



**ONTIC FINSERVE LIMITED**  
**CIN: L65910GJ1995PLC025904**

Our Company was originally incorporated as a public limited company under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Ahmedabad, dated May 16, 1995 with the name “. “MARAL FINANCE LIMITED” , the name of the Company has been changed from MARAL FINANCE LIMITED to ONTIC FINSERVE LIMITED vide Special Resolution in the meeting of Shareholders held on 25th June, 2015. The Corporate Identification Number of Our Company is L65910GJ1995PLC025904. For further details refer to the section titled ‘about the Company’ beginning on Page 33 of this Draft Letter of Offer.

**Registered Office:**

UL/8, Ankur Complex, B/h Town Hall, Opp. X-Ray House,  
Ellisbridge, Ahmedabad, , Gujarat, India, 380006;

**Contact Details:** 9662975644; **Contact Person:** Ms.Manika Misra, Company Secretary & Compliance Officer;

**Email-ID:** [onticfinserveld@gmail.com](mailto:onticfinserveld@gmail.com) **Website:** [www.onticfinserve.in](http://www.onticfinserve.in)

**FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF OUR COMPANY**

RIGHTS ISSUE OF UP TO [●]\*FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹1.00/- (RUPEE ONE ONLY) (‘EQUITY SHARES’) EACH AT A PRICE OF ₹[●]/- (RUPEES [●] ONLY) PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●]/- (RUPEES [●] ONLY) PER EQUITY SHARE) (‘ISSUE PRICE’) (‘RIGHT SHARES’) FOR AN AMOUNT AGGREGATING UP TO ₹49,00,00,000 (RUPEES FOURTY NINE CRORE ONLY) ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE SHAREHOLDERS OF ONTIC FINSERVE LIMITED (‘COMPANY’ OR ‘ISSUER’) IN THE RATIO OF [●] RIGHTS SHARES FOR EVERY [●] EQUITY SHARES HELD BY SUCH ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE, [●] (‘ISSUE’). THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED ‘TERMS OF THE ISSUE’ BEGINNING ON PAGE 116 OF THIS DRAFT LETTER OF OFFER.

\*Assuming full subscription.

**PAYMENT METHOD OF THE ISSUE**

The entire amount of the Issue Price of ₹[●] per Rights Equity Share shall be payable at the time of Application.

**WILFUL DEFAULTERS OR FRAUDULENT BORROWERS**

Neither our Company, nor our Promoters, or Directors are or have been categorized as wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

**GENERAL RISK**

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Right Shares have not been recommended or approved by Securities and Exchange Board of India (‘SEBI’) nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Investors are advised to refer ‘Risk Factors’ beginning on Page 22 of this Draft Letter of Offer before investing in the Issue.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through this letter of offer to be listed on the Platform of BSE Limited (‘BSE’). Our Company has received the approval letter dated [●] from BSE for using its name in the offer document for listing of our shares on the Platform of BSE. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated March 24, 2017. For the purpose of this Issue, the Designated Stock Exchange will be BSE.

**REGISTRAR TO THE ISSUE**

**Skyline Financial Services Pvt. Ltd**

D--153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020

Tel No.: +011-40450193-197; Fax No: +011-26812683

E-Mail Id: ipo@skylinerta.com Investor Grievance E-Mail Id: [grievance@skylinerta.com](mailto:grievance@skylinerta.com)

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

Contact Person: Mr. AnujRana

SEBI Registration No.: INR000003241

**ISSUE PROGRAMME**

ISSUE OPENING DATE	LAST DATE FOR MARKET RENUNCIATION*	ISSUE CLOSING DATE**
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\*Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

\*\*This Issue will remain open for a minimum 07 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

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## DEFINITIONS

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the/our Company’, ‘we’, ‘our’, ‘us’ or similar terms are To Ontic Finserve Limited as the context requires, and references to ‘you’ are to the Eligible Shareholders and/ or prospective Investors in this Issue.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ‘**Industry Overview**’, ‘**Statement of Tax Benefits**’, ‘**Financial Information**’, ‘**Outstanding Litigations, Defaults, and Material Developments**’ and ‘**Terms of the Issue**’ on page 53, 49, 63, 107 and 116 respectively, shall have the meaning given to such terms in such sections.

