,201
Income including other income	22,28,999	25,24,034	92,17,687
Profit/ (Loss) after tax	30,489	15,152	1,29,851
Earnings per share (face value of Rs. 10 each)	3.05	1.52	12.99
Net asset value per share	27.38	24.34	22.82

Changes in the Management and Control

There has been no change in the management and control of M/s. Arihant Press Private Limited in the three years preceding the date of this Draft Prospectus.

Other Disclosures:

- M/s. Arihant Press Private Limited is not a listed Company.
- M/s. Arihant Press Private Limited is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.
- No proceedings have been initiated for economic offences against M/s. Arihant Press Private Limited.
- M/s. Arihant Press Private Limited does not have a negative net-worth and has not made a loss in the immediately preceding years.
- No application has been made to RoC for striking off the name of M/s. Arihant Press Private Limited.
- M/s. Arihant Press Private Limited is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

NATURE AND EXTENT OF THE INTEREST OF THE GROUP COMPANIES IN OUR COMPANY

Common Pursuits/Conflict of Interest

None of our Promoter /Group Companies /Entities have any common pursuits. For details please refer to chapter titled "***Our Promoters Group Companies"*** on page no. 186 of this Draft Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

For details relating to sales or purchases our Company and any of our Group entities, please refer to '***Annexure 14: Statement of Related Parties' Transactions'*** on page no. 213 of the chapter titled '***Restated Financial Statements'*** beginning on page no. 194 of this Draft Prospectus.

In the promotion of our Company

None of the Group Companies have any interest in the promotion of our Company.

Companies / Firms from which the Promoters have disassociated themselves in last 3 (three) years

Our Promoters have not disassociated themselves from any company in which they were promoters, in last three years.

Further, none of the Group Companies are defunct and no application has been made to the Registrar of Companies for striking off the name of any of the Group Companies during the five years preceding the date of this Draft Prospectus.

In the properties acquired by our Company

None of the Group Companies have any interest in the properties acquired by our Company within the three years of the date of filing this Draft Prospectus or proposed to be acquired by our Company.

Sick Companies/ Winding up

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985.There are no winding up proceedings against any of the Promoter Group Entities.

Litigation

For details relating to legal proceedings involving our Group Company/Entities, if any, please refer to the chapter titled '***Outstanding Litigations***' beginning on page no. 230 of this Draft Prospectus.

Related business transactions within the Group Companies and its significance on the financial performance of Our Company

For details, please see the chapter titled "*Financial Statements- Annexure 14 - Related Party Transactions*" on page no. 213 of this Draft Prospectus.

Undertaking / confirmations

None of our Promoters or Promoter Group or Group Companies/entities or person in control of our Company has been

(i) Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other 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 Promoters, person in control of our Company 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, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Companies /entities have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the past five financial years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION VI - FINANCIAL INFORMATION OF THE COMPANY

AUDITORS REPORT ON RESTATED FINANCIAL STATEMENT

To,

The Board of Directors,
Arihant Institute Limited
Ahmedabad, India

Sub.: Public Issue of Equity Shares by listing of Equity on BSE SME Plateform

Re.: INDEPENDENT AUDITORS' REPORT

Dear Sirs,

We have examined the Financial Information of Arihant Institute Limited (‘the Company‘) described below and annexed to this report for the purpose of inclusion in the offer document. The Financial Information has been prepared in accordance with the requirements of paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act'),), Sub- Clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (‘the Act‘) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules (‘the Rules‘),2014, The Securities and Exchange Board of India (SEBI) - Issue of Capital and Disclosure Requirements Regulations, 2009 ('ICDR Regulations') notified on August 26, 2009, as amended from time to time in pursuance of Section 30 of the Securities and Exchange Board of India Act,1992 and related the Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (ICAI) and in terms of the letter of engagement agreed upon by us with the Company for the proposed IPO.

The Restated Financial Statements have been extracted from audited Financial Statements of the Company for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 and which has been approved by the Board of Directors. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009, the Company is required to give the financial information for the preceding 5 financial years from the date of the Prospectus. The financial information for year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 mentioned in the prospectus.

The Company proposes to make an SME Initial Public Offer (IPO) for the fresh issue of equity shares. The Audit for the financial year ended March 31, 2013 was conducted by M/s. S R Sanghvi & Co, Chartered Accountants, March 31, 2014 & March 31, 2015 was conducted by M/s. Harshesh Jasvani & Associates, Chartered Accountants, March 31, 2016 was conducted by M/s. Vishal Mehta & Co., Chartered Accountants and March 31, 2017 was conducted by M/s. A J Parekh & Associates., Chartered Accountants accordingly reliance has been placed on the financial information examined by them for the said year. The financial report for financial year 2013, 2014, 2015, 2016 and 2017 is solely based on the report submitted by them.

In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to the accounts of the Company, We, M/s NGST & Associates, Chartered Accountants, have been subjected to the peer review process of ICAI and hold a valid certificate issued by the 'Peer Review Board' of the ICAI. Our Peer Review is under the process of renewal and due for renewal was 10.1.2018. We have already applied for Renewal to ICAI.

Based on the above, we report that in our opinion and according to the information and explanations given to us, we have found the same to be correct and the same have been accordingly used in the restated financial information appropriately.

A. Financial Information as per Audited Financial Statements:

We have examined:

a. the attached Statement of Assets and Liabilities, as Restated as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 **(Annexure 1)**;

b. the attached Statement of Profits and Losses, as Restated for the for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 **(Annexure 2)**;

c. the attached Statement of Cash Flows, as Restated for the for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 **(Annexure 3)**;

d. the significant accounting policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. **(Annexure 4)**;

(Collectively hereinafter referred as "Restated Financial Statements")

Based on our examination and in accordance with the requirements of the Companies Act, 2013, SEBI ICDR Regulations, 2009 we state that:

- Restated Statement of Assets and Liabilities of the Company as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 &Period ended January 31, 2018 are as set out in **Annexure 1**, which are after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in **Annexure 4**;

- Restated Statement of Profits and Losses of the Company for the for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 are as set out in **Annexure 2**, which have been arrived at after making such material adjustments and regroupings to the audited financial statements as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in **Annexure 4**;

- Restated Statement of Cash Flows of the Company for the for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 are as set out in **Annexure 3** after making such material adjustments and regroupings; to the audited financial statements as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in **Annexure 4**;

Adjustments for any material amounts in the respective financial years have been made to which they relate;

There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements or Auditor's qualification requiring adjustments Except as disclosed in Year ended March 31, 2014 for Rs. 31,13,988/-. Amount relates to Service Tax payable and Service Tax Balance differs due to earlier year transfer from cash base to accrual base for service tax liability hence now booked. It was mentioned in Audit Report & Notes to Accounts for the year ended March 31, 2014.

Adjustments in Financial Statements have been made in accordance with the correct accounting policies.

There was no change in accounting policies, which needs to be adjusted in the "Restated Financial Statements".

There are no revaluation reserves, which need to be disclosed separately in the "Restated Financial Statements".

There are no audit qualifications in the "Restated Financial Statements".

B. Other Financial Information:

We have also examined the following Financial Information relating to the Company, which is based on the Restated Financial Statements and approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer Document:

1. Statement of Details of Equity Share Capital & Reserves & Surplus as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 5** to this report.

2. Statement of Accounting Ratios for the for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 6** to this report.

3. Capitalization Statement as at January 31, 2018 as set out in **Annexure 7** to this report.

4. Statement of Tax Shelters for the for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 8** to this report.

5. Statement of Short Term Borrowings as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 9** to this report.

6. Statement of Long Term Borrowings as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 10** to this report.

7. Statement of Details of Trade Receivables as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 11** to this report.

8. Statement of Details of Long Term Loans and Advances as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 12** to this report.

9. Statement of Details of Short Term Loans and Advances as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 13** to this report.

10. Statement of Details of Related Party Transactions as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 14** to this report.

11. Statement of Trade Payable as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 15** to this report.

12. Statement of Current Liabilities and Short Term Provisions as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 16** to this report.

13. Statement of Fixed Assets as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 17** to this report.

14. Statement of Inventory as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 18** to this report

15. Statement of Investments as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 19** to this report.

16. Statement of Cash and Cash Equivalent as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 20** to this report.

17. Statement of Other Current Asset as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 21** to this report.

18. Statement of Income as at for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018 as set out in **Annexure 22** to this report.

19. Statement of Financial Indebt ness as at January 31, 2018 as set out in **Annexure 23** to this report.

In our opinion, the "Restated Financial Statements" and "Other Financial Information" mentioned above contained in Annexure 1 to 23 of this report have been prepared in accordance with Part II of Schedule II to the Act, the SEBI Guidelines and the Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI.

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

This report should not in any way be construed as a reissuance or re-dating of the previous audit report, nor should this be construed as a new opinion on any of the financial statements referred to herein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed SME IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For M/S NGST & Associates
Chartered Accountants
Firm Registration No.: 135159W

Sd/-
Bhupendra Gandhi
Partner
Membership No. 122296
Place: Mumbai
Date: **February 20, 2018**

ANNEXURE-01

STATEMENT OF ASSETS AND LIABLITIES, AS RESTATED

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Equity & Liabilities						
Shareholders' Funds						
Share Capital	68,300,060	60,000,000	13,500,000	13,500,000	10,000,000	10,000,000
Share Application Money						
Reserve & Surplus	(11,303,549)	(23,983,131)	(25,110,620)	(10,659,011)	(9,830,798)	4,795,689
Total (A)	**56,996,511**	**36,016,869**	**(11,610,620)**	**2,840,989**	**169,202**	**14,795,689**
Non Current Liabilities						
Long Term Borrowings	0	8,100,176	52,938,237	42,790,465	19,030,615	9,988,600
Deferred Tax Liabilities (Net)	(671,128)	(366,088)	(56,273)	173,673	(962,930)	1,692,062
Long Term Provisions						
Total (B)	**(671,128)**	**7,734,088**	**52,881,964**	**42,964,138**	**18,067,685**	**11,680,662**
Current Liabilities						
Short Term Borrowings	2,337,636	3,118,679	3,360,734	3,773,019	5,879,131	4,717,235
Trade Payables	484.483	4,785,227	7,434,950	7,116,534	7,617,713	11,476,050
Other Current Liabilities	8,455,234	6,738,482	5,436,774	15,410,440	34,076,774	15,534,609
Short Term Provisions	250,000	300,000	0	850,360	850,360	1,520,000
Total (C)	**11,527,250**	**14,942,388**	**16,232,458**	**27,150,353**	**48,423,978**	**33,247,894**
Total (D=A+B+C) - TOTAL LIABILITIES	**67,852,633**	**58,693,345**	**57,503,801**	**72,955,480**	**66,660,865**	**59,724,245**

Assets						
Fixed Assets	29,336,912	30,858,766	32,669,138	34,427,692	19,403,067	14,633,543
Non Current Investments	0	0	0			0
Long Term Loans & Advances	4,060,000 ,	60,000	169,000	813,021	6,720,309	4,758,800
Other Non Current Assets		0	0	0	0	0
Total (E)	**33,396,912**	**30,918,766**	**32,838,138**	**35,240,713**	**26,123,376**	**19,392,343**
Current Assets						
Current Investments						
Inventories	487,412	540,296	609,750	609,750	4,409,750	4,849,122
Trade Receivables	21,835,085	17,000,424	12,908,928	19,742,691	23,443,871	22,001,953
Cash & Bank Balances	305,003	314,170	1,388,732	1,003,026	1,319,791	2,020,425
Short Term Loans & Advances	11,828,221	9,919,68989	9,758,253	16,359,300	11,364,077	11,460,402
Other Current Assets	0	0				
Total (F)	**34,455,721**	**27,774,579**	**24,665,663**	**37,714,767**	**40,537,489**	**40,331,902**
Total (G=E+F) - TOTAL ASSETS	**67,852,633**	**58,693,345**	**57,503,801**	**72,955,480**	**66,660,865**	**59,724,245**

ANNEXURE-02

STATEMENT OF PROFIT AND LOSS, AS RESTATED

Particulars	For the Period upto 31st January,2018	As on March 31,				
		2017	2016	2015	2014	2013
Revenue						
I Revenue From Operation						
Income - Educaiton, E learning	11,412,421	16,920,492	16,710,230	38,550,276	60,996,695	86,420,856
II. Other Income						

Total Revenue (I+II)	**11,412,421**	**16,920,492**	**16,710,230**	**38,550,276**	**60,996,695**	**86,420,856**
Expenses						
Cost of Material consumed	929,816	947,769	15,758,431	18,450,974	40,482,228	47,742,384
Employee Expenses	2,295,087	3,241,309	3,682,168	4,277,537	8,326,396	7,496,035
Finance Cost	57,449	2,408,822	4,294,183	6,361,290	4,891,232	2,871,603
Depreciation and Amortization Expenses	1,521,854	1,810,372	1,810,372	1,805,875	1,681,191	946,136
Admn. & Selling Exp	5,433,747	7,394,546	5,846,631	7,346,210	19,783,139	24,284,540
Total Expenses	**10,237,953**	**15,802,818**	**31,391,785**	**38,241,886**	**75,164,186**	**83,340,698**
Net profit before Tax - Operating Income	**1,174,468**	**1,117,674**	**(14,681,555)**	**308,390**	**(14,167,491)**	**3,080,158**
Provision for Taxes						
1. Current taxes	250,000	300,000				900,000
1. MAT Credit Entitlements						
2. Deferred tax (Assets) \ Liabilities	(305,039)	(309,815)	(229,946)	(71,001)	(2,654,992)	531,365
Profit after tax and before extraordinary items	1,229,507	1,127,489	(14,451,609)	379,391	(17,281,479)	1,648,793
Extraordinary items					3,113,988	
Net Profit after extraordinary items available for appropriation	1,229,507	1,127,489	(14,451,609)	379,391	(14,626,487)	1,648,793
Proposed Dividend						
Dividend distribution tax						
Net profit carried to Balance sheet	**1,229,507**	**1,127,489**	**(14,451,609)**	**379,391**	**(14,626,487)**	**1,648,793**

ANNEXURE-03

STATEMENT OF CASH FLOW, AS RESTATED

Particulars	For the Period upto 31st January, 2018	For the year ended March 31				
		2017	2016	2015	2014	2013
A. Cash Flows From Operating Activities						
Net Profit before Tax	1,174,468	1,117,674	(14,681,555)	308,390	(14,167,491)	3,080,158
Adjustments for:						
Depreciation	1,521,854	1,810,372	1,810,372	1,805,875	1,681,191	946,136
Share Issue Expenses						
Interest & Finance charges	57,449	2,408,822	4,294,183	6,361,290	4,891,232	2,871,603
Others - Extraordinary items					(3,113,988)	
Operating Cash Generated Before Working Capital Changes	2,753,771	5,336,868	(8,577,000)	8,475,555	(10,709,056)	6,897,897
Decrease (Increase) in Current Investments	0	0	0	0	0	0
(Increase) / Decrease in Inventory	52,884	69,454	0	3,800,000	439,372	(160,963)
(Increase) / Decrease in Receivables	(4,834,661)	(4,091,496)	6,833,763	3,701,180	(1,441,918)	(5,600,863)
(Increase) / Decrease in Short Term Loans and Advances	(1,908,535)	(161,435)	6,601,046	(4,995,224)	96,325	(1,205,842)
(Increase)/Decrease in Other current assets	0	0	0	0	0	0
Increase / (Decrease) in Short Term Borrowings	(781,146)	(242,055)	(412,285)	(2,106,112)	1,161,896	(1,647,765)
Increase / (Decrease) in Trade Payable	(4,300,744)	(2,649,723)	318,416	(501,179)	(3,858,337)	1,253,758
Increase / (Decrease) in Other	1,716,752	1,301,708	(9,973,666)	(18,666,334)	18,542,165	6,205,231

Current Liabilities						
Increase / (Decrease) in Short Term Provisions	(50,000)	300,000	(850,360)	0	(669,640)	**900,000**
Net Changes in working capital	(10,105,448)	(5,473,547)	2,516,914	(18,767,669)	14,269,863	(256,444)
Less : Tax	250,000	300,000	0	0	0	900,000
Net Cash Flow from Operating Activities (A)	(7,601,677)	(436,679)	(6,060,086)	(10,292,114)	3,560,807	5,741,453
B. Cash Flows From Investing Activities						
Sale / (Purchase) of Fixed Assets (Net)	**0**	**0**	**(51,818)**	**(16,830,499)**	**(6,450,715)**	**(2,785,947)**
Sale / (Purchase) of Non-Investments (Net)	0	0	0	0	0	0
Net Cash Generated From Investing Activities (B)	0	0	(51,818)	(16,830,499)	(6,450,715)	(2,785,947)
C. Cash Flow From Financing Activities						
Proceeds from Issue of Share Capital(including Share Premium)	19,750,135	46,500,000	0	3,500,000	0	0
Share Application Money Received	0	0	0	0	0	0
Increase / (Decrease) in Secured Loans	(122,231)	(31,865,619)	7,344,435	20,993,028	(4,890,043)	**1,607,996**
Increase/(Decrease) in Unsecured Loans	(7,977,945)	(12,972,442)	2,803,337	2,766,822	13,932,058	**(804,784)**
Share Issue Expenses						
Differed Revenue \ Amortized						
Decrease (Increase) in Long Term Loans & Advances	(4,000,000)	109,000	644,021	5,907,288	(1,961,509)	(3,597,000)
Interest Expenses	(57,449)	(2,408,822)	(4,294,183)	(6,361,290)	(4,891,232)	(2,871,603)
Dividend Paid (including Div Tax)						

Net Cash from Financing Activities [C]	7,592,510	(637,883)	6,497,610	26,805,848	2,189,274	(5,665,391)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(9,167)	(1,074,562)	385,706	(316,765)	(700,634)	(2,709,885)
Opening Balance of Cash and Cash Equivalents	314,170	1,388,732	1,003,026	1,319,791	2,020,425	4,730,310
Closing Balance of Cash and Cash Equivalents	305,003	314,170	1,388,732	1,003,026	1,319,791	2,020,425

ANNEXURE-04

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT FOR PREPARATION OF RESTATED FINANCIAL STATEMENT

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Preparation of Financial Statements

The financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 2013. They are prepared in accordance with the Accounting Standards specified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of Companies (Accounts) Rules, 2014 and other relevant provisions to the extent applicable.