## CONVENTIONAL/ GENERAL TERMS

Term	Description
Ontic Finserve Limited / the Company/ our Company	Ontic Finserve Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time
We/ us/ our	Unless the context otherwise indicates or implies, refers to Ontic Finserve Limited
ASBA	Application Supported by Blocked Amount;
AoA/ Articles of Association	The Articles of Association of Ontic Finserve Limited, as amended from time to time;
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013;
Audited Financial Statements	The audited financial statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Years ending March 31, 2024;
Auditors/ Statutory Auditors/ Peer Review Auditor	The current statutory auditors of our Company M/s. K M Chauhan & Co, Ahmedabad Chartered Accountants;
Board of Directors/ Board	Board of Directors of our Company;
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Ms Manika Misra;
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Mr. Bhupendrakumar Dhanjibhai Raiyani
Depositories Act	The Depositories Act, 1996 and amendments thereto;
DP/ Depository Participant	Depository Participant as defined under the Depositories Act;
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Ontic Finserve Limited as on the Record Date;
Equity Shares	Equity shares of the Company having face value of ₹1.00 (Rupee One only);
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the

Term	Description
	Independent Directors, please refer to section titled <b>‘Our Management’</b> beginning on page 59 of this Draft Letter of Offer;
ISIN	International Securities Identification Number being INE989S01042;
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled <b>‘Our Management’</b> beginning on page 59 of this Draft Letter of Offer;
MoA/ Memorandum of Association	The Memorandum of Association of Ontic Finserve Limited, as amended from time to time;
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company’s Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI (LODR) Regulations and Section 178 of the Companies Act, 2013;
Promoters	NA
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with the BSE Limited under the SEBI (LODR) Regulations;
Registered Office	UL/8, Ankur Complex, B/h Town Hall, Opp. X-Ray House, Ellisbridge, Ahmedabad, Gujarat, India, 380006
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI (LODR) Regulations Section 178 of the Companies Act, 2013;
Stock Exchange/ Designated Stock Exchange	BSE Limited( BSE)
Unaudited Limited Review Financial Statements	The unaudited financial statements of our Company for the quarter ending June 30,2024, prepared in accordance with Indian Accounting Standards.

#### ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Shareholders with respect to the Issue in accordance with the provisions of the SEBI (ICDR) Regulations and the Companies Act;
Additional Right Shares	The Right Shares applied or allotted under this Issue in addition to the Rights Entitlement;
Allot/Allotment/Allotted	Unless the context requires, the allotment of Right Shares pursuant to this Issue;
Allotment Account	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and Application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40 (3) of the Companies Act;
Allotment Advice	Note, advice, or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Right Shares pursuant to this Issue;
Allotment Date	Date on which the Allotment is made pursuant to this Issue;
Allottees	Person(s) who are Allotted Rights Equity Shares pursuant to the Allotment;

Term	Description
Applicant(s)/ Investor(s) ii.	Eligible Shareholder(s) and/or Renouncee(s) who make an application for the Right Shares pursuant to this Issue in terms of the Letter of Offer, including an ASBA Investor;
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Equity Shares at the Issue Price;
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application using the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable at the time of Application ₹[●] (Rupees [●] Only) in respect of the Right Shares applied for in this Issue at the Issue Price;
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renouncees) shall make an application for an Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being [●];
Bankers to the Issue Agreement	Agreement dated [●] entered into by and amongst our Company and the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from Investors making an application through the ASBA facility, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement;
Basis of Allotment	The basis on which the Right Shares will be Allotted to successful Applicants in the Issue, and which is described in the section titled ‘ <b>Terms of the Issue</b> ’ beginning on page 116 of this Draft Letter of Offer;
Common Application Form / CAF	The application form used by Investors to make an application for Allotment under the Issue
Consolidated certificate	The certificate that would be issued for Rights Shares Allotted to each folio in case of Eligible Shareholders who hold Equity Shares in physical form
Controlling Branches /Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on

Term	Description
	<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes;">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes;</a>
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/husband, investor status, occupation and bank account details, where applicable;
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Draft Letter of Offer/ DLoF	This draft letter of offer dated October 15,2024, filed with BSE Limited (BSE), in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approval;
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date i.e. [●]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an Application through the ASBA facility;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●];
Issue/ Rights Issue	Rights Issue of up to [●] Equity Shares of our Company for cash at a price of ₹[●] (Rupees [●] Only) per Right Shares aggregating upto ₹49,00,00,000 ( Rupees Fourty Nine Crore only) on a rights basis to the Eligible Shareholders of our Company in the ratio of [●] ([●]) Right Shares for every [●] ([●]) Equity Shares held by the Eligible Shareholders of our Company on the Record Date i.e. [●];  On Application, Investors will have to pay entire amount of ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price;
Issue Closing Date	[●]
Issue Material	Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter or any offering materials, corrigendum, or advertisements in connection with this Issue
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their Applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Size	Amount aggregating up to ₹49,00,00,000 ( Rupees Fourty Nine Crore only)
Letter of Offer/ LoF	The final letter of offer to be filed with the BSE Limited (BSE) after incorporating the observations received from the BSE Limited on the Draft Letter of Offer;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights

Term	Description
	Entitlements will not be treated as multiple application;
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ' <b>Objects of the Issue</b> ' beginning on page 43 of this Draft Letter of Offer;
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renounees;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;
Offer Document	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigendum thereto;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●];
Payment Schedule	Payment schedule under which [●]% ([●] percent) of the Issue Price is payable on Application, i.e., ₹[●] (Rupees [●] Only) per Right Shares.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Right Shares, being [●];
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar to the Issue	Skyline Financial Services Private Limited.
Registrar Agreement	Agreement dated [●] entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue, including in relation to the ASBA facility;
Renounees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounee on or prior to the Issue Closing Date i.e. [●];
Rights Entitlement (s)/ RES	The number of Right Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being [●] Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder;  The Rights Entitlements with a separate ISIN '[●]' will be credited to your demat account



Term	Description
	before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Shareholders. The Rights Entitlements are also accessible through the ASBA and the link for the same will be available on the website of our Company;
Right Shares	Equity Shares of our Company to be Allotted pursuant to this Issue
Self-Certified Syndicate Banks/SCSB(s)	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time;
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter or Fraudulent Borrower	A Company or person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any Company whose director or promoter is categorized as such, as defined under Regulation 2 (1) (III) of the SEBI (ICDR) Regulations;
Working Day(s)	In terms of Regulation 2(1) (mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Indore are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Indore are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Right Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI;

#### Technical and Industry Related Terms

TERM	DESCRIPTION
AFC	Asset Finance Company.
CIC-ND-SI	Systemically Important Core Investment Company.
CRAR or Capital to risk weighted assets	The ratio measures a bank's financial stability by measuring its available capital as a percentage of its risk-weighted credit exposure.
Commercial Banks	A bank that offers services to the general public and to companies.
Co-operatives	A business or organization that is owned and run by all of the people who work for it.
DCCBs	District Central co-operative Banks.
DFIs	Development Finance Institutions.
Gross non-performing assets or GNPA	Gross non-performing loans are the sum of all the loans that have been defaulted by the individuals who have acquired loans from the financial institution.
IBC	Insolvency and Bankruptcy Code.
IC	Investment Company.