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including other contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. The management believes that the estimates used in preparations of the financial statements are prudent and reasonable. Future results could defer from these estimates.

2. Use of Estimates

The preparation of Financial Statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made, that affects the reported amounts of assets and liabilities on the date of the Financial Statements and the reported amounts of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Fixed Assets

Fixed assets are stated at cost of acquisition or construction, net of recoverable taxes including any cost attributable for bringing the asset to its working condition for its intended use less accumulated depreciation and impairment loss, if any.

4. Depreciation / Amortization

Depreciation on fixed assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.

5. Intangible Assets

Intangible assets are stated at coast less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight – line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors, including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically, including at each financial year end. Intangible Assets Recognition, useful life and it amortization are in accordance with the Accounting Standard 'Revenue Recognition' (AS-26) issued by the Institute of Chartered Accountant of India.

6. Inventories

Finished goods, Work in progress & material is valued at cost including material cost and attributable overheads. Provision is made when expected realisation is lesser than the carrying cost.

Closing Stock is taken as certified by the Management. The inventories are stated at lower of cost and Net realizable value.

7. Revenue Recognition

Sales and Revenue Income: The revenue is recognized on the mercantile basis on completion of performance obligation under oral or express contract with clients. Sales are recorded exclusive of Taxes.

Other items of Revenue recognized are in accordance with the Accounting Standard 'Revenue Recognition' (AS-9) issued by the Institute of Chartered Accountant of India.

8. Expenses

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

9. Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

1. Monetary items outstanding at the balance sheet date are translated at the exchange rate prevailing at the balance sheet date and the resultant difference is recognized as income or expense.

2. Non-monetary items outstanding at the balance sheet date are reported using the exchange rate at the date of the transactions.

There are no such foreign currency transactions during the period under review.

10. Employee Benefits

(i) As certified by the management, the company has no liability under the Provident Fund & Super Annuation Fund. (ii) It is explained to us that the company does not provide for any leave encashment and any liability arising thereon shall be paid and dealt with in the books of accounts at the actual time of payment. (iii) Company does not made provision for Gratuity.

11. Taxation

Current tax is measured at the amount expected to be paid/recovered from the taxation authorities, using the applicable tax rates and tax law.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent period are recognized as deferred tax assets or deferred tax liability. They are measured using the substantively enacted tax rates and tax regulations. Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred assets can be realized. Deferred tax assets are recognized on carried forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

12. Impairment of Assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any such indication exists, then recoverable amount of the asset is estimated. An impairment loss, if any, is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropiate discount factor. The impairment loss recognised in a prior accounting period is reversed, if there has been a change in the estimate of recoverable amount.

13. Earnings per Share

In The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

14. Contingent Liabilities & Provisions

a) A provision is recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

b) A disclosure for a contingent liability is made when there is a possible or present obligation that may but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

B. CHANGES IN ACCOUNTING POLICIES IN THE YEARS/PERIODS COVERED IN THE RESTATED FINANCIALS

There is no change in significant accounting policies during the reporting period except, as and when Accounting Standards issued by the Institute of Chartered Accountants of India / Companies (Accounting Standard) Rules, 2006 were made applicable on the relevant dates.

C. NOTES ON RESTATED FINANCIAL STATEMENTS

1. <u>NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS</u>

MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]

A. The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the profit & losses of the company.

Particulars	For the Period upto 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Profit after tax before appropriation (as per Audited accounts)	1,229,507	1,127,489	(14,451,609)	379,391	(14,626,487)	1,648,793
Adjustments						
Excess Provision Made in DTA\L	0	0	0	1,207,604	0	0
Profit after Tax as per Restated Profit & Loss Account	1,229,507	1,127,489	(14,451,609)	379,391	(14,626,487)	1,648,793

Note : Due to Excess provision made in Differed Tax during the financial year 2014-15 of Rs. 12,07,604\- now write back and given effect in Restatement of Financial. Net effects of Rs. 71,001\- was given in Restated Profit and Loss account for the financial of year 2014-15.

B. Material regroupings:

Appropriate adjustments have been made in the restated summary Statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the , prepared in accordance with Revised schedule VI, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

2. Other Notes

a) **General**

The financial information for year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018.

Debtors Policy – Student

Company always supports students from under privilege sections of the society. If any student is not able to pay tuition fees up-front at time of admission then we provide option to the student to make payment of fees after completion of professional course (i.e upon qualification). This is done with appropriate documentation to cover interests of the institute. This policy results in unusually higher proportion of Debtors (Outstanding for more than six months) as compared to the revenues of a financial year. Past experience suggests that debtors outstanding for more than six months on account of the above policy are regularly collected with lower ratio of bad debts as compared to the normal business debtors.

There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements or Auditor's qualification requiring adjustments Except as disclosed in Year ended March 31, 2014 for Rs.

31,13,988/-. Amount relates to Service Tax payable and Service Tax Balance differs due to earlier year transfer from cash base to accrual base for service tax liability hence now booked. It was mentioned in Audit Report & Notes to Accounts for the year ended March 31, 2014.

Current Liability & Short term provisions include the statutory liabilities over due- Service Tax Rs. 47,04,283/-, GST Rs. 12,72,118/- and TDS payable Rs. 23,21,710/-.

b) ***Earnings per Share***

The details of Earnings per Share as per AS-20 are provided in Annexure 6.

c) ***Related Party Transactions:***

The details of Related Party Transactions as per Accounting Standard -18 are provided in Annexure 14.

d) The Company is not having any earning / Expenditure in Foreign Currency.

e) The Company has not given any guarantee to bank or corporate and the Company is no having any contingent liability.

f) The figures in the Restated Financial Statements and Other Financial Information are stated in Rupees and rounded off to two decimals and minor rounding off difference is ignored.

g) **Contingent Liability** : CIT (TDS), Ahmadabad had issued prosecution notice for Technical offence committed u/s 276 B of Income Tax Act wide Letter - Ref. CIT-TDS/Tech/prosecution/AIL/2016-18/2017 dated 30/03/2017. The above notice were issued for Delay in payment of TDS amount for the FY 2012-13 and to impose penalty for delay in payment of TDS amount as compared with due date. TDS amount delay in payment was Rs. 49,48,411\- which were paid by Company. Company appears & Reply relevant fact to Court in this matter with latter dated on 27th oct 2017.Company subsequently filled compounding process with Chief commissioner of income tax (TDS) Ahmadabad on 1st January,2018 and same matter pending with CIT.As part of process company will liable for amount payable of interest and penalty payable on delay payment of TDS decide by I.T. Authority in due course. Company is not provides for liability for delay interest as it not certain on this date.

h) **Adjustments made in the Transactions:**

The financial information for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 & Period ended January 31, 2018.

ANNEXURE- 05

STATEMENT OF DETAILS OF SHARE CAPITAL, AS RESTATED

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Equity Share Capital - Paid up						
At the Beginning of the period	60,000,000	10,000,000	(10,659,011)	(11,038,402)	4,795,689	3,146,896

Add:						
Allotment during the year	8,300,060	46,500,000	(14,451,609)	379,391	(14,626,487)	1,648,793
Bonus Issue						
Convert from Pref. to Equity Shares		3,500,000				
Sub Total - O\s at end of period	68,300,060	60,000,000	(25,110,620)	(10,659,011)	(9,830,798)	4,795,689
Preference Shares						
Opening Capital	0	3,500,000	0	0	0	0
Add: Allotment	0	0	0	0	0	0
Less : Convert In to Equity Shares	0	(3,500,000)	0	0	0	0
Sub Total - Preference Shares	0	0	0	0	0	0
Total	**68,300,060**	**60,000,000**	**(25,110,620)**	**(10,659,011)**	**(9,830,798)**	**4,795,689**

STATEMENT OF DETAILS OF RESERVES & SURPLUS, AS RESTATED

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
A. Surplus						
Opening balance	**(23,983,131)**	**(25,110,620)**	**(10,659,011)**	**(11,038,402)**	**4,795,689**	**3,146,896**
Add: Addition during the year						
Net proft/(Net loss) for the current year	**1,229,507**	**1,127,489**	**(14,451,609)**	**379,391**	**(14,626,487)**	**1,648,793**
Misc other income						
Less : Dividend \ bonus during the year						
Sub Total - Reserves	**(22,753,624)**	**(23,983,131)**	**(25,110,620)**	**(10,659,011)**	**(9,830,798)**	**4,795,689**
B. Securities Premium						
Opening Balance	**0**	**0**	**0**	**0**	**0**	**0**
Add: Share Premium on Issue of Equity Shares	**11,450,075**	**0**	**0**	**0**	**0**	**0**

Less : Utilized for issue of bonus shares	**0**	**0**	**0**	**0**	**0**	**0**
Sub Total - Share Premium	**0**	**0**	**0**	**0**	**0**	**0**
Total	**(11,303,549)**	**(23,983,131)**	**(25,110,620)**	**(10,659,011)**	**(9,830,798)**	**4,795,689**

ANNEXURE-06

STATEMENT OF ACCOUNTING RATIOS

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Net worth (A)	56,996,511	36,016,869	(11,610,620)	2,840,989	169,202	14,795,689
Net Profit after Tax (B)	1,229,507	1,127,489	(14,451,609)	379,391	(11,512,499)	1,648,793
No. of Shares outstanding at the end [F.V Rs.10](C)	6,830,006	6,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Weighted average number of shares outstanding [F.V Rs.10](D)	6,303,447	1,456,658	1,000,000	1,000,000	1,000,000	1,000,000
Bonus Shares [E]						
Weighted average number of shares outstanding Post Bonus Shares [F.V Rs.10] (F) (D+E)	6,303,447	1,456,658	1,000,000	1,000,000	1,000,000	1,000,000
Earnings per Share (EPS) (B / F) (Rs.)	0.20	0.77	(14.45)	0.38	(11.51)	1.65
Return on Networth (B / A)	2.2%	3.1%	(124%)	13.4%	(6804%)	11.1%
Net Assets Value per Share (A / C)	8.35	6.00	(8.60)	2.10	0.17	14.80

Note: Preference Share are convertible in to Equity shares. Hence while calculation of NAV, we have calculated - Networth (Preference share capital + Equity share capital+ Reserves)/ (Number of Equity and preference Shares) while calculation of NAV in year 2015 and 2016. Preference shares were converted in to Equity shares in year 2017.

ANNEXURE -07

CAPITALIZATION STATEMENT

Particulars	Pre-issue as at January 31, 2018	Post Issue
Borrowing		
Short - Term Debt	2,337,533	2,337,533
Long - Term Debt	0	0
Total Debt	**2,337,533**	**2,337,533**
Shareholders' Funds		
Share Capital		

- Equity	68,300,060	94,050,060
Less: Calls - in – arrears		
Share Application money	0	
- Preference		
Reserves & Surplus Incl Premium	(11,303,549)	40,196,451
Total Shareholders' Funds	**56,996,511**	**134,246,511**
Long - Term Debt / Shareholders Fund	**0**	**0**
Short - Term Debt / Shareholders Fund	**4.10%**	**1.74%**

ANNEXURE- 08

DETAILS OF DEFFERED TAX LIABILITIES NET RESTATED

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Applicable Corporate Tax Rate	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Applicable tax at notional Rate	19.06%	19.06%	19.06%	19.06%	19.06%	19.06%
Adjustments						
Difference between Tax Depreciation and Book Depreciation	987,182	1,002,637	744,160	229,776	(497,208)	(1,534,569)
Net Adjustments	987,182	1,002,637	744,160	229,776	(497,208)	(1,534,569)
Net Differed Tax (Liability) \ Assets	305,039	309,815	229,944	71,001	(153,637)	(474,182)

ANNEXURE- 09

STAETEMENT OF DETAILS OF SHORT TERM BORROWINGS

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Secured Loans:						
a. Loans repayable on demand						
From Bank / NBFC	2,337,533	3,118,679	3,360,734	3,773,019	4,231,131	4,717,235
From Other Parties					1,648,000	

Total	**2,337,533**	**3,118,679**	**3,360,734**	**3,773,019**	**5,879,131**	**4,717,235**

ANNEXURE- 10

STAETEMENT OF DETAILS OF LONG TERM BORROWINGS

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Secured Loan						
A.Term Loan						
From Bank / NBFC	0	122,231	31,987,850	24,643,415	3,650,387	8,540,430
B.Loan From Directors & Associates	0	7,977,945	20,950,387	18,147,050	15,380,228	1,448,170
Total	**0**	**8,100,176**	**52,938,237**	**42,790,465**	**19,030,615**	**9,988,600**

ANNEXURE-11

STATEMENT OF DETAILS OF TRADE RECEIVABLES

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Trade receivables outstanding for a period						
less than six months from the date they are						
due for payment & considered good	6,320,411	6,050,750	6,845,103	19,742,691	23,443,871	22,001,953
Trade receivables outstanding for a period						
more than six months from the date they are						
due for payment & considered good	15,514,674	10,949,674	6,063,825	0	0	0
Total	**21,835,085**	**17,000,424**	**12,908,928**	**19,742,691**	**23,443,871**	**22,001,953**

ANNEXURE-12

STATEMENT OF DETAILS OF LONG TERM LOANS & ADVANCES

Particulars	As on 31st January, 2018	As on March 31,				
		2,017	2,016	2,015	2,014	2,013
			0			
Secured, considered good						
Unsecured, considered good & Advances	4,060,000	60,000	169,000	813,020	6,720,309	4,758,800
Total	**4,060,000**	**60,000**	**169,000**	**813,020**	**6,720,309**	**4,758,800**

ANNEXURE-13

STATEMENT OF DETAILS OF SHORT TERM LOANS & ADVANCES

Particulars	As on 31st January, 2018	As on March 31,				
		2,017	2,016	2,015	2,014	2,013
Unsecured and Considered Good						
Advance and other Prepaid	2,590,650	868,084	1,048,917	1,165,545	1,126,312	646,312
Advances for Franchises & others	8,828,481	8,492,489	8,492,489	14,175,008	9,283,960	9,915,996
TDS and others	409,092	559,116	216,847	1,018,747	953,805	898,094
Total	**11,828,223**	**9,919,689**	**9,758,253**	**16,359,300**	**11,364,077**	**11,460,402**

ANNEXURE-14

STATEMENT OF DETAILS OF RELATED PARTY TRANSACTIONS

Particulars	As on 31st January, 2018	As on March 31,				
		2,017	2,016	2,015	2,014	2,013
REVENUE ITEMS :						
Salary paid - Directors up to Resign						
Sandeep V. Kamdar	270,000	0	0	0	600,000	737,000
Anjali S. Kamdar	270,000	0	0	600,000	300,000	209,000
Madhben V. Kamdar	180,000	0	0	120,000	120,000	209,000
Vinodbhai K. Kamdar	180,000	0	0	0	120,000	319,000
Rent Paid						

Sandeep Kamdar	0	0	0	600,000	1,644,952	2,056,190
Total	900,000	0	0	1,320,000	2,784,952	3,530,190
NON-REVENUE ITEMS :						
Loan Taken - Unsecured						
From Directors						
Sandeep V. Kamdar	0	1,437,242	4,656,492	0	6,821,519	0
Anjali S. Kamdar	0	23,000	0	1,515,000	560,000	0
Madhben V. Kamdar	0	0	300,000	100,000	1,260,000	0
Vinodbhai K. Kamdar	0	0	242,845	980,000	6,523,000	0

ANNEXURE-15

STATEMENT OF TRADE PAYABLE

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Trade Payable	484,483	4,785,227	7,434,950	7,116,534	7,617,713	11,476,050
Total	**484,483**	**4,785,227**	**7,434,950**	**7,116,534**	**7,617,713**	**11,476,050**

ANNEXURE-16

STATEMENT OF CURRENT LIABILITIES AND SHORT TERM PROVISIONS

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Current maturities of long-term debt				4,818,011	26,439,439	4,838,583
Statutory Liabilities & Dues	8,455,234	6,738,482	5,436,774	10,592,429	7,637,335	10,696,026
Other Current Lia- Sub Total	8,455,234	6,738,482	5,436,774	15,410,440	34,076,774	15,534,609
Tax and other provision	250,000	300,000		850,360	850,360	1,520,000
Total	**8,705,234**	**7,038,482**	**5,436,774**	**16,260,800**	**34,927,134**	**17,054,609**

ANNEXURE-17

STATEMENT OF FIXED ASSETS AS RESTATED

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Plant And Machinery						
Gross Block						
Opening balance	6,888,084	6,888,084	6,888,084	6,876,484	6,667,181	6,640,482
Addition during the year				11,600	209,303	26,699
Reduction during the year					-	-
Closing balance (GB)	6,888,084	6,888,084	6,888,084	6,888,084	6,876,484	6,667,181
Depreciation Block						
Opening balance	2,582,787	2,255,603	1,928,419	1,556,373	1,234,147	918,938
Depreciation during the year	274,297	327,184	327,184	372,046	322,226	315,209
Closing balance (DB)	2,857,084	2,582,787	2,255,603	1,928,419	1,556,373	1,234,147
Net WDV - PM	4,031,000	4,305,297	4,632,481	4,959,665	5,320,111	5,433,034
Vehicles						
Gross Block						
Opening balance	966,909	966,909	966,909	966,909	966,909	966,909
Addition during the year					-	
Reduction during the year					-	-
Closing balance (GB)	966,909	966,909	966,909	966,909	966,909	966,909
Depreciation Block						
Opening balance	382,525	290,669	198,813	150,997	103,181	55,365
Depreciation during the year	77,008	91,856	91,856	47,816	47,816	47,816
Closing balance (DB)	459,533	382,525	290,669	198,813	150,997	103,181
Net WDV - V	507,376	584,384	676,240	768,096	815,912	863,728

Furniture						
Gross Block						
Opening balance	4,870,103	4,870,103	4,870,103	4,779,703	4,263,558	3,594,196
Addition during the year				90,400	516,145	669,362
Reduction during the year					-	-
Closing balance (GB)	4,870,103	4,870,103	4,870,103	4,870,103	4,779,703	4,263,558
Depreciation Block						
Opening balance	1,930,140	1,621,375	1,312,610	1,004,398	707,715	497,204
Depreciation during the year	258,855	308,765	308,765	308,212	296,683	210,511
Closing balance (DB)	2,188,995	1,930,140	1,621,375	1,312,610	1,004,398	707,715
Net WDV - F	2,681,108	2,939,963	3,248,728	3,557,493	3,775,305	3,555,843
Computer						
Gross Block						
Opening balance	6,708,687	6,708,687	6,656,869	6,316,319	6,221,601	4,131,715
Addition during the year			51,818	340,550	94,718	2,089,886
Reduction during the year					-	-
Closing balance (GB)	6,708,687	6,708,687	6,708,687	6,656,869	6,316,319	6,221,601
Depreciation Block						
Opening balance	5,698,063	4,615,496	3,532,929	2,455,129	1,440,663	1,068,063
Depreciation during the year	911,694	1,082,567	1,082,567	1,077,800	1,014,466	372,600
Closing balance (DB)	6,609,757	5,698,063	4,615,496	3,532,929	2,455,129	1,440,663
Net WDV - C	98,930	1,010,624	2,093,191	3,123,940	3,861,190	4,780,938
FIXED ASSETS - Tengile Assets						
GROSS BLOCK	19,433,783	19,433,783	19,433,783	19,381,965	18,939,415	18,119,249
DEPRECIATION BLOCK	12,115,369	10,593,515	8,783,143	6,972,771	5,166,897	3,485,706

NET ASSETS BLOCK-Tengible	7,318,414	8,840,268	10,650,640	12,409,194	13,772,518	14,633,543
Intengible Assets						
Recorded content						
Gross Block						
Opening balance	22,018,498	22,018,498	22,018,498	5,630,549	-	
Addition during the year				16,387,949	5,630,549	
Reduction during the year					-	-
Closing balance (GB)-Intengible	22,018,498	22,018,498	22,018,498	22,018,498	5,630,549	-
TOTAL NET ASSETS	29,336,912	30,858,766	32,669,138	34,427,692	19,403,067	14,633,543

ANNEXURE-18

STATEMENT OF INVENTORY

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Stock of Printed material	487,412	540,296	609,750	609,750	4,409,750	4,849,122
Total	**487,412**	**540,296**	**609,750**	**609,750**	**4,409,750**	**4,849,122**

ANNEXURE-19

STATEMENT OF INVESTMENTS

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
	-					
	-					
Total	-					

ANNEXURE-20

STATEMENT OF CASH AND CASH EQUIVALENT

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Bank Balance	274,209	119,138	166,495	305,784	663,470	1,318,527
Cash on Hand	30,794	195,032	1,222,237	697,242	656,321	701,898
Total	**305,003**	**314,170**	**1,388,732**	**1,003,026**	**1,319,791**	**2,020,425**

ANNEXURE-21

STATEMENT OF OTHER NON CURRENT ASSET

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Non Current Assets						
Total	**0**	**0**	**0**	**0**	**0**	**0**

ANNEXURE-22

STATEMENT OF INCOME

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Revenue from Business	11,412,421	16,920,492	16,710,230	38,550,276	60,996,695	86,420,856
Education, E learning & E library						
Total	**11,412,421**	**16,920,492**	**16,710,230**	**38,550,276**	**60,996,695**	**86,420,856**

ANNEXURE-23

Financial Indebtness of the company as on 31/01/2018

KOTAK MAHANDRA BANK; Ahmadabad	
Our Company has been sanctioned a Overdraft of Rs. 47.50 Lakhs vide their Sanction letter No. 243587 dated 15/10/2012. The terms and conditions of the Loan mentioned as below:	
Amount of Loan	Rs. 47.50 lakhs
Currency	INR
Nature of Facility	Overdraft
Purpose	Business Loan
Rate of Interest	Reference Rate + 3.25% p.a. ie 13 % p.a.

Repayment	Principal Amount Rs. 4,75,000\- repaid annually.
Security	Registered Mortgage of Unit no. 304 & 306, Dev Arcade, Navarangapura, Ahmadabad. Property offered as security owned by Sandeep kamdar and his family members. Sandeep Kamdar, Vinodray Kamdar and Anjali Kamdar is co-borrowers.
Penal Interest	1% of difference between actual average utilization & 25 % of operating limit at beginning of the year, subject to minimum of Rs. 5000\- chargeable on the annual basis.
Balance as on January 31, 2018	23,37,533\-

NET TANGIBLE ASSETS **(Rs. In Lakhs)**

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Fixed Assets	293.37	308.59	326.69	344.28	194.03	146.34
Less : Intangible Assets	220.18	220.18	220.18	220.18	220.18	220.18
Net Tangible Fixed Assets	73.19	88.41	106.51	124.10	(26.15)	(73.84)
Trade Investment						
Current Assets	344.56	277.75	246.66	377.15	405.37	403.32
Less: Current Liability	115.27	149.42	162.32	271.50	484.24	332.48
Long Term Advance	40.60	0.60	1.69	8.13	67.20	47.59
Net Tangible Assets	**343.07**	**217.33**	**192.53**	**237.87**	**(37.81)**	**44.58**

NET WORTH

Particulars	As on 31st January, 2018	As on March 31,				
		2017	2016	2015	2014	2013
Shareholders' Funds						
Share Capital	68,300,060	60,000,000	13,500,000	13,500,000	10,000,000	10,000,000
Reserve & Surplus	(11,303,549)	(23,983,131)	(25,110,620)	(10,659,011)	(9,830,798)	4,795,689
Total (A)	**56,996,511**	**36,016,869**	**(11,610,620)**	**2,840,989**	**169,202**	**14,795,689**

STATEMENT OF FINANCIAL INDEBTNESS

To,

The Board of Directors,
Arihant Institute Limited
Ahmedabad, India

RE:Financial Indebtness of the company as on 31/01/2018

KOTAK MAHANDRA BANK; Ahmadabad	
Our Company has been sanctioned a Overdraft of Rs. 47.50 Lakhs vide their Sanction letter No. 243587 dated 15/10/2012. The terms and conditions of the Loan mentioned as below:	
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Currency	INR
Nature of Facility	Overdraft
Purpose	Business Loan
Rate of Interest	Reference Rate + 3.25% p.a. ie 13 % p.a.
Repayment	Principal Amount Rs. 4,75,000\- repaid annually.
Security	Registered Mortgage of Unit no. 304 & 306, Dev Arcade, Navarangapura, Ahmadabad. Property offered as security owned by Sandeep kamdar and his family members. Sandeep Kamdar, Vinodray Kamdar and Anjali Kamdar is co-borrowers.
Penal Interest	1% of difference between actual average utilization & 25 % of operating limit at beginning of the year, subject to minimum of Rs. 5000\- chargeable on the annual basis.
Balance as on January 31, 2018	23,37,533\-

For M/S NGST & Associates
Chartered Accountants
Firm Registration No.: 135159W

Sd/-
Bhupendra Gandhi
Partner
Membership No. 122296
Place: Mumbai
Date: **February 20, 2018**

MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULT OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled "Risk Factors" beginning on page 19 *and "Forward Looking Statements" beginning on page* 17*, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.*

The following discussion of our financial condition and results of operations should be read in conjunction with our restated summary statements as of and for the period ending on fiscal years ended March 31, 2017; March 31, 2016; March 31, 2015, March 31, 2014, March 31, 2013 and for the period ended on January 31, 2018 including the schedules and notes thereto and the reports thereto, which appear in the section titled "Financial Information of the Company" on Page No.194 of the Draft Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.

Overview

Our Company was originally incorporated as "Arihant Institute Private Limited" on March 30, 2007 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Ahmedabad. Our Company was subsequently converted in to a public company and consequently name was changed to "Arihant Institute Limited" vide fresh certificate of incorporation dated February 01, 2018 issued by Registrar of Companies, Ahmedabad. The CIN of the Company is U80301GJ2007PLC050413.

Our Company was incorporated by our Promoters- Mr. Sandip Vinodray Kamdar, Mr. Vinodray Keshavlal Kamdar, Mrs. Madhuben Vinodray Kamdar and Mrs. Anjali Sandipbhai Kamdar with an aim of running Coaching Institute for Professional courses. As a part of business growth, the Company registered with the Registrar of Companies, Gujarat on 30th March, 2007 as Arihant Institute Private Limited.

Our company engaged in providing coaching & educational guidance for students appearing for professional course – Chartered Accountant, Company Secretary and CMA. We provides the coaching and guidance from Entry level test exam till final exam and covers all the subjects in depth with test series to improve their confidence and overall result.

Our Company operates the educational program and coaching under the Brand Name "Arihant Institute" since inception. With dedicated professors and trained staff, our company has given education to more than 10000 students appeared for professional & Graduates exam. Our student strength has improved and with dedicated efforts of our promoters, from our institute, there were 205 National Rankers in CA Inters and Final Courses, 2000+ Chartered Accountant and 175+ Company Secretary.

Our motto is to impart education with wider horizon to masses with affordable fee structure based on regional and economical consideration. A brilliant alumni base of 10,000+ students has inspired us to cover other courses. Arihant premises spread over 8,400 sq. feet which includes 8 air conditioned class room, well equipped library, canteen, staff room, 2 studios, back-up lab, conference room and large administrative blocks.

Under the guidance of promoters, our company has successfully completed various training program and concept of E Library and E learning in professional courses.

Significant Developments Subsequent to the Last Financial Year

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Draft Prospectus, any significant developments or any circumstance that materially or adversely affect or are likely to affect the profitability of the Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

Key factors affecting our results of operation:

The business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page no. 19 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- The condition and performance of the Education systems and trends in India
- General economic and demographic conditions;
- Regulation affecting the Education, Coaching and Training, Vocational guidance industry;
- Our ability to provide the innovative coaching ideas, contents, mode of delivery and E library at suitable costs;
- Our ability to cater the Education & coaching and training to students in professional courses and expansion of existing activities and execute them in a timely and cost effective manner;
- Supply of Educational study material, content and test series to student in various education stream at Affordable cost on national level;
- The availability of finance on favorable terms for our business;
- Competition;
- Variations in prices for our services;
- Significant developments in India's economic and fiscal policies;
- Our ability to attract and retain our students and faculty;
- Our ability to meet our capital expenditure requirements; and
- Our ability to obtain the necessary licenses in timely manner.

Our Significant Accounting Policies:

Our significant accounting policies are described in the Section VII entitled "Financial Statements" on page no. 204 of this Draft Prospectus.

Our Results of Operation

The following table sets forth select financial data from restated Profit and Loss Accounts for the period ended on January 31, 2018 and Financial Year ended on March 31, 2017, 2016, 2015, 2014 and 2013 the components of which are also expressed as a percentage of total income for such periods. Further, in terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009, the company is required to give the financial information for the preceding 5 financial years from the date of the Draft Prospectus. The financial information for years ending March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016, March 31, 2017 and 10 months ending on January 31, 2018 mentioned in the draft prospectus.

(Rs. In Lakhs)

Particulars	Up to January 31, 2018	% of Total Income	2017	% of Total Income	2016	% of Total Income	2015	% of Total Income	2014	% of Total Income	2013	% of Total Income
Total Revenue	**114.12**	**100.00**	**169.20**	**100.00**	**167.10**	**100.00**	**385.50**	**100.00**	**609.97**	**100.00**	**864.21**	**100.00**
EXPENSES												
Cost of Material Consumed	9.29	8.15	9.48	5.60	157.58	94.3	184.51	47.90	404.82	66.40	477.42	55.20
Employee Benefit Expense	22.95	20.11	32.41	19.20	36.82	22.00	42.78	11.10	83.26	13.70	74.96	8.70
Financial Costs	0.57	0.50	24.09	14.20	42.94	25.70	63.61	16.50	48.91	8.00	28.72	3.30
Depreciation and Amortization Expense	15.22	13.34	18.10	10.70	18.10	10.80	18.06	4.70	16.81	2.80	9.46	1.10
Admn. & Selling Exp.	54.34	47.61	73.95	43.70	58.48	35.00	73.46	19.10	197.84	32.40	242.85	28.10
Total Expenditure	**102.38**	**89.71**	**158.03**	**93.40**	**313.92**	**187.90**	**382.42**	**99.20**	**751.64**	123.20	**833.41**	96.40
Net Profit/ (Loss) before Tax	**11.74**	**10.29**	**11.17**	**6.60**	**(146.82)**	**(87.90)**	**3.08**	**0.80**	**(141.67)**	**(23.20)**	**30.80**	**3.60**
Less : Provision for Taxation												
Current Years Income Tax	2.50	2.19	3.00	1.80	-	0.00	-	0.00	-	0.00	9.00	1.00
Deferred Tax	(3.05)	(2.67)	(3.10)	(1.80)	(2.30)	(1.40)	(0.71)	(0.20)	(26.55)	(4.40)	5.31	0.60
Net Profit after Tax but before Extraordinary Items	12.30	10.77	11.27	6.70	(144.52)	(86.50)	3.79	1.00	(115.12)	(18.80)	16.49	1.90
Extra-Ordinary Items exp									(31.14)	(5.10)		
Net Profit after Extraordinary Items available for appropriation	12.30	10.77	11.27	6.70	(144.52)	(86.50)	3.79	1.00	(146.26)	(24.00)	16.49	1.90
Proposed Dividend												
Dividend Distribution Tax												
Net Profit carried to Balance Sheet	**12.30**	**10.77**	**11.27**	**6.70**	**(144.52)**	**(86.50)**	**3.79**	**1.00**	**(146.26)**	**-24.00**	**16.49**	**1.90**

REVIEW OF TEN MONTH PERIOD ENDED JANUARY 31, 2018

Revenue from Operations

During the Ten month period ended January 31, 2018, the total revenue of our company was Rs. 114.12 Lakhs.

Total Expenses

The operating cost consists of Purchase of stock-in-trade, Employee Benefit Expenses, Finance cost, Depreciation and Administration Expenses. During the ten month period ended January 31, 2018, the total expenses were Rs. 102.38 Lakhs.

Employee expenses

Expenses incurred on labour and its welfare during the ten month period ended January 31, 2018 was Rs. 22.95 Lakhs and had been kept as direct expenses.

Finance cost

Expenses incurred on finance and interest cost during the ten month period ended January 31, 2018 was Rs. 0.57 Lakhs. This was mainly on account of loan been taken from bank.

Depreciation and amortization expense

During the ten month period ended January 31, 2018, depreciation and amortization expense of our company was Rs. 15.22 Lakhs.

Administrative & Selling Expense

During the ten month period ended January 31, 2018 was Rs. 54.34 Lakhs.

Profit/ (Loss) After Tax

The PAT for During the ten month period ended January 31, 2018 was Rs. 12.30 Lakhs. This was mainly on account of growth in business during the period.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2017 WITH FISCAL 2016

Revenue from Operations

During the year 2016-17, the total revenue of our company has increased to Rs. 169.20 lakhs as against Rs. 167.10 lakhs in year 2015-16. It represents marginal increase of 1.26% of the total revenue. This revenue earned from fees collection from students by coaching & education, supply of E learning material and using of E library to student in CA and CS courses.

Total Expenses

The operating cost consists of Material used and supply to student in print and electronic mode, Employee Benefit Expenses, Finance cost, Depreciation and Administration, Rent & Selling Expenses.

During the year 2016-17, the cost of material consumed was consists of printed and electronic devices supply to students. The material consumed was decreased to Rs. 9.48 Lakhs from Rs. 157.58 Lakhs as compared to year 2015-16 showing decrease of 94%. This has decreased due to changes in company policy to supply major study material and test series in electronic mode – soft copy in CD \ Pen drive and download from Servers. This steps taken due to frequent change in syllabus.

Employee expenses

Expenses incurred on staff and executives and its welfare during the financial year 2016- 17 was Rs. 32.41 lakhs and 2015-16 was Rs.36.82 lakhs had been kept as direct expenses towards business operation & Education activities. This show decreased in employees expenses of 12% due to control in cost and efficiency of employees.

Finance and Interest cost

Expenses incurred on finance and interest cost during the financial year 2016-17 decreased to Rs. 24.09 Lakhs from Rs. 42.94 Lakhs in fiscal year 2015-16, showing a decreased by 44%. This has due to reduced \ repay in Secured and Unsecured loan.

Depreciation and amortization expense

During the year 2016-17, depreciation and amortization expense of our company has remained same Rs. 18.10 Lakhs as against Rs. 18.10 Lakhs in year 2015-16.

Administrative & Selling Expenses

Administrative & Selling expenses for the year 2016-17 increased to Rs. 73.95 lakhs from Rs. 58.48 lakhs in fiscal year 2015-16. The expenses had been increased due to increase in business, Rent Expenses and our management has launched E library and E Learning for CS courses. This show increased by 26.48% as compared to previous year.

Profit/ (Loss) After Tax

The PAT for Financial Year 2016-17 has increased to Rs. 11.27 lakhs from loss of Rs. 144.52 lakhs in Financial Year 2015-16. This was mainly due to focus on cost cutting and control on faculty and material cost.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2016 WITH FISCAL 2015

Revenue from Operations

During the year 2015-16, the total revenue of our company has decreased to Rs. 167.10 lakhs as against Rs. 385.50 lakhs in year 2014-15. It represents decrease of 57 % of the total revenue. This revenue decreased due to reduction of student strength in CA and CS professionals, change in education trends and reduction of franchisee centers due to change in technology in broadband.

Total Expenses

The operating cost consists of Material used and supply to student in print and electronic mode, Employee Benefit Expenses, Finance cost, Depreciation and Administration & Selling Expenses.