IDF-NBFC	Infrastructure Debt Fund: Non- Banking Financial Company.
IFC	Infrastructure Finance Company.
Insurance Companies	A financial intermediaries which offer direct insurance or reinsurance services, providing financial protection from possible hazards in the future.
LC	Loan Company.
MCX	Multi Commodity Exchange of India Limited
MGC	Mortgage Guarantee Companies.
MSMEs	Micro, Small and Medium Enterprises.
MUDRA or Micro Units Development and Refinance Agency	MUDRA is a public sector financial institution in India. It provides loans at low rates to micro-finance institutions and non-banking financial institutions which then provide credit to MSMEs.
Mutual Funds	A mutual fund is a Company that brings together money from many people and invests it in stocks, bonds or other assets.
NBFC or Non-Banking Financial companies	The entities that provide certain bank-like financial services but do not hold a banking license. NBFCs are not subject to the banking regulations and oversight by federal and state authorities adhered to by traditional banks.
NCDEX	National Commodity & Derivatives Exchange Limited
NMCE	National Multi Commodity Exchange of India Limited
NOFHC	NBFC- Non-Operative Financial Holding Company.
NBFC-ND-SI	Systemically important non-deposit taking non-banking financial Company.
Net owned fund	Net Owned Funds means the aggregate of paid up equity share capital and free reserves as reduced by accumulated losses and intangible assets.
NSFR or net stable funding ratio	It is the amount of available stable funding relative to the amount of. required stable funding.
PACS	Primary Agricultural Credit Societies.
PCARDBs	Primary Co-Operative and Agricultural Rural Development Banks.
Pension funds	A fund from which pensions are paid, accumulated from contributions from employers, employees, or both.
Private sector banks or PVBs	Private sector banks are those in which private individuals or private corporations own a significant portion of the bank's equity.
PSBs or public sector banks	A public bank is a bank, a financial institution, in which a state, municipality, or public actors are the owners. It is an enterprise under government control.
RBI	Reserve Bank of India.
Return on assets or RoA	The term return on assets (ROA) refers to a financial ratio that indicates how profitable a Company is in relation to its total assets.
Return on equity or RoE	It is a measure of financial performance calculated by dividing net income byshareholders' equity.
RRBs	regional rural banks.
SCARDBs	State Co-Operative And Agricultural Rural Development Banks.

**ABBREVIATIONS**

Term	Description
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAF	Common Application Form
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate Social Responsibility
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
Depositories Act	The Depositories Act, 1996, including subsequent amendments thereto
DIN	Director Identification Number
DP	Depository Participant
DP-ID	Depository Participant's Identification
DR	Depository Receipts
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortization expense, as presented in the statement of profit and loss
EGM	Extraordinary General Meeting
EEA	European Economic Area
EPC Services	Engineering, Procurement, and Construction services
EPS	Earning per Equity Share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive

Term	Description
	Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FY/ Financial Year	Period of 12 months ended March 31 of that particular year, unless otherwise stated
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GDR	Global Depository Receipt
GNPA	Gross Net Performing Assets
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
Ind AS	Indian Accounting Standards
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Indian GAAP/ I-GAAP	Generally Accepted Accounting Principles In India
Income Tax Act/ IT Act	The Income Tax Act, 1961 and amendments thereto
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended
INR / ₹ / Rs./ Indian Rupees	Indian Rupee, the official currency of the Republic of India
IST	Indian Standard Time
IT	Information Technology
MCA	The Ministry of Corporate Affairs, Government of India
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
NCT	National Capital Territory, Delhi
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer.
BSE	Bombay Stock Exchange of India
Net Worth	The aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account, and debit or credit balance of the profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NR/ Non- Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI
NRE	Account Non-resident external account
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
BSE	Bombay Stock Exchange of India Limited

Term	Description
OCB	Overseas Corporate Body
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto
SEBI Rights Issue Circulars / SEBI Right Issue Circulars / SEBI Rights Issue Circular	SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and SEBI circular, bearing reference no. SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
Securities Act	United States Securities Act of 1933, as amended
STT	Securities transaction tax
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

**NOTICE TO INVESTORS**

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Letter of Offer / Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges, subject to the applicable law.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

**THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

**NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("United States"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights

Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement

Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

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

Rights Entitlements may not be transferred or sold to any person in the United States.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**

## PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

### CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” contained in this Letter of Offer are to the Republic of India and the “Government” or “GoI” or the “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the “US” or “U.S.” or the “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

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

### FINANCIAL DATA

Unless stated or the context requires otherwise, our financial data included in this Letter of Offer is derived from the Audited Financial Statements of our Company as of and for the financial year ended March 31, 2024

We have prepared our Audited Financial Statements of our Company as of and for the financial year ended March 31, 2024 in accordance with Indian Accounting Standard (Ind AS), Companies Act, and other applicable statutory and / or regulatory requirements. Our Company publishes its financial statements in Indian Rupees.

For details of the Audited Financial Statements for the financial year ended March 31, please refer to the section titled “Financial Statements” beginning on page 63 of this Letter of Offer.

Our Company’s Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

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

### CURRENCY OF PRESENTATION

All references in this Draft Letter of Offer to ‘Rupees’, ‘Rs.’, ‘₹’, ‘Indian Rupees’ and ‘INR’ are to Rupees, the official currency of the Republic of India.

All references to ‘U.S. \$’, ‘U.S. Dollar’, ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

#### **Please Note:**

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

### INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout this Letter of Offer has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that industry data used in this Letter of Offer is reliable, it has not been independently verified.

The industry data used in this Letter of Offer has not been independently verified by our Company or any of their



affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

The extent to which market and industry data used in this Letter of Offer is meaningful depends on the reader's familiarity with and understanding of methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which our business is conducted, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on page 22 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

**FORWARD LOOKING STATEMENTS**

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

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. Uncertainty of the continuing impact of the pandemic on our business and operations;
2. General economic and business conditions in India and in the markets in which we operate and in the local, regional, and national economies;
3. Changes in laws and regulations relating to the sectors and industry in which we operate;
4. Realization of Contingent Liabilities;
5. Occurrence of uninsured losses;
6. Factors affecting the industry in which we operate;
7. Our ability to meet our capital expenditure requirements;
8. Our ability to successfully implement our growth strategy and expansion plans and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
9. Fluctuations in operating costs;
10. Our ability to attract and retain qualified personnel;
11. Our failure to keep pace with rapid changes in technology;
12. 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;
13. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
14. Any adverse outcome in the legal proceedings in which we/our group companies are involved;
15. Other factors beyond our control;
16. Our ability to manage risks that arise from these factors;
17. Changes in Government policies and Regulatory actions that apply to or affect our business;
18. Conflicts of interest with affiliated companies, the promoter group and other related parties;
19. The performance of the financial markets in India and globally.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled ‘**Risk Factors**’ beginning on page 22 of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could materially differ from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or advisors does not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and BSE’s requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the BSE.

## SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled ‘Risk Factors’, ‘Objects of the Issue’, ‘Business Overview’ and ‘Outstanding Litigations, Defaults and Material Developments’ beginning on pages 22,43 55, and 107 of this Draft Letter of Offer, respectively.

### SUMMARY OF OUR BUSINESS

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies Ahmedabad, Gujrat dated May 16, 1995 with the name ‘ Maral Finance Limited’. The company has changed its name from the Maral Finance Limited to Ontic Finserve Limited on June 25, 2015 issued by Registrar of Companies, Ahmedabad. However the company has adopted new set of articles of association as per companies act 2013, on June 25, 2015. The Corporate Identification Number of Our Company is L65910GJ1995PLC025904.

Our Company is listed on the BSE Limited ( BSE) effective from March 24,2017 bearing Symbol ‘ONTIC’. The ISIN of our company is INE989S01042. And the Scrip code is 540386.

Our Company operates in Financial Advisory Services our company is a professionally managed company. We cater to diversified range of customers with different income groups and because each of our clients has different risk tolerances and expectations, we customize each portfolio to match individual needs and circumstances. We Focus on Financial Planning through Mutual Funds. We help our clients reach their Financial Goals Through Goal Planning. We believe that investing without any defined goal is like boarding a train without a defined destination.