During the year 2015-16, the cost of material consumed was consists of printed and electronic devices supply to students. The material consumed was decreased to Rs. 157.58 Lakhs from Rs. 184.51 Lakhs as compared to year 2014-15 showing decrease of 15 %. This has decreased due to overall student strength and need of study material.

Employee expenses

Expenses incurred on staff and executives and its welfare during the financial year 2015- 16 was Rs. 36.82 Lakhs and 2014-15 was Rs. 42.78 lakhs had been kept as direct expenses towards business operation & Education activities. This show decreased in employees expenses of 14% due to control in cost and efficiency of employees.

Finance and Interest cost

Expenses incurred on finance and interest cost during the financial year 2015-16 decreased to Rs. 42.94 Lakhs from Rs. 63.61 Lakhs in fiscal year 2014-15, showing a decreased by 32%. This has due to partial reduced \ repay in Secured and Unsecured loan.

Depreciation and amortization expense

During the year 2015-16, depreciation and amortization expense of our company has marginally increase to Rs. 18.10 Lakhs as against Rs. 18.06 Lakhs in year 2014-15.

Administrative & Selling Expenses

Administrative & Selling expenses for the year 2015-16 decreased to Rs. 58.48 lakhs from Rs. 73.46 lakhs in fiscal year 2014-15. The expenses had been decreased due to reduced in business. This show decreased by 20 % as compared to previous year.

Profit/ (Loss) After Tax

The PAT for Financial Year 2015-16 has incurred loss of Rs. 144.52 lakhs from profit of Rs. 3.79 lakhs in Financial Year 2014-15. Our company has incurred loss due to reduced in student strength and sluggish overall education market & heavy competition.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014

Revenue from Operations

During the year 2014-15, the total revenue of our company has decreased to Rs. 385.50 lakhs as against Rs. 609.97 lakhs in year 2013-14. It represents decrease of 37 % of the total revenue. This revenue decreased due to change in education trends and reduction of franchisee centers due to change in technology in broadband.

Total Expenses

The operating cost consists of Material used and supply to student in print materials and broadband, Employee Benefit Expenses, Finance cost, Depreciation and Administration & Selling Expenses.

During the year 2014-15, the cost of material consumed was consists of printed materials, stationery supply to students. The material consumed was decreased to Rs. 184.51 Lakhs from Rs. 404.82 Lakhs as compared to year 2013-14 showing decrease of 54 %. This has decreased due to overall student strength and need of study material.

Employee expenses

Expenses incurred on staff and executives and its welfare during the financial year 2014- 15 was Rs. 42.78 Lakhs and 2013-14 was Rs. 83.26 Lakhs had been kept as direct expenses towards business operation & Education activities. This show decreased in employees expenses of 49% due to control in cost and efficiency of employees and overall slow growth in business.

Finance and Interest cost

Expenses incurred on finance and interest cost during the financial year 2014-15 increased to Rs. 63.61 Lakhs from Rs. 48.91 Lakhs in fiscal year 2013-14, showing a increased by 30%. This has due to increased in Secured and Unsecured loan & higher interest cost.

Depreciation and amortization expense

During the year 2014-15, depreciation and amortization expense of our company has increased to Rs. 18.06 Lakhs as against Rs. 16.81 Lakhs in year 2013-14.

Administrative & Selling Expenses

Administrative & Selling expenses for the year 2014-15 decreased to Rs. 73.46 Lakhs from Rs. 197.84 Lakhs in fiscal year 2013-14. The expenses had been decreased due to reduced in business & cost cutting. This show decreased by 63 % as compared to previous year.

Profit/ (Loss) After Tax

The PAT for Financial Year 2014-15 has earned profit of Rs. 3.79 Lakhs from Loss of Rs. 115.12 Lakhs in Financial Year 2013-14. Our company has earned marginal profit even in sluggish overall education market & heavy competition.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2014 WITH FISCAL 2013

Revenue from Operations

During the year 2013-14, the total revenue of our company has decreased to Rs. 609.97 Lakhs as against Rs. 864.21 Lakhs in year 2012-13. It represents decrease of 29 % of the total revenue. This revenue decreased due to reduction of franchisee centers due to poor technology in broadband and competition. Company has reduced the study centers in Gujarat and Rajasthan.

Total Expenses

The operating cost consists of Material used and supply to student in print materials and broadband, Employee Benefit Expenses, Finance cost, Depreciation and Administration & Selling Expenses.

During the year 2013-14, the cost of material consumed was consists of printed materials, stationery supply to students. The material consumed was decreased to Rs. 404.82 Lakhs from Rs. 477.42 Lakhs as compared to year 2012-13 showing decrease of 15 %. This has decreased due to overall student strength and need of study material.

Employee expenses

Expenses incurred on staff and executives and its welfare during the financial year 2013- 14 was Rs. 83.26 lakhs and 2012-13 was Rs. 74.96 lakhs had been kept as direct expenses towards business operation & Education activities. This show increased in employees expenses of 11%.

Finance and Interest cost

Expenses incurred on finance and interest cost during the financial year 2013-14 increased to Rs. 48.91 Lakhs from Rs. 28.72 Lakhs in fiscal year 2012-13, showing a increased by 70%. This has due to increased in Secured and Unsecured loan & higher interest cost.

Depreciation and amortization expense

During the year 2013-14, depreciation and amortization expense of our company has increased to Rs. 16.81 Lakhs as against Rs. 9.46 Lakhs in year 2012-13. During the year company has purchased additional computers, servers and furniture.

Administrative & Selling Expenses

Administrative & Selling expenses for the year 2013-14 decreased to Rs. 197.84 lakhs from Rs. 242.85 lakhs in fiscal year 2012-13. The expenses had been decreased due to reduced in business & cost cutting. This show decreased by 18 % as compared to previous year.

Profit/ (Loss) After Tax

The PAT for Financial Year 2013-14 has incurred loss of Rs. 115.12 lakhs from profit of Rs. 16.49 lakhs in Financial Year 2012-13. Our company has incurred loss in heavy competition from corporate companies and heavy cost of broadband charges.

Other Key factors that may affect our results of operation:

1. **Unusual or infrequent events or transactions.**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. **Significant economic changes that materially affected or are likely to affect income from continuing Operations.**

Other than as described in the section titled "Risk Factors" beginning on page no. 19 of this Draft Prospectus respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. **Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.**

Other than as described in the section titled *"Risk Factors"* beginning on page no. 19 of this Draft Prospectus, in our opinion 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 demand/supply situation, education trends, competition, government policies and prices quoted by material suppliers and service vendors.

5. **Increases in net sales or revenue and Introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business and inception of new concept in education, vocation and & e learning, E library product launch in various professional education segments.

6. Total turnover of each major industry segment in which the Company operated.

As on date the Company operates in single industry segment i.e. Education & coaching. The details relating to the same has been mentioned in under Section "*Restated Financial Statements*" and "*Industry Overview*" beginning on page no. 194 and 113.

7. Status of any publicly announced new products or business segment.

The Company has not announced any new product and segment, other than through the Draft Prospectus.

8. Seasonality of business

Our Company's business is not seasonal in nature.

9. Dependence on a single or few customers / supplier.

We are in education and coaching business having wide range of products and cater to various education stream and professional courses. Our business is not dependent on few students and customers.

10. Major Suppliers

As our company is a education service provider company, there are no suppliers of raw materials.

11. Competitive conditions.

It faces competition from existing and potential competitors which is common for any business. It has, overa period of time, developed certain competitive strengths which have been discussed in section titled *"Our Business"* on page no. 135 of this Draft Prospectus.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, its Directors, its Promoters and its Group Companies and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by the Company, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by our Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding Rs. 1 Lakhs, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/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 1 of Schedule XIII to the Companies Act, 1956 or Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against the Company, its Promoters, its Directors and Group Companies.

Further, except as stated herein, there are no past cases in which penalties have been imposed on the Company, its Promoters, its Directors or its Group Companies, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters and its Directors or its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

(A) Outstanding Litigations involving Our Company: NIL

LITIGATIONS

(B) Pending Litigation

(ix)	Labour Cases filed against the Company	: NIL
(x)	Labour Cases filed by the Company	: NIL
(xi)	Civil Cases filed against the Company	: NIL
(xii)	Civil Cases filed by the Company	: NIL
(xiii)	Criminal cases against the company	: NIL
(xiv)	Criminal cases filed by the company	: NIL
(xv)	Notices served on the Company	: Yes
(xvi)	Tax related matters	: Yes

Income Tax Notice issued to the Company

CIT (TDS), Ahmedabad had issued prosecution notice for Technical offence committed u/s 276 B of Income Tax Act vide Letter - Ref. CIT-TDS/Tech/prosecution/AIL/2016-18/2017 dated 30/03/2017. The above notice were issued for Delay in payment of TDS amount for the FY 2012-13 and to impose penalty for delay in payment of TDS amount as compared with due date. TDS amount delay in payment was Rs. 49,48,411/- which were paid by Company.

Company appeared & Replied relevant facts before the Court in this matter with their letter dated 27th oct 2017.Company subsequently filled compounding process with Chief commissioner of income tax (TDS) Ahmedabad on 1st January,2018 and same matter is pending with CIT. The Company will be liable for the payment of the interest & penalty for the delay in payment of TDS as levied by I.T Authority in the due course as a part of the Process.

Company has paid liability for delay interest but the same amount is in dispute and hence it is not certain on this date.

(C) Pending litigation- Promoters

1. There are no criminal case and civil cases filed against our promoters Mr. Sandip Vinodray Kamdar, Mr. Vinodray Keshavlal Kamdar, Mrs. Anjali Sandipbhai Kamdar, Mrs. Madhuben Vinodray Kamdar.

2. There are no criminal cases and civil cases filed by our promoters Mr. Sandip Vinodray Kamdar, Mr. Vinodray Keshavlal Kamdar, Mrs. Anjali Sandipbhai Kamdar, Mrs. Madhuben Vinodray Kamdar.

3. There are no cases relating to tax matters against or filed by our promoters Mr. Sandip Vinodray Kamdar, Mr. Vinodray Keshavlal Kamdar, Mrs. Anjali Sandipbhai Kamdar, Mrs. Madhuben Vinodray Kamdar.

(D) Pending litigation- For Independent Directors

1. There are no criminal case and civil cases filed against our independent director Mr. Prashant Chandraprakash Srivastav & Mrs. Shivani Ketul Patel.

2. There are no criminal cases and civil cases filed by our independent director Mr. Prashant Chandraprakash Srivastav & Mrs. Shivani Ketul Patel

3. There are no cases relating to tax matters against or filed by our independent director director Mr. Prashant Chandraprakash Srivastav & Mrs. Shivani Ketul Patel.

(E) Pending litigation- For Our Promoter Groups

1. There are no criminal case and civil cases filed against our promoter group Rajesh S. Mehta, Rajesh S. Mehta- HUF, Vikas Jain.

2. There are no criminal cases and civil cases filed by our promoter group Rajesh S. Mehta, Rajesh S. Mehta- HUF, Vikas Jain.

3. There are no cases relating to tax matters against or filed by our promoter group Rajesh S. Mehta, Rajesh S. Mehta- HUF, Vikas Jain.

(F) Pending litigation- Our Group Companies/ Entities

1. Arihant Press Private Limited

i)	Labour Cases filed against the Company	: NIL
ii)	Labour Cases filed by the Company	: NIL
iii)	Civil Cases filed against the Company	: NIL
iv)	Civil Cases filed by the Company	: NIL

v)	Criminal cases against the company	: NIL
vi)	Criminal cases filed by the company	: NIL
vii)	Notices served on the Company	: NIL
viii)	Tax related matters	: NIL

2. Aadi Corpway Private Limited

i)	Labour Cases filed against the Company	: NIL
ii)	Labour Cases filed by the Company	: NIL
iii)	Civil Cases filed against the Company	: NIL
iv)	Civil Cases filed by the Company	: NIL
v)	Criminal cases against the company	: NIL
vi)	Criminal cases filed by the company	: NIL
vii)	Notices served on the Company	: NIL
viii)	Tax related matters	: NIL

3. Sandip Vinodray Kamdar HUF

i)	Labour Cases filed against the Firm	: NIL
ii)	Labour Cases filed by the Firm	: NIL
iii)	Civil Cases filed against the Firm	: NIL
iv)	Civil Cases filed by the Firm	: NIL
v)	Criminal cases against the Firm	: NIL
vi)	Criminal cases filed by the Firm	: NIL
vii)	Notices served on the Firm	: NIL
viii)	Tax related matters	: NIL

4. Vinodray Keshavlal Kamdar HUF

ix)	Labour Cases filed against the Firm	: NIL
x)	Labour Cases filed by the Firm	: NIL
xi)	Civil Cases filed against the Firm	: NIL
xii)	Civil Cases filed by the Firm	: NIL
xiii)	Criminal cases against the Firm	: NIL
xiv)	Criminal cases filed by the Firm	: NIL
xv)	Notices served on the Firm	: NIL
xvi)	Tax related matters	: NIL

(G) Non-payment of statutory dues by our company

Non- payment of statutory liabilities as on January 31, 2018 amounting Rs. 47,04,283/- for Service Tax Rs. 12,72,118/- for GST and Rs. 23,21,710/- TDS payable.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake the Offer and our current/ proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Offer or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out our business.

*For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled '**Key Industry Regulations and Policies**' on page no. 150 of this Draft Prospectus.*

A) APPROVALS FOR THE ISSUE

Corporate Approvals

1. Our Board has pursuant to a resolution passed at its meeting dated on January 05, 2018, under Section 23 and 62(1)(c) of the Companies Act 2013, authorized the Fresh Issue of Equity Shares.

2. Our Shareholders have pursuant to a resolution passed at their meeting dated January 22, 2018 under Section 62(1)(c) of the Companies Act 2013, authorized the Fresh Issue Shares.

3. Our Company has obtained an approval from the BSE SME Platform for listing our Equity Shares through the Letter dated [●].

B) INCORPORATION DETAILS

1. Certificate of Incorporation dated March 30, 2007 under the name of "Arihant Institute Private Limited" allotting Corporate Identification Number "U80301GJ2007PTC050413" was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli.

2. Fresh Certificate of Incorporation dated February 01, 2018 under the name of "Arihant Institute Limited" allotting Corporate Identification Number "U80301GJ2007PLC050413" was issued by the Registrar of Companies, Ahmedabad Gujarat, upon name change of the company.

3. The Corporate Identity Number (CIN) of the Company is U80301GJ2007PLC050413.

C) APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Issuing Authority	Registration / License No.	Nature Of Registration / License	Date Of Registration	Valid Upto
I.	**Under Direct and Indirect Laws**				
1.	Registration in Income Tax Department*	AAGCA2351R	Allotment of Permanent Account Number (PAN) in the name of **"Arihant Institute Pvt. Ltd."**	March 30, 2007	Perpetual
2.	Registrar of Companies, Gujarat	CIN: U80301GJ2007PTC 050413	Certificate of Incorporation in the name of **"Arihant Institute Pvt. Ltd"**	March 30, 2007	-
3.	Registrar of Companies, Gujarat,	CIN: U80301GJ2007 PLC050413	Certificate of Incorporation in the name of **"Arihant Institute Pvt. Ltd"**	Feb 01, 2018	Perpetual
4.	Income Tax Department, Government of India*	AHMA07073D	Allotment of Tax Deduction Account Number (**TAN**)	May 04, 2007	Perpetual
5.	Office under Gujarat Shop & Establishment Act,	115314	Gumastha Dhara Certificate	May 22, 2007	December 12, 2007
6.	Ahmedabad Municipal Corporation *	PE/C015200007	Professional Tax Certificate	Year 2007	Perpetual
7.	Government of India and Government of Gujarat	24AAGCA2351R2ZG	Certificate of Registration for GST	June 26, 2017	Perpetual
8.	Central Excise Officer, Mumbai#	AAGCA2351RST001	Allotment of Service Tax Number	April 26, 2007	Converted into GST
9.	Provident Fund#	GJAHD0053172000	Employees Provident Fund & Miscellaneous Act,1952	March 11,2015	Perpetual
10.	Commissioner of Commercial tax, Gujarat#	24572903660	Allotment of CST Tax Payer Identification Number (**TIN**)	December 15, 2008	Perpetual

D) PENDING APPROVAL

- **The Company has applied for Name Change pursuant to conversion from Private Limited Company to Public Limited Company and the same is pending with the relevant department.*

- *#The Company has not applied for Name Change pursuant to conversion from Private Limited Company to Public Limited Company.*

- *The Company is required to obtain Gumasta Dhara Certificate under the Bombay Shops and Establishments Act, 1948 for their premises Leased by the Company at 2, Navinpark society, Near Municipal School No. 4, Sardar Patel Colony Road, Naranpura, Ahmedabad - 380013 Gujarat, India; which the Company has not Renewed till date.*

- Trademark :

1. Arihant

As on the date of this Draft Prospectus, the current logo of the Company belongs to and under registration in the name of Arihant Institute Private Limited. Our Company has made an application on 13thDecember, 2017 vide application no. 3701639 for the registration of the logo under class 41 with the Trade Mark Registry, Ahmedabad. The application is under the process and approval for the registration of Logo is under objection.

Any delay in receiving the registration or rejection in processing the application form for registering the logo or if there is any opposition filed against the trademark application; our company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks and right to use the said logo For details on the status of the application made to register our logo.

2. **Commerce Champ**

As on the date of this Draft Prospectus, the current logo of the Company belongs to and under registration in the name of Sandip Vinodray Kamdar. Sandip Vinodray Kamdar, Promoter of our Company has made an application on 13th December, 2017 vide application no. 3701504 for the registration of the logo under class 41 with the Trade Mark Registry, Ahmedabad. The application is under the process and approval for the registration of Logo is under objection.

Any delay in receiving the registration or rejection in processing the application form for registering the logo or if there is any opposition filed against the trademark application; our company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks and right to use the said logo For details on the status of the application made to register our logo.

3. **Brain mapper**

As on the date of this Draft Prospectus, the current logo of the Company belongs to and under registration in the name of Sandip Vinodray Kamdar. Sandip Vinodray Kamdar, Promoter of our Company has made an application on 13th December, 2017 vide application no. 3701502 for the registration of the logo under class 41 with the Trade Mark Registry, Ahmedabad. The application is under the process and approval for the registration of Logo is under objection.

Any delay in receiving the registration or rejection in processing the application form for registering the logo or if there is any opposition filed against the trademark application; our company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks and right to use the said logo For details on the status of the application made to register our logo.

4. **Rephrase**

As on the date of this Draft Prospectus, the current logo of the Company belongs to and under registration in the name of Sandip Vinodray Kamdar. Sandip Vinodray Kamdar, Promoter of our Company has made an application on 13th December, 2017 vide application no. 3701503 for the registration of the logo under class 35 with the Trade Mark Registry, Ahmedabad.

The application is under the process and the same logo is accepted and advertised .The Logo is published in Journal No. 1836-0 dated 12th February, 2018.

5. **Edu32**

As on the date of this Draft Prospectus, the current logo of the Company belongs to and under registration in the name of Sandip Vinodray Kamdar. Sandip Vinodray Kamdar, Promoter of our Company has made an application on 13th December, 2017 vide application no. 3701501 for the registration of the logo under class 41 with the Trade Mark Registry, Ahmedabad.

The application is under the process and the same logo is accepted and advertised .The Logo is published in Journal No. 1834-0 dated 29thJanuary, 2018.

E) THE DETAILS OF DOMAIN NAME REGISTERED IN THE NAME OF THE COMPANY IS:-

Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name and Address	Creation Date	Registration Expiry Date
ARIHANTINSTITUTE.COM 663103478_DOMAIN_COM-VRSN	PDR Ltd. d/b/a PublicDomainRegistry.com IANA ID: 303	Sandeep Kamdar, 2, Arihant House, Navin Park Society	08/11/2006	08/11/2018

F) INVESTMENT APPROVALS

As per notification number bearing FEMA/20/2000-RB dated May 3, 2000, as amended from time to time, under automatic route of the Reserve Bank, our Company is not required to make an application for Issue of Equity Shares to NRIs/FIIs with repatriation benefits. However, the allotment/transfer of the Equity shares to NRIs/FIIs shall be subject to the prevailing RBI Guidelines.

SECTION IX- OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

1. The Fresh Issue of Equity Shares has been authorized by a resolution by the Board of Directors passed at their meeting held on January 05, 2018.

2. The Fresh Issue of Equity Shares has been authorized by a resolution by the EGM passed at their meeting held on January 22, 2018.

Our Company has also obtained all necessary contractual approvals required for the Issue. For further details, refer to the chapter titled '***Government and Other Approvals'*** beginning on page no. 233 of this Draft Prospectus.

Our Company has received approval from BSE *vide* their letter dated [●]to use the name of BSE in this Draft Prospectus for listing of the Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

Prohibition by SEBI

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

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, none of our Directors are or were associated with any entities which are engaged in securities market related business and are or registered with SEBI for the same.

The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

Association with Securities Market

None of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as promoters or directors.

Prohibition by RBI or Governmental authority

Neither our Company, our Promoters, our Promoter Group, our Group Entities, relatives of our Promoters (as defined under the Companies Act 2013), our Directors and companies with which our Directors are associated as directors or promoters have not been declared as wilful defaulters by RBI / government authorities and there are no violations of securities laws committed by them in the past and no proceedings are pending against them except as details provided in the Chapter ***"Outstanding Litigations"*** beginning on page no. 230 of the Draft Prospectus.

Our Directors have not been declared as defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no such proceedings are pending against our Company or them.

Eligibility for the 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 106M (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital is not more than Ten Crores Rupees and we may hence 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).

We confirm that:

1. In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue is 100% underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 49 of this Draft Prospectus.

2. In accordance with Regulation 106R of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the Issue is not less than fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within 7 (seven) days from the date our Company becomes liable to repay it, than our Company and every officer in default shall, on and from expiry of 7 (seven) days, be liable to repay such application money, with interest as prescribed under the Companies Act, 2013.

3. In accordance with Regulation 106O the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Draft Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106V of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in the Issue. For further details of the arrangement of market making please refer to paragraph titled **'*Details of the Market Making Arrangement for the Issue*'** under chapter titled '***General Information***' on page no. 55 of this Draft Prospectus.

We further confirm that, we shall be complying with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106M (3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Regulation 49(1) of SEBI (ICDR) Regulations, 2009 shall not apply to us in the Issue.

BSE Eligibility Norms:

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on BSE SME Platform which states as follows:

1. ***The company is incorporated under the Companies Act, 1956.***

Our Company was originally incorporated on March 30, 2007 as " Arihant Institute Private Limited" vide Registration no. 050413 (CIN: U80301GJ2007PLC050413) under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Ahmedabad. Later our Company was subsequently converted in to a public company and consequently name was changed to " Arihant Institute Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on January 22, 2018 and a fresh certificate of incorporation dated February 01, 2018 issued by Registrar of Companies, Ahmedabad.

2. ***The post issue paid up capital of the company shall be atleast Rs. 3 Crore.***

The Post issue paid up capital of the company will be 94,05,006 shares of face value of Rs.10/- aggregating to Rs. 9.41 Crores which is more than Rs. 3 Crore and less than Rs. 25 Crore.

3. ***The Company should have track record of atleast 3 years.***

Company satisfies the above criteria. Company has Net worth of Rs. 569.97 Lakhs as on January 31, 2018. Company also have distributable profit for two years i.e. in March 31, 2017 was Rs. 11.27 Lakhs and in March 31, 2015 was Rs. 3.79 Lakhs out of immediately preceding three financial years.

4. ***The Company should have Networth of atleast Rs. 3 crore.***

The Company satisfies the above criteria. Company has a Networth of Rs. 360.17 Lakhs as per the latest audited financial statements. Company networth as on January 31, 2018 is Rs. 569.97 lakhs. The Company's Net Worth is disclosed as under:

(Rs. in Lakhs)

Particulars	January 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Share Capital	683.00	600.00	135.00	135.00
Add: Reserves & Surplus	(113.04)	(239.83)	(251.11)	(106.59)
Less: Preliminary Expenses to the extent written off				
Net Worth	**569.97**	**360.17**	**(116.11)**	**28.41**

As on January 31, 2018 Restated Financials, the company has a Networth of Rs.569.97 Lakhs

5. ***Other Requirements:***

a. ***Companies shall mandatorily have a website.***

Our Company has a live and operational website: www.arihantinstitute.com

b. ***The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.***

Our Company has entered into tripartite agreements dated [●]with CDSL and dated [●]with NSDL along with our Registrar and Share Transfer Agent for facilitating trading in dematerialized mode. Also the Equity Shares allotted through the Issue will be in dematerialized mode.

c. There should not be any change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment.

We confirm that there is no change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment.

6. Certificate from the applicant company / promoting companies stating the following:

a. *The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).*

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

b. *There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.*

There is no winding up petition against our Company, which has been admitted by the court. Also, no liquidator has been appointed.

c. 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.

Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority except RoC as mentioned below in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.

Promoters are disqualified under the companies act to become director of any company. All promoters are identified as disqualified u/s 164(2)(a) of companies act 2013 due to non filing of Financial Statement and Annual Return with RoC of Aadi Corpoway Pvt. Ltd.- group company. As per the press release of MCA dated 12.09.2017 mentioned that 'any person who is or has been a director in a Company which has not filed financial statements or Annual return for any continuous period of 3 financial years shall not be eligible for 're-appointment as a director in that Company' or 'appointed in other Company' for a period of 5 years.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on theSME Platform of the BSE.

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations 2009. Noexemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations,

withrespect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into acompany.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE.

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations 2009. Noexemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, withrespect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into acompany.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, MONARCH NETWORTH CAPITAL 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, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER, MONARCH NETWORTH CAPITAL LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, MONARCH NETWORTH CAPITAL LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 21, 2018 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE.**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION**

AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:

a) **THE DRAFT PROSPECTUS FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

b) **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

c) **THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE OTHER INTERMEDIARIES NAMED IN THE OFFER DOCUMENT ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND PPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE I AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN**

ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE. – NOT APPLICABLE AS THE PROMOTERS CONTRIBUTION HAS ALREADY BEEN DEPLOYED

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS WILL BE MADE TO ENSURE THAT THE MONEY RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE OFFER DOCUMENT. WE FURTHER CONFIRM THAT THE AGREEMENT TO BE ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER WILL SPECIFICALLY CONTAIN THIS CONDITION.**

10. **WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 ANDTHE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE OFFER DOCUMENT:**

    a) **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER; AND**
    b) **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF**

CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY, MONARCH NETWORTH CAPITAL LIMITED, AS PER FORMAT SPECIFIED BY THE BOARD THROUGH CIRCULAR BEARING REFERENCE CIR/MIRSD/1/2012 DATED JANUARY 10, 2012.**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.**

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. **WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

2. **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THIS DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THE ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**

3. **WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**

4. **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**

5. **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS. NOT APPLICABLE**

6. **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.**

7. **WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE DRAFT PROSPECTUS WITH THE REGISTRAR OF COMPANIES. – NOT APPLICABLE.**

NOTE:

THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 34 AND SECTION 36 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY 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 LEAD MERCHANT BANKER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, Mumbai. *The filing of the Draft 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.*

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, Mumbai in terms of sections 26 and 32 of the Companies Act, 2013.

DISCLAIMER CLAUSE OF THE BSE EMERGE PLATFORM

As required, a copy of this Offer Document has been submitted to Bombay Stock Exchange (BSE) (hereinafter referred to as BSE). BSE has given vide its letter [●] permission to the Company to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company.

It is to be distinctly understood that the aforesaid permission given by BSE should not in any way be deemed or construed that the offer document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Company's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Company, its Promoter, its management or any scheme or project of this Company.

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 the Exchange 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 any other reason whatsoever.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.arihantinstitute.comwould be doing so at his or her own risk.

CAUTION

We the Lead Manager/Merchant Bankers, ***Monarch Networth Capital Limited***, have taken reasonable and due careand have primarily verified the documents submitted by the Company, Promoters as well as collaborated the samewith the Auditors, public records to establish reasonable certainties as to the statement made by the Promoters /directors to prepare this document as required by Securities and Exchange Board of india (SEBI) and CompanyLaw.

The Lead Manager, ***Monarch Networth Capital Limited***, does not in any way vouch about the future performance ofthe company and investors is advised to obtain independent financial advice for his decisions.

The Lead Manager, ***Monarch Networth Capital Limited,*** accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered into among the Lead Manager and our Company dated February 09, 2018 the Underwriting Agreement dated February 09, 2018 entered into among the Underwriter and our Company and the Market Making Agreement dated February 09, 2018 entered into among the Market Maker and our Company.

Our Company, our Directors and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, etc.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and performservices for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary courseof business and have engaged, or may in future engage, in commercial banking and investment banking transactionswith our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they havereceived and may in future receive compensation. ***Monarch Networth Capital Limited*** is not an 'associate' of thecompany and is eligible to act as Lead Manager in this issue, under the SEBI (Merchant Bankers) Regulations,1992.

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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Companyand the Lead Manager 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 Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to '**Annexure A**' to this Draft Prospectus and the website of the Lead Manager at www.mnclgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-

residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company, this Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an 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 the Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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 "US Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the US Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the US Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the US Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction notsubject to, the registration requirements of the US Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Draft Prospectus/ Prospectus are being filed with Bombay Stock Exchange of India Limited, Exchange P. J. Towers, Dalal Street, Fort,Mumbai – 400 001, Maharashtra.

A copy of this Draft Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the offer document in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Securities and Exchange Board of India, SEBI Western Regional Office, SEBI Unit No. 002, Ground Floor SAKAR I near Gandhigram Railway Station, Opposite Nehru Bridge, Ashram Road, Ahmedabad-380009, Gujarat for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013, will be delivered to the RoC situated at RoC Bhavan, Opp Rupal Park Society, Behind Ankur BusStop, Naranpura, Ahmedabad- 380013.

Listing

Our company has obtained approval from BSE vide letter dated [●] to use name of BSEin this offer document for listing of equity shares on BSE SME Platform.

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is no requirement of obtaining Inprinciple approval from BSE SME Platform. However, applications will be made to the BSE SME Platform for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE SME Platform is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE SME Platform, the Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within Eight days after our Company becomes liable to repay it then our Company and every officer in default shall, on and from such expiry of Eight days, be liable to repay such application money, with interest at the rate of 15% per annum on application money, as prescribed under as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME Platform mentioned above are taken within Six Working Days from the Issue Closing Date.

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.

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, 249 such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

We have obtained consents in writing of our Directors, Promoters, Company Sectary &Compliance Officer, the Lead Manager, Registrar to the Issue, Peer Reviewed Auditor to the Company, the Statutory Auditor, the Legal Advisor to the Issue and Banker(s) to the Company. We will obtain consents in writing of the Market Maker(s), Underwriter(s), and the Banker(s) to the Issue/ Escrow Collection Bank(s) to act in their respective capacities. These consents will be filed along with a copy of the Draft Prospectus with the RoC as required under Sections 60 and 60B of the Companies Act, 1956 and Section 32 of the Companies Act, 2013. Further, such consent and report will not be withdrawn up to the time of delivery of the Draft Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2009, M/s NGST & associates., Chartered Accountants, our Statutory Auditors have agreed to provide their respective written consents for inclusion of their name, report on financial statements and report relating to the possible generaland special tax benefits, as applicable, accruing to our Company and its shareholders, in this Draft Prospectus in the form and context in which they appear in this Draft Prospectus.

Expert Opinion To The Issue

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

Our Company has received consent from the Statutory Auditor of the Company to include their name as an expert as per Section 26 of the Companies Act 2013 in this Draft Prospectus in relation to the (a) Auditors' reports on the restated financial statements; and (b) Statement of Tax Benefits by the Statutory Auditors and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

Issue Related Expenses

The expenses of the Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. For details of total expenses of the Issue, see the chapter "Objects of the Issue" beginning on page no. 87 of the Draft Prospectus.

Details Of Fees Payable

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Issue Agreement dated February 09, 2018 has been executed between our Company and the Lead Manager, a copy of which is available for inspection at our Registered Office.

Underwriting Commission, Brokerage and Selling Commission

The underwriting and selling commission for the Issue is as set out in the Underwriting Agreement dated February 09, 2018 between our Company, the Lead Manager, Market Maker and Underwriter, a copy of which is available for inspection at our Registered Office. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

Fees Payable to the Market Maker(s)

The fees payable to the Market Maker(s) to the Issue will be as per the Market Making Agreement dated Februaru 09, 2018 between our Company, Lead Manager and Market Maker, a copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Memorandum of Understanding dated December 12, 2017 executed between our Company and the Registrar to the Issue, a copy of which is available for inspection at our 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 by our Company to the Registrar to the Issue to enable them to send refund orders or Allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor, and Advertiser, *etc*. will be as per the terms of their respective engagement letters.

Previous Rights And Public Issues During The Last Five Years

We have not made any previous rights and/or public issues during the last five years, and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2009, amended from time to time and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2009, amended from time to time.

Companies Under The Same Management

No Company under the same management as the Company within the meaning of Section 370(1B) of the Companies Act 1956 / Section 186 of the Companies Act, 2013, has made any public issue (including any rights issues to the public) during the last three (3) years.

Previous Issues Of Shares Otherwise Than For Cash

Except as stated in the chapter titled ***'Capital Structure'*** beginning on page 58 of thisDraft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission And/ Or Brokerage On Previous Issues

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since inception.

Particulars in regard to our company and other listed companies under the same management within the meaning of section 370 (1) (b) of the companies act, 1956 / section 186 of the companies act,2013 which made any capital issue during the last three years:

There are no listed companies under the same management within the meaning of Section 370(1)(b) of theCompanies Act, 1956 / Section 186 of the Companies Act, 2013 that made any capital issue viz. initial publicoffering, rights issue or composite issue during the last three years.

Promise Versus Performance For Our Company

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2009, and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2009. Therefore, data regarding promise versus performance is not applicable to us.

None of the Group Companies has made public issue of equity shares during the period of ten years immediately preceding the date of filing this Draft Prospectus with the BSE.

Outstanding Debentures, Bonds, Redeemable Preference Shares And Other Instruments Issued By Our Company

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Option To Subscribe

Equity Shares being offered through the Draft Prospectus shall be applied for in dematerialized form only.

Stock Market Data For Our Equity Shares

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2009, and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2009. Thus there is no stock market data available for the Equity Shares of our Company.

Mechanism For Redressal Of Investor Grievances

The Company has appointed ***Karvy Computershare Private Limited*** as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

All grievances relating to the present Issue may be addressed to the Registrar and Share Transfer Agent to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted. The Applicant should give full details such as name of the sole or 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 hereinabove.

We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be fifteen business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Memorandum of Understanding between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of Allotment and demat credit to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA Applicants.

Disposal Of Investor Grievances By Our Company

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be 15 (Fifteen) Working Days from the date of receipt of the complaint. In case of non- routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Shareholders/ Investors Grievance Committee of the Board *vide*resolution passed at the Board Meeting held on February 10, 2018. For further details, please refer to the chapter titled '***Our Management***' beginning on page no. 163 of this Draft Prospectus.

Our Company has appointed Mrs. Falguni Dhrumil Shah as the Company Secretary and Compliance Officer and she may be contacted at the following address:

Mrs. Falguni Dhrumil Shah
Company Secretary & Compliance Officer
Arihant Institute Limited
2, Navinpark Society, Near Municipal School No. 4,
Sardar Patel Colony Road, Naranpura, Ahmedabad Gj 380013
Tel. No.: +91 079 27683113
Email :cs@arihantinstitute.com
Website: www.arihantinstitute.com
Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account *etc*.