### SUMMARY OF OUR INDUSTRY

Proper planning and allocation of funds can be quite nerve-wracking for anyone. A financial advisor is an expert that helps at each stage from planning to constructing a portfolio of assets. Financial advisory services consist of a team of qualified professionals that provide advice on how to manage money and assets efficiently. Financial advisory services can include a whole host of individuals such as certified financial planners, wealth managers, investment advisors, and certified public accountants

Financial advisory services consist of a team of qualified professionals that provide advice on how to manage money and assets efficiently. Financial advisory services can include a whole host of individuals such as certified financial planners, wealth managers, investment advisors, and certified public accountants. The financial advisory market in India is currently valued at approximately \$3 billion and is projected to grow at a compound annual growth rate (CAGR) of around 13-15% over the next five years. is projected to grow at a compound annual growth rate (CAGR) of around 13-15% over the next five years.

### OBJECTS OF THE ISSUE

The details of Issue Proceeds are set forth in the following table:

Particulars	Amount( In lakhs)
Gross Proceeds from the Issue#*	4900.00
Less: Estimated Issue related Expenses	75.00
<b>Net Proceeds from the Issue</b>	<b>4825.00</b>

# assuming full subscription and allotment

\*The Issue size will not exceed ₹49,00,00,000 (Rupees Forty Nine Crore Only) If there is any reduction in the amount on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the same will be adjusted against [●]

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

Sr. No.	Particulars	Amount (In lakhs)
1.	Working Capital requirements	3990.00
2.	General Corporate purposes#	835.00
	<b>Total Net Proceeds</b>	<b>3990.00</b>

#To be finalized on determination of the Issue Price and updated in the Letter of Offer prior to filing with the Stock Exchanges.

The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please refer to the chapter titled ‘Objects of the Issue’ beginning on page 43 of this Draft Letter of Offer.

## FINANCIAL INFORMATION

The following table sets forth the summary financial information derived from the Audited Financial Statements, for Financial Years and quarter ended March 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Ind (AS) and the Companies Act, 2013.

(In ₹)

Particulars	Financial Statements for the Financial Year ending			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	90,003,000	90,003,000	90,003,000	90,003,000
Net Worth	1,80,00,600	4,54,78,824	4,50,74,655	4,39,91,246
Total Income	1,617,091	5,060,995	393,223,856	22,960,718
Profit / (loss) after tax	(27,463,240)	448,945	1,179,408	3,74,350
Basic and diluted EPS	(3.05)	0.05	0.13	0.04
Total borrowings	-	-	-	-

### Qualifications of the Auditors

There are no qualifications, reservations and adverse remarks made by our Statutory Auditors in their report which requires any adjustment to audited financial statements of the Company for the last 2 financial years, i.e. FY 2023-24 and FY 2022-23

### Summary of Contingent Liabilities

For details regarding our contingent liabilities for FY 2024 and FY 2023.

## OUTSTANDING LITIGATIONS

Nature of cases	Number of cases	Amount involved (₹)
<b>Litigations involving our Company</b>	i.	ii.
Litigation Involving Actions by Statutory/Regulatory Authorities	NIL	NIL
Litigation involving Tax Liabilities	NIL	NIL
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	NIL	NIL
Proceedings involving Material Violations of Statutory Regulations by our Company	NIL	NIL
Matters involving economic offences where proceedings have been initiated against our Company	NIL	NIL
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the	NIL	NIL

Nature of cases	Number of cases	Amount involved (₹)
operations or the financial position of our Company		
<b>Litigation involving our Directors, Promoters and Promoter Group</b>	NIL	NIL
<b>Litigation involving our Group Companies</b>	NIL	NIL

For further details, please refer to section titled ‘**Outstanding Litigations, Defaults and Material Developments**’ beginning on page 107 of this Draft Letter of Offer.