Changes In Auditors During The Last Three Financial Years

M/s. Harshesh Jasvani & Associates., Chartered Accountants were theStatutory Auditor for the financial year ending 31st March 2015. M/s. Harshesh Jasvani & Associates., Chartered Accountants were theStatutory Auditor for the financial year ending 31st March 2016 and M/s. A Parekh & Associates, Chartered Accountants were theStatutory Auditor for the financial year ended 31st March 2017.

Capitalization Of Reserves Or Profits

Save and except as stated in the chapter titled '***Capital Structure'*** beginning on page no. 58 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation Of Assets

Our Company has not revalued its assets since incorporation.

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2009 , our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated 10th November, 2015.All the investors applying in a public issue shall use only Application Supported by blocked Amount (ASBA)facility for making payment.Further vide the said circular Registrar to the Issue and DP`s have been also authorized to collect theApplication forms. Investors may visit the official websites of the concerned stock exchanges for any informationon operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the sameif made available.

Authority for the Issue

The Fresh Issue of Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held onJanuary 05, 2018and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on January 22, 2018 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company 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 "Main Provisions of Articles of Association of the Company" on page 321 of the Draft 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 recommended 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. For further details, please refer to “Dividend Policy”on page 193 of the Draft Prospectus.

Face Value and Issue Price

The Equity Shares having a Face Value of Rs.10.00 each are being offered in terms of the Draft Prospectus at the price of Rs. 30per equity Share (including premium of Rs. 20per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "Basis for Issue Price"on page 100 of the Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with the disclosure and accounting norms

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:

5. Right to receive dividend, if declared;
6. Right to receive Annual Reports & notices to members;
7. Right to attend general meetings and exercise voting rights, unless prohibited by law;
8. Right to vote on a poll either in person or by proxy;
9. Right to receive offer for rights shares and be allotted bonus shares, if announced;
10. Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
11. Right of free transferability of the Equity Shares; and
12. 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 Articles of Association of the Company" beginning on page 321 of the Draft Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per 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 [●] between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated [●] between CDSL, our Company and Registrar to the Issue; and

The trading of the Equity Shares will happen in the minimum contract size 4,000Equity 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 Offer will be done in multiples of 4,000Equity Shares and is subject to a minimum allotment of 4,000Equity Shares to the successful applicantsin terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

The minimum number of allottees in the Issue shall be 50 shareholders In case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

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:

1. To register himself or herself as the holder of the Equity Shares; or
2. 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.

Period of Operation of Subscription List of Public Issue

ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

Underwriting and Minimum Subscription

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Draft Prospectus and shall not be restricted to the minimum subscription level.

As per section 39 of the Companies Act 2013, if the "stated minimum amount" has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (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 8 (eight) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of Companies(Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with Regulation [106R] of SEBI ICDR Regulations, The minimum number of allottees in this 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 amounts in the ASBA Account shall be unblocked forthwith.

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

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106 Q of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of 4,000shares 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 Exchange.

Application by Eligible NRIs, FPIs or VCFs 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.

As per the extent Guidelines 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.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled "Capital Structure" beginning on page 58 of the Draft 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 sub-heading "Main Provisions of the Articles of Association" on page 321 of the Draft Prospectus.

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 Managers 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 to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Option to receive Equity Shares in Dematerialized Form

As per section 29(1) of the new Companies Act 2013, every company making public offer shall issue securities only in dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

Migration to Main Board

Our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, 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 Rs.25 Crore 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 or

- If the Paid-Up Capital of our Company is more than Rs.10.00 Crore and up to RS.25.00 Crore, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of BSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to

at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME platform of BSE, 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 "General Information - Details of the Market Making Arrangements for this Issue"on page 55 of the Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto Rs.20 Crore, as applicable in our case	25%	24%

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

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.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Gujarat, Ahmedabad, India.

The Equity Shares have not been and will not be registered under the U.S. 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.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M) (2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is more than ` 10 Crore and upto ` 25 Crore, 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 253 and 263 of the Draft Prospectus.

The Issue comprise of a Public Issue of 2,500,000 Equity Shares of Face Value of Rs.10/- each fully paid (The "Equity Shares") for cash at a price of Rs. 30per Equity Shares *(including a premium of Rs.* 20*per equity share)* aggregating to Rs. 75,000,000 (*"the issue"*) by our Company of which 132,000Equity Shares of Rs.10/- each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 2,368,000Equity Shares of Rs.10/- each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute26.80% and 25.38% respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Fixed Price Issue Process

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	2,368,000 Equity Shares	132,000Equity Shares
Percentage of Issue Size available for allocation	94.72% of the Issue Size	5.28% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of4,000Equity Shares and further allotment in multiples of4,000Equity Shares each. For further details please refer to *"Issue Procedure - Basis of Allotment"*on page 277 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applications shall make the application (Online or Physical) through ASBA Process Only	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	**For Other than Retail Individual Investors:** Such number of Equity Shares in multiples of 4,000Equity Shares at an Issue price of 30each, such that the Application Value exceeds Rs. 2.00 Lakh. **For Retail Individuals Investors:** 4,000Equity Shares at an Issue price of 30each	132,000Equity Shares
Maximum Application Size	**For Other than Retails Individual Investors:**	132,000Equity Shares

	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. **For Retail Individuals Investors:** Such number of Equity Shares in multiples of 4,000Equity Shares such that the Application Value does not exceed Rs. 2.00 Lakh	
Trading Lot	4,000 Equity Shares	4,000Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Application lot Size	4,000 Equity Shares thereafter Equity Shares and in multiples of 4,000.	
Terms of Payment	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 XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to *"Issue Structure"* on page 260 of the Draft Prospectus.

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue 'the allocation' in the net offer to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and
b) Remaining to
   (i) Individual Applicant other than retail Individual Investors; and
   (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

Withdrawal of the Issue

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 the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Draft 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 to the Prospectus after it is filed with the RoC.

Issue Programme

ISSUE OPENING DATE	[●]
ISSUE CLOSING DATE	[●]

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) A standard cut-off time of 3.00 p.m. for acceptance of applications.
b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
c) 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 Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder 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") included below under section "-PART B – 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 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 websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)(Fifth Amendment)Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days.

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 Draft Prospectus and the Prospectus.*

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

Our Company and the LM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Draft Prospectus.

PART A

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M) (2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended via Fixed Price Process wherein 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 non retail portion offered to investors including QIBs and NIIs Applicants is less than 50%, then the balance Equity Shares in that portion will be added to Retail Individual 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. 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. Applicants will not have the option of being Allotted Equity Shares in physical form. Further the Equity shares on allotment shall be trade only in the dematerialized segment of the Stock Exchange, as mandated by SEBI. However, the investors may get the equity shares rematerialized subsequent to allotment.

Application Form

In accordance with Regulation 58 of SEBI ICDR Regulation, 2009 (as amended) and SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, SEBI had with effect from 1st January, 2016, made it mandatory for all the Investors applying in a public issue to use only Application Supported by Blocked Amount (ASBA) facility for making payment.

The prescribed color of the Application Form for various categories applying in this issue is as follows:

Category	Color
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 Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft 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")***

Sr. 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 a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	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 as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE i.e. 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:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons 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 through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

Maximum And Minimum Application Size

1. **For Retail Individual Applicants**

The Application must be for a minimum of 4,000 Equity Shares and in multiples of 4,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. **For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs.2,00,000 and in multiples of 4,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Participation by Associates /Affiliates of LM and the Syndicate Members

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM 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, all the shares shall be issued in dematerialized form in compliance with the provisions of the Depositories act, 1996 and the regulations made there under, thus, the investors should note that Allotment of Equity Shares to all successful applicants will only be in the dematerialized form and the 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 stock exchange in demat segment only.
c) A single application from any investor shall not exceed the investment limit/ minimum number of specified securities that can be held by him/her/ it under the relevant regulations/ statutory guidelines and applicable laws.

Information for the Applicants:

1. Our Company and the Lead Managers 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 Abridge Prospectus and copies of the Prospectus will be available with the, the Lead Managers, 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 or the Corporate office of LM.

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 DesignatedIntermediaries. 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 SCSB's or other Designated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis

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 Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An 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. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

Applications by eligible NRIs/ FPI's on Repatriation Basis

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

As Per The Current Regulations, The Following Restrictions Are Applicable For Investments By FPIs.

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (i) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock

exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:
   a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

   b) Nothing contained in clause (a) shall apply to:

      - ❖ Any transactions in derivatives on a recognized stock exchange;
      - ❖ Short selling transactions in accordance with the framework specified by the Board;
      - ❖ Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
      - ❖ Any other transaction specified by the Board.

   c) No transaction on the stock exchange shall be carried forward;
   d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to;

      i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
      ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
      iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
      v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
      vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
      vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
      viii. Any other transaction specified by Board.

   e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form: Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.

4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority

b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

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 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.

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.

Applications by Insurance Companies

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended, are broadly set forth below:

(a) equity shares of a company: 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of life insurance or 10% of investment assets in case of general insurance business/ Re-insurance business/ Health Insurance business; whichever is lower.

(b) the entire group of the investee company: Not more than 15% of the respective fund in case of a life insurance business or a general insurance or reinsurance or health insurance and not more than 5% of investment asset in all companies belonging to the Promoter group; and

(c) The industry sector in which the investee company belongs: Not more than 15 % of the respective fund in case of a life insurance business or a general insurance or reinsurance or health insurance.

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 Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

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 therefore.

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 therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company 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 Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, 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.

Application by Provident Funds/Pension Funds

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this,

our Company 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 LM 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 Draft 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 Draft Prospectus.

Method and Process of Applications

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.

2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 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 10 Working Days.

3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.

5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

7. 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.

8. 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.

9. 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.

10. 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 withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

11. Once the Basis of Allotment if 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.

12. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

Terms of payment

The entire Issue Price of Rs. 30 per Equity Share is payable on application. In case of Allotment of lesser number of Equity Shares than the number applied, the SCSBs shall unblock the excess amount paid on Application as per the instruction received by the Registrar to the Public Issue Bank Account.

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, cheque, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, cheque, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Pursuant to SEBI circular no.-CIR/CFD/POLICYCELL/11/2015 dated 10th November, 2015 all the Applicants have to compulsorily apply through the ASBA Mode only.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

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 Managers 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 Intermediariesor
   (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 available at the terminals of Designated Intermediariesand their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediariescan 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 Bakers, 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:

S. 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 in the on-line system:

- Name of the Applicant;
- IPO Name:
- Application Form Number;
- Investor Category;
- PAN (of First Applicant, if more than one Applicant);
- DP ID of the demat account of the Applicant;
- Client Identification Number of the demat account of the Applicant;
- Number of Equity Shares Applied for;
- Bank Account details;
- Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
- Bank account number.

8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges 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 Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus, 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.

Basis of Allotment

Allotment will be made in consultation with SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

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).

3. The total number of Shares to be allocated to retail Individual Investors shall be minimum 4000 Equity Shares at an Issue prices of Rs. 30 each and thereafter such number of Equity Shares in multiples of 4000 Equity Shares such that the Application Value does not exceed Rs. 2,00,000/- .

4. The total number of Shares to be allocated to other than retail Individual Investors shall be minimum 8000 Equity Shares at an Issue prices of Rs. 30 each and thereafter such number of Equity Shares in multiples of 4000 Equity Shares such that the Application Value exceed Rs. 2,00,000/- subject to limits the investor has to adhere under the relevant laws and regulations applicable.

5. For applications where the proportionate allotment works out to less than 4000 Equity Shares the allotment will be made as follows:
   a) Each successful applicant shall be allotted 4000 Equity Shares; and
   b) The successful applicants out of the total applicants for that category shall be determined by the withdrawal 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.

6. If the proportionate allotment to an applicant works out to a number that is not a multiple of 4,000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 4,000 Equity Shares subject to a minimum allotment of 4,000 Equity Shares.

7. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 4000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.

8. 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:
   As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue 'the allocation' is the net offer to the public category shall be made as follows:
   a) Minimum fifty percent to retail individual investors; and
   b) Remaining to
      (i) Individual applicants other than retail individual investors; and

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

c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be made available for allocation to the applicants in the other category, if so required.

If 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.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 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 SME Platform of BSE.

The Executive Director / Managing Director of the SME Platform of BSE, Designated Stock Exchange in addition to Lead Merchant Banker 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, 2009.

Allocation of Equity shares

1) The Issue is being made through the Fixed Price Process wherein 132,000Equity Shares shall be reserved for Market Maker and 2,368,000 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.

Designated Date and Allotment of Equity Shares

On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

Our Company will ensure that (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant’s depository account is completed within 6 Working Days of the Issue Closing Date.

In accordance with section 29(1) of the Companies Act, 2013, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees.

Allottees will have the option to re-materialize the Equity Shares so allotted as per the provisions of the Companies Act and the Depositories Act. However, trading in the Equity shares of the Company shall be done only in dematerialized form.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be credited to their depository account pursuant to this Issue.

Issuance of Allotment Advice

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.

Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Applicant.

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 Centers),the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to not 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 SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 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 color 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.
- Do not make more than five applications from one bank account.

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 Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.comand NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.comand NSE i.e. www.nseindia.com

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number **("PAN")** to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN

allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Please note that, Central or State Government and the officials appointed by the courts and investors residing in the State of Sikkim are exempted from specifying their PAN subject to the Depository Participants' verifying the veracity of such claims of the investors in accordance with the conditions and procedures under this section on Issue Procedure.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the 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 Bank Account details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. Hence, Applicants are advised to immediately update their details as appearing on the records of the depository participant. Please note that failure to do so could result in non receipt of any correspondence to Applicants at the Applicants sole risk and neither the LMs or the Registrar or the Bankers to the Issue or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the 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.

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications:

i) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

iii) For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB and Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the LM reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post Allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Signing of Underwriting Agreement

This issue is 100 % Underwritten. The Company has entered into Underwriting agreement dated February 09, 2018 with Monarch Networth Capital Limited.

Filing of the Prospectus with the RoC

The Company will file a copy of the Prospectus with the RoC in terms of Section 32 of the 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.

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 2 (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 (Six) 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 6 (Six) working days from the Issue Closing Date;
2. Instruction to SCSBs to unblock funds given to the clearing system within 4 (four) working days of the Issue Closing Date would be ensured; and
3. The Company shall pay interest at 15% p.a. for any delay beyond the 6 (Six) working days time period as mentioned above, if Allotment is not made and Instruction to SCSBs to unblock funds are not given and/ or demat credits are not made to investors within the 4 (four) working days time.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

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."***

Section 447 of the Companies Act, 2013, is reproduced as below: "Without Prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud, shall be punishable with imprisonment for a term which shall not be less than six months but which may exceed to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years."

Undertakings by Our Company

We undertakes 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 6 (six) Working days of Issue Closing Date.
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 the our Promoters' contribution in full has already been brought in;
5) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
6) 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;

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 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.
6) 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 will sign the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) Agreement dated [●] between NSDL, the Company and the Registrar to the Issue;
b) Agreement dated [●] between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. [●]
An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.

Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.

The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis a vis those with his or her Depository Participant.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

Procedure and time of Schedule for allotment and issue of Certificates

As per SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated 10th November, 2015 which relates to streamlining the process for Public Issue of Equity Shares and Convertibles, SEBI has indicated timeline schedule for various activities related to public issue which is mentioned hereunder:

Sl. No.	Details of Activities	Due Date(working day*)
1.	An investor, intending to subscribe to a public issue, shall submit a completed bid-cum-application form to any of the following intermediaries: i. an SCSB, with whom the bank account to be blocked, is maintained ii. a syndicate member (or sub-syndicate member) iii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') iv. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) v. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)	
2.	The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. (i) <u>For applications submitted by investors to SCSB:</u> After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. (ii) <u>For applications submitted by investors to other intermediaries:</u> After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID, Client ID and PAN, by the end of each bidding day and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange. Stock exchange(s) shall allow modification of selected fields in the bid details already uploaded on a daily basis.	Issue opening date to issue closing date (where T is issue closing date)
3.	Closing of Issue	T (Issue closing date)

<table>
<tr>
<td>4.</td>
<td>Stock exchange(s) shall allow modification of selected fields (till 01:00 PM) in the bid details already uploaded.

Registrar shall get the electronic bid details from the stock exchanges by end of the day.

Syndicate members, brokers, DPs and RTAs shall forward a schedule as per format given below along with the application forms to designated branches of the respective SCSBs for blocking of funds.

<table>
<tr><th>Field No.</th><th>Details*</th></tr>
<tr><td>1</td><td>Symbol</td></tr>
<tr><td>2</td><td>Intermediary Code</td></tr>
<tr><td>3</td><td>Location Code</td></tr>
<tr><td>4</td><td>Application No.</td></tr>
<tr><td>5</td><td>Category</td></tr>
<tr><td>6</td><td>PAN</td></tr>
<tr><td>7</td><td>DP ID</td></tr>
<tr><td>8</td><td>Client ID</td></tr>
<tr><td>9</td><td>Quantity</td></tr>
<tr><td>10</td><td>Amount</td></tr>
</table>

(*Stock exchange(s) shall uniformly prescribe character length for each of the above-mentioned fields)

SCSBs shall continue / begin blocking of funds.

Designated branches of SCSBs may not accept schedule and applications after T+1 day.

Registrar shall give bid file received from stock exchanges containing the application number and amount to all the SCSBs who may use this file for validation / reconciliation at their end.</td>
<td>T+1</td>
</tr>
<tr>
<td>5.</td>
<td>Issuer, merchant banker and registrar shall submit relevant documents to the stock exchange(s) except listing application, allotment details and demat credit and refund details for the purpose of listing permission.

SCSBs shall send confirmation of funds blocked (Final Certificate) to the registrar by end of the day.

Registrar shall reconcile the compiled data received from the stock exchange(s) and all SCSBs (hereinafter referred to as the “reconciled data”).

Registrar shall reject multiple applications determined as such, based on common PAN.</td>
<td>T+2</td>
</tr>
</table>

	Registrar shall undertake "Technical Rejection" test based on electronic bid details and prepare list of technical rejection cases.	
6.	Finalisation of technical rejection shall be done and minutes of the meeting between issuer, lead manager, registrar shall be prepared. Registrar shall finalise the basis of allotment and submit it to the designated stock exchange for approval. Designated Stock Exchange(s) shall approve the basis of allotment. Registrar shall prepare funds transfer schedule based on approved basis of allotment. Registrar / Issuer shall initiate corporate action to carry out lock-in for pre-issue capital held in depository system. Registrar and merchant banker shall issue funds transfer instructions to SCSBs.	T+3
7.	Registrar shall receive confirmation for pre-issue capital lock-in from depositories. SCSBs shall credit the funds in public issue account of the issuer and confirm the same. Issuer shall make the allotment. Registrar / Issuer shall initiate corporate action for credit of shares to successful allottees. Issuer and registrar shall file allotment details with designated stock exchange(s) and confirm all formalities are complete except demat credit. Registrar shall send bank-wise data of allottees, amount due on shares allotted, if any, and balance amount to be unblocked to SCSBs.	T+4
8.	Registrar shall receive confirmation of demat credit from depositories. Issuer and registrar shall file confirmation of demat credit, lock-in and issuance of instructions to unblock ASBA funds, as applicable, with stock exchange(s). Issuer shall make a listing application to stock exchange(s) and stock exchange(s) to give listing and trading permission. Issuer, merchant banker and registrar shall publish allotment advertisement before the commencement of trading, prominently displaying the date of commencement of trading, in all the	T+5

	newspapers where issue opening/closing advertisements have appeared earlier. Stock exchange(s) shall issue commencement of trading notice.	
9.	Commencement of Trading	T+6
***Working days will be all trading days excluding Sundays and bank holidays**		

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue

Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken inter-alia through the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009"**) as amended.

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies **("RoC").** Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India **("SEBI")** at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section "Glossary and Abbreviations".

Section 2: Brief Introduction to IPOs on SME Exchange

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009 if applicable. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under Chapter XB of SEBI (ICDR) regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer whose post-issue face value capital is more than ten crore rupees and upto twenty five crore rupees, may also issue its specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

2.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable ("the Companies Act), the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

a) In accordance with Regulation 106(P) of SEBI (ICDR) Regulation, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.

b) In accordance with regulation 106(R) of SEBI (ICDR) Regulation, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be blocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.

c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of 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.

d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulation, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.

e) The Issuer shall have Net Tangible Assets of at least Rs. 1 crore as per the latest audited financial result.

f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 1 crore as per the latest audited financial result.

g) The issuer should have a tract record of distributable profits in terms of Section 123 of Companies Act, 2013 for two out of immediately preceding three financial years.

h) The post –issue paid up capital of the issuer shall be at least Rs. 1 crore.

i) The issuer shall mandatorily facilitate trading in demat securities

j) The issuer should not been referred to Board for Industrial and Financial Reconstruction.

k) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.

l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.

m) The company should have a website

n) There has been no change in the promoter(s) of the company in the 1 year preceding the date of filing application to BSE for listing on SME segment.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3) , Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus the Company is eligible for the Issue in accordance with Regulation 106M(2) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital does not exceed ` 2,500 Lakh. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

2.3 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built Issue")** or undertake a Fixed Price Issue **("Fixed Price Issue").** An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this Daft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 Issue Period

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

2.5 Migration To Main Board

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

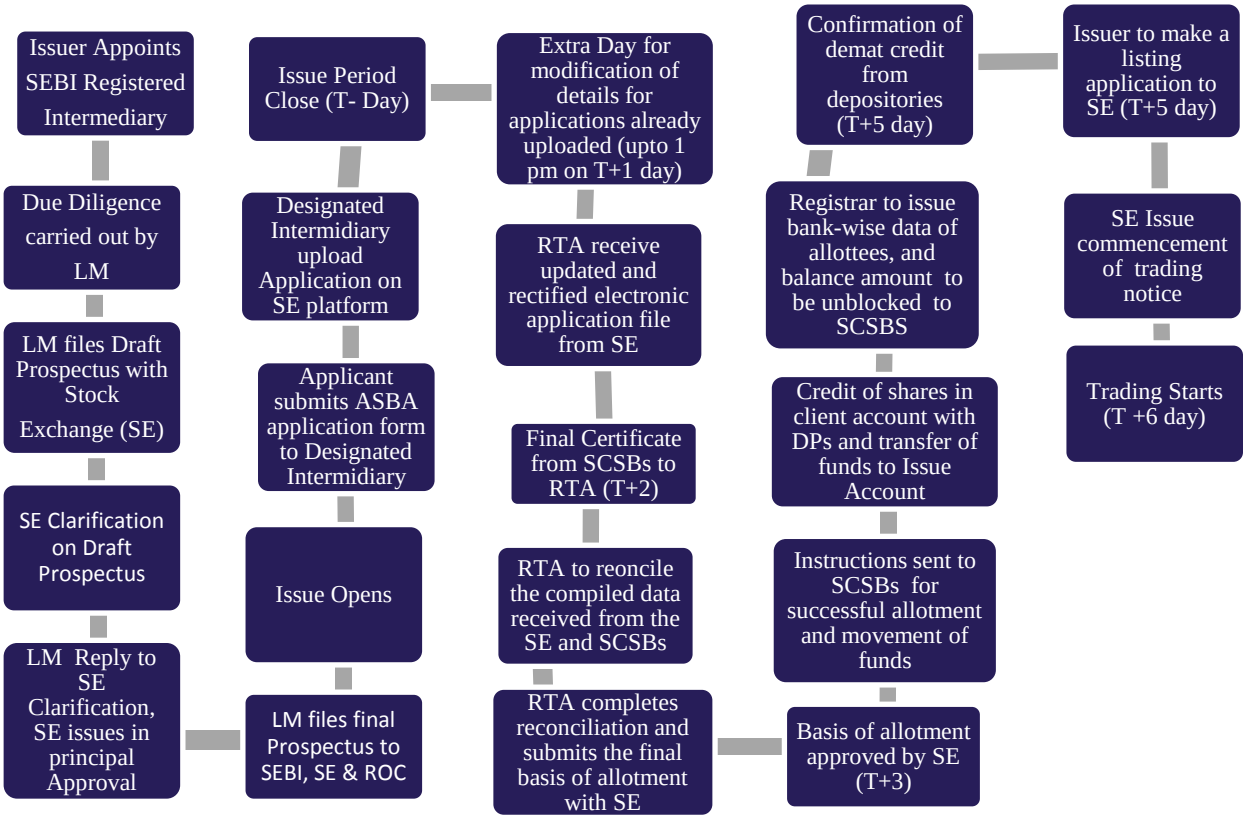
a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than 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), The Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company 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.

2.6 Flowchart Of Timelines

A flow chart of process flow in Fixed Price Issues is as follows:



Section 3: Category of Investors Eligible to Participate in an Issue

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three) or in the names of minors as natural / legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/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 those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law; NRIs other than Eligible NRIs are not eligible to participate in this Issue.
- Indian Financial Institutions, scheduled commercial banks regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, VCFs and FVCIs registered with SEBI.
- Limited liability partnerships registered in India and authorized to invest in equity shares.
- State Industrial Development Corporations.
- Trusts/societies registered under the Societies Registration Act, 1860, as amended or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;
- Scientific and/ or Industrial Research Organizations authorized to invest in equity shares.
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- 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;
- Insurance funds set up and managed by army, navy, air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply to this Issue, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian Laws.

As per the existing regulations, OCBs are not allowed to participate in an Issue.

Section 4: Applying in the Issue

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms

are available with the registered office of the Issuer, and office of the RTA and at the office of the LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Color of the Application
Resident Indian, Eligible NRIs applying on a non -repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	Blue

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 Instructions For Filing Application Form/ Application Form (Fixed Price Issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

R Application Form

COMMON APPLICATION FORM FOR ASBA / NON-ASBA

AAA LIMITED - PUBLIC ISSUE - R

FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS

TEAR HERE

To,
The Board of Directors
AAA LIMITED

FIXED PRICE SME ISSUE

INE----------

Date : _____

Application Form No.

BROKER'S / AGENT'S STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
BANK BRANCH STAMP, CODE & SERIAL NO.	**SCSB SERIAL NO.**
UNDERRITERS CODE	**REGISTRAR'S SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms. _____

Age _____

Address _____

E-mail _____

Tel. No (with STD code) / Mobile _____

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

6. INVESTOR STATUS

- ☐ Individual(s) - IND
- ☐ Hindu Undivided Family* - HUF
- ☐ Non Resident Indians - NRIs
- ☐ Bodies Corporate - CO
- ☐ Banks & Financial Institutions - FI
- ☐ Mutual Funds - MF
- ☐ National Investment Funds - NIF
- ☐ Insurance Funds - IF
- ☐ Insurance Companies - IC
- ☐ Venture Capital Funds - VC
- ☐ Others (Please Specify) - OTH

*HUF Should apply only through Karta (Application by HUF would be treated on par with Individual)

4. APPLICATION DETAILS

No. of Equity Shares applied at the Issue Price ^

(In Figures) _____ (In Words) _____

^ Please note that applications must be made in minimum lot size and further multiples of thereof accordingly

5. CATEGORY

- ☐ Retail Individual
- ☐ Non-Institutional
- ☐ QIB

PLEASE FILL IN BLOCK LETTERS

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | **PAYMENT OPTION : Full Payment**

Amount Paid (Rs. in Figures) _____ (Rs. in words) _____

☐ **(A) CHEQUE / DEMAND DRAFT (DD)**

Cheque /DD No _____ Dated D D M M Y Y

Drawn on (Bank Name & Branch) _____

☐ **(B) ASBA**

Bank A/c No. _____

Bank Name & Branch _____

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 3A AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA Option ONLY)	BANK BRANCH'S STAMP	REFUND OPTION (OPTIONAL)
Date:	(We authorize the SCSB to do all acts as are necessary to make the Application in the issue) 1) 2) 3)		Refund through RTGS IFSC Code of the Branch whose account is maintained

TEAR HERE

AAA LIMITED- PUBLIC ISSUE - R — **Acknowledgement Slip for SCSB**

Application Form No.

DP ID / CL ID _____ PAN _____

Received from Mr./Ms. _____

Address _____

Telephone / Mobile _____ E-mail _____

No. of Equity Shares applied for	
in Figures	
in words	
Cheque / Demand Draft dated	
Instrument No./ASBA Bank A/c No.	Drawn on (Name of Bank & Branch)

Bank's Stamp & Signature

TEAR HERE

AAA LIMITED - PUBLIC ISSUE - R

	In Figures	In Words
No.of Equity Shares		
Amount Paid (Rs.)		

Stamp & Signature of SCSB

Cheque / DD/ ASBA Bank A/c No.: _____

Bank & Branch: _____

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

Application Form No.

TEAR HERE

NR Application Form

COMMON APPLICATION FORM FOR ASBA / NON-ASBA | **AAA LIMITED - PUBLIC ISSUE - NR** | **FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS**

TEAR HERE

To,
The Board of Directors
AAA LIMITED

FIXED PRICE SME ISSUE

INE----------

Date : _____

Application Form No.

BROKER'S / AGENT'S STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
BANK BRANCH STAMP,CODE & SERIAL NO.	**SCSB SERIAL NO.**
UNDERRITERS CODE	**REGISTRAR'S SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms.

Age

Address

E-mail

Tel. No (with STD code) / Mobile

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

4. APPLICATION DETAILS

No. of Equity Shares applied at the Issue Price

(In Figures) | (In Words)

Please note that applications must be made in minimum lot size and further multiples of thereof accordingly.

5. CATEGORY

☐ Retail Individual
☐ Non-Institutional
☐ QIB

6. INVESTOR STATUS

☐	Non-Resident Indians (Repatriation basis)	NRI
☐	Foreign Institutional Investors / Foreign Portfolio Investors	FII/FPI
☐	Foreign Venture Capital Investor	FVCI
☐	FII Sub Account Corporate/ Individual	FII SA
☐	Others (Please Specify)	OTH

PLEASE FILL IN BLOCK LETTERS

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) **PAYMENT OPTION : Full Payment**

Amount Paid (Rs. in Figures) | (Rs. in words)

☐ **(A) CHEQUE / DEMAND DRAFT (DD)**

Cheque /DD No | Dated (D D M M Y Y)

Drawn on (Bank Name & Branch)

☐ **(B) ASBA**

Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'INVESTOR UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF

8A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA Option ONLY)	BANK BRANCH'S STAMP	REFUND OPTION (OPTIONAL)
Date: 2014	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) 2) 3)		Refund through RTGS IFSC Code of the Branch whose account is maintained

TEAR HERE

AAA LIMITED- PUBLIC ISSUE - NR **Acknowledgement Slip for SCSB**

Application Form No.

DP ID / CL ID | PAN

Received from Mr./Ms.

Address

Telephone / Mobile | E-mail

No. of Equity Shares applied for	
In Figures	
in words	
Cheque / Demand Draft dated	

Bank's Stamp & Signature

Instrument No./ASBA Bank A/c No. | Drawn on (Name of Bank & Branch)

TEAR HERE

AAA LIMITED - PUBLIC ISSUE - NR

	In Figures	In words
No. of Equity Shares		
Amount Paid (Rs.)		

Stamp & Signature of SCSB

Cheque / DD/ ASBA Bank A/c No. :

Bank & Branch :

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

Application Form No.

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of \Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer,

b) The Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

c) **Joint Applications**: In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Bid cum Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

d) **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:

- **makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- **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**
- **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."**

e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE FIRST APPLICANT

a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose

their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.

e) Applications by Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**

b) Applicants should ensure that the beneficiary account provided in the Application Form is active.

c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.

d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

a) The Issuer may mention Price as per Draft Prospectus. However a Prospectus registered with RoC contains one price.

b) Minimum and Maximum Application Size

i. For Retails Individual Applicants

The Application must be for a minimum of 4,000 equity shares. As the application price payable by the retail individual applicants cannot exceed Rs.200000 they can make Application for only minimum Application size i.e. for 4,000 equity shares.

ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of equity shares such that the Application Amount exceeds Rs.200000 and in multiples of 4,000 equity shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision of Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 200000 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 prescribed law or regulation or as specified in this Draft Prospectus.

c) **Multiple Applications:** An applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

d) Applicants are requested to note the following procedures may be followed by the Registrar to the issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and PFI sub-accounts, applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

e) The following applications may not be treated as multiple applications:

i. Application by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Application clearly indicates the scheme for which the application has been made.

iii. Application by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs, and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

a) The categories of Applicants identified as per the SEBI ICDR Regulations, 2009 as amended for the purpose of Application, allocation and allotment in the Issue are RIIs, Individual applicants other than RIIs, and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

b) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations, 2009 as amended. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.

c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation Applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

b) Certain categories of Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.

d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

a) All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

b) All categories of investors can participate in the Issue only through ASBA mechanism.

c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.1.7.1 Payment instructions for Applicants

(a) Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries.

(b) Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Applicant should ensure that the Application Form is also signed by the ASBA Account holder(s) if the

Applicant is not the ASBA Account holder;

(d) Applicant shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Application Forms can be submitted.

(f) Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

(g) Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.

(h) ASBA Applicant applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form may upload the details on the Stock Exchange Platform.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(l) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(m) The Application Amount may 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 or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(n) SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

4.1.8 Unblocking of ASBA Account

a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted, if any, against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ non allotment / partial allotment ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs to unblock the respective bank accounts.

b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

In the event of withdrawal or rejection of the Application Form and for unsuccessful Application, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

a) The Discount is stated in absolute rupee terms.
b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Prospectus.
c) For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

4.1.8.2 Additional Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Application by NRIs applying on a repatriation basis, blocking of funds in their NRO account shall not be accepted.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorization has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form.
d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Application Form.

a) All communications in connection with Applications made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicants should contact the Registrar to the Issue.

ii. In case of Applications submitted to the Designated Branches of the SCSBs or Registered Brokers or Registered RTA/DP, the Applicants should contact the relevant Designated Branch of the SCSBs or Registered Brokers or Registered RTA/DP, as the case maybe.

iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.

b) The following details (as applicable) should be quoted while making any queries –

i. Full name of the sole or Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.

ii. name and address of the Designated Intermediary, where the Application was submitted; or

iii. In case of ASBA Applications, ASBA Account number in which the amount equivalent to the Application Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately.

b) RII may revise their applications till closure of the issue period or withdraw their applications until finalization of allotment.

c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Revision For - R

COMMON APPLICATION FORM FOR ASBA / NON-ASBA	AAA LIMITED - PUBLIC ISSUE - R	FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS

TEAR HERE

To,
The Board of Directors
AAA LIMITED

FIXED PRICE SME ISSUE

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Date : _____

Application Form No.

BROKER'S / AGENT'S STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
BANK BRANCH STAMP,CODE & SERIAL NO.	**SCSB SERIAL NO.**
UNDERRITERS CODE	**REGISTRAR'S SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms.

Age

Address

E-mail

Tel. No (with STD code) / Mobile

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

6. INVESTOR STATUS

☐ Individual(s)	- IND
☐ Hindu Undivided Family*	- HUF
☐ Non Resident Indians	- NRIs
☐ Bodies Corporate	- CO
☐ Banks & Financial Institutions	- FI
☐ Mutual Funds	- MF
☐ National Investment Funds	- NIF
☐ Insurance Funds	- IF
☐ Insurance Companies	- IC
☐ Venture Capital Funds	- VC
☐ Others (Please Specify)	- OTH

*HUF should apply only through Karta (Application by HUF would be treated on par with individual)

4. APPLICATION DETAILS

No. of Equity Shares applied at the Issue Price *

(In Figures) (In Words)

* Please note that applications must be made in minimum lot size and further multiples of thereof accordingly.

5. CATEGORY

☐ Retail Individual

☐ Non-Institutional

☐ QIB

PLEASE FILL IN BLOCK LETTERS

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | **PAYMENT OPTION : Full Payment**

Amount Paid (Rs. in Figures) (Rs. in words)

☐ **(A) CHEQUE / DEMAND DRAFT (DD)**

Cheque /DD No. Dated D D M M Y Y

Drawn on (Bank Name & Branch)

☐ **(B) ASBA**

Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 3A AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA Option ONLY)	BANK BRANCH'S STAMP	REFUND OPTION (OPTIONAL)
Date:	(We authorize the SCSB to do all acts as are necessary to make the Application in the issue) 1) 2) 3)		Refund through RTGS IFSC Code of the Branch whose account is maintained

TEAR HERE

AAA LIMITED- PUBLIC ISSUE - R — **Acknowledgement Slip for SCSB**

Application Form No.

DP ID / CL ID PAN

Received from Mr./Ms.

Address

Telephone / Mobile E-mail

No. of Equity Shares applied for	
in Figures	
in words	
Cheque / Demand Draft dated	

Bank's Stamp & Signature

Instrument No. /ASBA Bank A/c No. :	Drawn on (Name of Bank & Branch)

TEAR HERE

AAA LIMITED - PUBLIC ISSUE - R

	In Figures	In Words
No.of Equity Shares		
Amount Paid (Rs.)		

Stamp & Signature of SCSB

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

Cheque / DD/ ASBA Bank A/c No.:

Bank & Branch:

Application Form No.

TEAR HERE

Revision For - NR

COMMON APPLICATION FORM FOR ASBA / NON-ASBA | **AAA LIMITED - PUBLIC ISSUE - NR** | **FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS**

To,
The Board of Directors
AAA LIMITED

FIXED PRICE SME ISSUE

INE----------

Date : _____

Application Form No.

BROKER'S / AGENT'S STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
BANK BRANCH STAMP,CODE & SERIAL NO.	**SCSB SERIAL NO.**
UNDERRITERS CODE	**REGISTRAR'S SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms. _____

Age _____

Address _____

E-mail _____

Tel. No (with STD code) / Mobile _____

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

4. APPLICATION DETAILS

No. of Equity Shares applied at the Issue Price *

(In Figures) _____ (In Words) _____

* Please note that applications must be made in minimum lot size and further multiples of thereof accordingly

5. CATEGORY

☐ Retail Individual
☐ Non-Institutional
☐ QIB

6. INVESTOR STATUS

☐	Non-Resident Indians (Repatriation basis)	NRI
☐	Foreign Institutional Investors / Foreign Portfolio Investors	FII/FPI
☐	Foreign Venture Capital Investor	FVCI
☐	FII Sub Account Corporate/ Individual	FII SA
☐	Others (Please Specify)	OTH

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) **PAYMENT OPTION : Full Payment**

Amount Paid (Rs. in Figures) _____ (Rs. in words) _____

☐ **(A) CHEQUE / DEMAND DRAFT (DD)**

Cheque /DD No _____ Dated D D M M Y Y

Drawn on (Bank Name & Branch) _____

☐ **(B) ASBA**

Bank A/c No. _____

Bank Name & Branch _____

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA Option ONLY)	BANK BRANCH'S STAMP	REFUND OPTION (OPTIONAL)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue.		
Date: ....., 2014	1)		Refund through RTGS IFSC Code of the Branch whose account is maintained
	2)		
	3)		

TEAR HERE

AAA LIMITED- PUBLIC ISSUE - NR **Acknowledgement Slip for SCSB**

Application Form No.

DP ID / CL ID _____ PAN _____

Received from Mr./Ms. _____

Address _____

Telephone / Mobile _____ E-mail _____

No. of Equity Shares applied for	
in Figures	
in words	
Cheque / Demand Draft dated	

Bank's Stamp & Signature

Instrument No./ASBA Bank A/c No. :	Drawn on (Name of Bank & Branch)

TEAR HERE

AAA LIMITED - PUBLIC ISSUE - NR

	In Figures	In words
No. of Equity Shares		
Amount Paid (Rs.)		

Stamp & Signature of SCSB

Cheque / DD/ ASBA Bank A/c No. : _____

Bank & Branch : _____

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

Application Form No.

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.
b) In case of revision of Applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, should not exceed Rs.200,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

4.2.3FIELD 6: PAYMENT DETAILS

Applicant may Issue instructions to block the revised amount in the ASBA Account, to the Designated Branch through whom such Applicant had placed the original Application to enable the relevant SCSB to block the additional Application Amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/APPLICATION FORM

Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investor Applications	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

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5.1 Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form. Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Designated Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

5.2 GROUNDS FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:-

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4,000;
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Prospectus as per the instructions in the Prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or " qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision thereof by QIB Applicants , Non Institutional Applicants where the Application Amount is in excess of Rs. 200000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by NSE.

- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.
- Details of ASBA Account not provided in the Application form
- From one ASBA Account, more than five applications are made by applicant.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being the Fixed Price Issue this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 Basis of Allotment

Allotment will be made in consultation with SME Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
c) For applications where the proportionate allotment works out to less than 4,000 Equity Shares the allotment will be made as follows:
   i. Each successful applicant shall be allotted 4,000 Equity Shares;
   ii. The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 4,000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 4,000 Equity Shares subject to a minimum allotment of 4,000 Equity Shares.
e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where

the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 4,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in the Prospectus.

f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:

i. As per Regulation 43(4) of the SEBI (ICDR) Regulations, 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.

ii. Remaining to Individual applicants other than retail individual investors and Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

iii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 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 SME Platform of BSE.

The Executive Director/ Managing Director of the SME Platform of BSE, Designated Stock Exchange in addition to Lead Merchant Banker and Registrar to the Public Offer 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, 2009.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 5 Working Days of the Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR UNBLOCKING OF FUNDS

8.2.1 Non Receipt of Listing Permission

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalized.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith initiate action to unblock the application amount from the Investors accounts. If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of Companies Act, and disclosed in the Prospectus.

8.2.2 Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of Companies Act, 2013 if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our company does not receive the 100% subscription of the offer through the Offer Document including devolvement of underwriters , if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblocked the entire application amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations and the Companies Act, 2013.

The minimum number of allottees in this 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 amounts in the ASBA Account shall be unblocked within 6 working days of closure of the issue.

Further in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.100000/- (Rupees One Lakh) per application.

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 without the applicable laws of such jurisdiction.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be unblocked forthwith.

8.3 **Mode of Unblocking of Funds**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1Mode of making refunds for Applicants

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 Interest In Case Of Delay in Allotment

The Issuer may pay interest at the rate of 15% per annum if demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue

Term	Description
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Applicants to make a Application authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Applicant	Prospective Applicants in the Issue who apply through ASBA
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	The date after which the SCSBs may not accept any application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Closing Date
Issue Closing Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Application, inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application (except for Anchor Investors), less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Draft Prospectus, whether applying through the ASBA or otherwise.

Term	Description
Applicant	Any prospective investor (including an ASBA Applicant) who makes an Application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009,
Broker Centers	Broker Centers notified by the Stock Exchanges, where Applicants can submit the Application Form to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com

Term	Description
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated Date	The date on or after which funds are transferred by the SCSBs to the Public Issue Account of the Issuer.
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus of the Issuer
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	This Draft Prospectus filed with Stock Exchange in case of Fixed Price Issues and which may mention a price
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the Promoter and immediate relatives of the promoter. For further details Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable

Term	Description
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs 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 subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Applied for Equity Shares for an amount of more than ` 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs
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 and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. 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.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961

Term	Description
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalize the Issue Price
Prospectus	The prospectus to be filed with the R OC in accordance with Section 32 of the Companies Act, 2013 read with section 26 of Companies Act 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTA	Registrar to the Issue and Share Transfer Agent
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ` 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ` 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares indicates therein in any of their Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html

Term	Description
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Application from ASBA Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our company.
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, with reference to announcement Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government, the FDI Policy (as defined below) and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued consolidates FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

Subscription by foreign investors (NRIs/FPIs)

FPIs are permitted to subscribe to Equity Shares of an Indian Company in a public Issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. SEBI registered FPIs have been permitted to purchase shares of an Indian company through Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of 10 per cent subject to the total sectoral cap of all FPIs/sub-accounts put together being 24 per cent of the paid-up capital of the Indian company.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

Representation from the Applicants

No person shall make an application in the Issue, unless such person is eligible to acquire Equity Shares of our Company in accordance with applicable laws, rules, regulations, guidelines and approvals.

Investors that make application under the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters, and their respective directors, officers, agents, affiliates and representatives, as applicable, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. 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.

There is no reservation for Non Residents, NRIs, FPIs, foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor. All Non Residents, NRIs, FPIs and foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs also cannot participate in any Public Issue.

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 or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S promulgated 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 are only being offered and sold outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act.

Our Company, LM and the Issue Management Team are not making any selling efforts in any jurisdiction outside India.

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.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft 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.

SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, 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.

The Companies Act, 2013

ARIHANT INSTITUTE LIMITED*

TABLE -F

ARTICLES OF ASSOCIATION OF A COMPANY LIMITED BY SHARES

Interpretation

I. (1) In these regulations—

(a) "the Act" means the Companies Act, 2013,

(b) "the seal" means the common seal of the company.

(2) 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.

(3) *Within* the meaning of Section-2(71) of the Companies Act 2013, The Company is a "Public company" means:

(a) is not a private company;

(b) having a minimum paid up share capital of Five Lakh rupees or such higher paid-up share capital as may be prescribed

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles ;

Share capital and variation of rights

II. **1.** Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

***Amended from "Arihant Institute Private Limited" to "Arihant Institute Limited" by passing Special Resolution in Extra-Ordinary General Meeting held on 22nd January, 2018.**

2. (*i*) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) one certificate for all his shares without payment of any charges; or

(b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (*i*) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(*ii*) The provisions of Articles (*2*) and (*3*) shall *mutatis mutandis* apply to debentures of the company.

4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (*i*) The company may exercise the powers of paying commissions conferred by sub- section (*6*) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made there under.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (*i*) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(*ii*) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

9. **(***i*) The company shall have a first and paramount lien—

(a) n every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.

(*ii*) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.

10. 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.

11. (*i*) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) *The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings* in reference to the sale.

12. (*i*) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(*ii*) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. (*i*) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (*i*) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(*ii*) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (*i*) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(*ii*) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. (*i*) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(*ii*) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may 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;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. (*i*) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(*ii*) Nothing in clause (*i*) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (*i*) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(*ii*) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (*i*) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

Forfeiture of shares

27. 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.

28. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. (*i*) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(*ii*) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (*i*) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(*ii*) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii)The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii)The transferee shall thereupon be registered as the holder of the share; and

(iv)The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, 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) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any **incident** authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Capitalization of profits

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum is accordingly set free for distribution in the manner specified in clause (*ii*) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (*iii*), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (*A*) and partly in that specified in sub-clause (*B*);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(ii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(*ii*) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(*ii*) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

47. (*i*) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left *unfinished* at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) *Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice* of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(*ii*) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. 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.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. 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.

54. (*i*) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii)Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

58. The following shall be the First Directors of the Company:

1. **Sandip Vinodray Kamdar**
2. **Vinodray Keshavlal Kamdar**

59. (*i*) the remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (*i*) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(*ii*) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

65. (*i*) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(*ii*) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. (*i*) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(*ii*) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. (*i*) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(*ii*) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(*ii*) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. (*i*) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. (i) A committee may meet and adjourn as it thinks fit.
(*ii*) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

74. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (*i*) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meetingcontingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. (*i*) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

81. 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.

82. (*i*) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(*ii*) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.

Accounts

86. (*i*) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(*ii*) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

88 . Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION 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 filing of this Draft 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 Draft Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected on working days between 10.00 a.m. to 5.00 p.m. at the Registered Office of our Company located at 2, Navinpark society, Near Municipal School No. 4, Sardar Patel Colony Road, Naranpura, Ahmedabad - 380013 Gujarat, India from date of filing the Draft Prospectus with RoC till the Issue Closing Date.

Material Contracts

1) Memorandum of Understanding dated February 09, 2018 between our Company to the Lead Manager to the Issue.
2) Agreement dated December 12, 2017 between our Company and the Registrar to the Issue
3) Underwriting Agreement dated February 09, 2018 between our Company, the Lead Manager, the Market Maker and Underwriter.
4) Market Making Agreement dated February 09, 2018 between our Company, Lead Manager and Market Maker.
5) Tripartite agreement among the NSDL, our Company and the Registrar to the Issue dated [●].
6) Tripartite agreement among the CDSL, our Company and the Registrar to the Issue dated [●].
7) Public Issue Account Agreement dated [●] signed between our Company, the Lead Manager, Banker(s) to the Issue/ Escrow Collection Bank(s) and the Registrar to the Issue.

Material Documents

1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
2) Copy of resolution passed at the meeting of the Board of Directors of our Company dated January 05, 2018, authorizing the Fresh Issue of Equity Shares.
3) Copy of special resolution of the shareholders passed at the Extra Ordinary General Meeting dated January 22, 2018, authorizing the Fresh Issue of Equity Shares.
4) Copy of Certificate from the Auditors of the Company, M/s NGST & Associates, Chartered Accountants dated February 20,2018 regarding the Eligibility of the Issue.
5) Copy of Letter dated February 02, 2018 issued by Statutory Auditor to the Company, M/s NGST & Associates, Chartered Accountants detailing the Tax Benefits.
6) Independent Audit Report and Restated Financial Statements for the Financial Year ended as on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company, issued by the Independent Auditor to the Company (Peer Reviewed Auditor), M/s M/s NGST & Associates, Chartered Accountants dated February 20, 2018 included in the Draft Prospectus.
7) Copies of Annual reports of the Company for the years ended March 31, 2017, 2016, 2015 2014 and 2013.
8) Consents of our Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Lead Manager, the Registrar to the Issue, the Statutory Auditors to the Company, Peer Reviewed Auditor, the

Legal Advisor to the Issue, Banker(s) to the Company, Market Maker(s), Underwriter(s), and the Banker(s) to the Issue/ Escrow Collection Bank(s) to act in their respective capacities.

9) Copy of Board Resolution dated February 21, 2018 for approval of Draft Prospectus and dated [●] for approval of Prospectus.
10) Copy of approval from BSE vide letter dated [●], to use the name of BSE in this offer document for listing of Equity Shares on BSE SME Platform.

11) Legal Due diligence Report dated February 20, 2018, issued by issued by Advocate Pooja Sharma.
12) Due Diligence Certificate from Lead Manager dated February 21, 2018 filed with BSE and dated [●] filed with SEBI.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that, all the relevant provisions of the Companies Act,1956, Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the regulations issued by Securities and Exchange Board of India, 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 Draft Prospectus is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/ guidelines issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNATURE BY ALL THE DIRECTORS OF OUR COMPANY

Name of the Directors	**Signature**
Mr. Vinodbhai Chimanlal Shah **DIN No.:08033798**	**-Sd/-**
Mr. Kashyap Trivedi **DIN No.: 01931400**	**-Sd/-**
Mr. Prashant Chandraprakash Srivastav **DIN No.: 02257146**	**-Sd/-**
Mr. Jigar Umeshbhai Shah **DIN No.: 05328340**	**-Sd/-**
Mr. Rushiraj Zaverbhai Patel **DIN No.: 08017580**	**-Sd/-**
Ms. Shivani Ketul Patel **DIN No.: 08033788**	**-Sd/-**

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Mr. Rushiraj Zaverbhai Patel **-Sd/-**

SIGNED BY THE COMPANY SECRETARY &COMPLIANCE OFFICER

Mrs. FALGUNI DHRUMIL SHAH **-Sd/-**

PLACE: Ahmedabad

DATE: 21/02/2018

AnnexureA

Format for Disclosure of Price Information of Past Issues Handled By Merchant Banker(s)

TABLE1

Sr. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on listing date	+/-% change in closing price, [+/-% change in closing benchmark]- 30th	+/-% change in closing price, [+/-% change in closing benchmark]- 90th	+/-% change in closing price, [+/-% change in closing benchmark]- 180th
1	Looks Health Services Limited (Formerly known as Monarch health Services Limited)	12.00	40.00	30-05-2012	42.00	29th June, 2012 – 40.25	28th Aug, 2012- 40.25	26th Nov, 2012- 83.00
2	VCU Data Management Limited	18.75	25.00	23-10-2013	36.25	22th Nov, 2013- 34.40	21st Jan, 2014- 28.15	21st April, 2014- 27.00
3	SPS Finquest Limited	25.08	75.00	03-06-2014	78.00	3rd July, 2014- 78.90	31st Aug, 2014- 77.00	29th Nov, 2014- 83.00
4	Relstruct Buildcon Limited	23.35	50.00	05-04-2017	50.00	5th May 2017- 36.00	4th July 2017- 39.00	2nd October 2017- 35.40
5	Felix Industries Limited	4.78	35.00	05-12-2017	35.50	3rd January 2018- 35.25	--	--

TABLE2: SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total Amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount–30th calendar days from listing			No. of IPOs trading at premium–30th calendar days from listing			No. of IPOs trading at discount–180th calendar days from listing			No. of IPOs trading at premium–180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2012-13	1	12.00	0	0	0	0	0	1	0	0	0	1	0	0
2013-14	1	18.75	0	0	0	0	1	0	0	0	0	0	0	1
2014-15	1	25.08	0	0	0	0	0	1	0	0	0	0	0	1
2017-18	2	28.13	0	1	0	0	0	1	0	1	0	0	0	0

**Felix Industries Limited has been listed on 5th December 2017 therefore the data after 30th calendar day for Felix Industries Limited has not been incorporated in the above table.*

Notes:

a) The opening price is based on the date of listing.
b) BSE SENSEX and NSE NIFTY has been considered as the Benchmark Index.
c) Prices on BSE / NSE is considered for all the above information.
d) In case 30th / 90th / 180th day is not a trading day, closing price on BSE / NSE of the next trading day has been considered.
e) In case, on 30th / 90th / 180th day, scrip are not traded, then the previous trading price has been considered.
f) As per SEBI Circular no. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should disclose maximum 10 Public Issues handled by us during the last three Financial Year including the current financial year. Hence, disclosure pertaining to recent Public Issues are only provided.