#### **RISK FACTORS**

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled ‘**Risk Factors**’ beginning on page 21 of this Draft Letter of Offer.

#### **CONTINGENT LIABILITIES**

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled ‘**Financial Statements**’ beginning on page 63 of this Draft Letter of Offer.

#### **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled ‘**Financial Statements**’ beginning on page 63 of this Draft Letter of Offer.

#### **FINANCING ARRANGEMENTS**

There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Letter of Offer

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

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

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**SECTION II – RISK FACTORS**

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An investment in equity shares involves a high degree of risk. Prospective Investors should carefully consider all the information disclosed in this Letter of Offer, including the risks and uncertainties described below and the **“Financial Statements”** on page 68 before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with **“Our Business”**, **“Industry Overview”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** on pages 55, 53 and 99, respectively, as well as the other financial information included in this Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, see **“Forward Looking Statements”** on page 18.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Financial Statements included in this Letter of Offer. For further information, see “Financial Statements” on page 63. In this section, unless the context otherwise requires, a reference to “our Company” on a standalone basis.

**INTERNAL RISK FACTORS**

*1. Increase in capital commitments in our trading and other businesses may increase the potential for significant losses.*

The trend in capital markets is towards larger and more frequent commitments of capital by financial brokerage house in many of their activities. We may be subject to increased risk as we commit greater amounts of capital to facilitate primarily client-driven business. We may enter into large transactions in which we commit our own capital as part of our trading business. The number and size of these large transactions may materially affect our results of operations in a given period. We may also incur significant losses from our trading activities due to market fluctuations and volatility from quarter to quarter. We maintain trading positions in equity markets to facilitate client trading activities and at times these positions can be large and concentrated in a single issuer.

*2. Our professional reputation may be affected adversely and we may be liable to our clients and third parties if our services are not regarded as satisfactory.*

Our Company is dependent to a large extent on our relationships with our clients and our reputation for integrity and the professional services to attract and retain the clients. As a result, if a client is not satisfied with our services, it may affect our business adversely.

*3. We could be exposed to risks arising from employee and business associate misconduct and trading errors.*

Misconduct by employees could include their binding us to transactions that exceed authorized limits or present unacceptable risks to us, hiding unauthorized or unsuccessful trading activities from us or the improper use of confidential information. These types of misconduct could result in business risks or losses to us including regulatory sanctions and serious harm to our reputation. Furthermore, while our business associates work under our overall supervision and control and that each of their clients are directly registered with us on a revenue sharing basis. Our Business Associates are typically managed by independent entrepreneurs and not by our employees. We have significantly less control over the activities of our business associates than our employees. The precautions we take to prevent and detect these activities may not be

effective. For example, some of our clients place orders over the telephone. If employee or Business Associate performs misconduct or commits trading errors, our business operations and reputation could have a material adverse impact.

**4. *Any disruption in our sources of funding or increase in costs of funding could adversely affect our liquidity and financial condition.***

The liquidity and profitability of our business majorly depend on our timely access to, and the costs associated with, raising funds. Our business thus depends and will continue to depend on our ability to access a variety of funding sources. Further, our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost funding at rates lower than the interest rates at which we lend to our customers. Our ability to raise funds on acceptable terms and at competitive rates depends on various factors including our current and future results of operations and financial condition, global and local macroeconomic conditions and the effect of events such as the, our risk management policies, the shareholding of our Promoter in our Company, our credit ratings, our brand equity, the regulatory environment and policy initiatives in India and developments in the international markets affecting the Indian economy.

**5. *Client financial stability is a critical factor that can significantly influence the demand for consultancy services***

We recognize that when our clients face financial difficulties—whether stemming from economic downturns, poor business performance, or unexpected expenses—they tend to reassess their budgets and prioritize essential expenditures over our services. This shift can result in reduced contracts or, in some cases, the termination of ongoing engagements, directly impacting our revenue and profitability.

**6. *We face significant competition in our industry, which may reduce our market share and adversely affect our business, financial condition, results of operations and prospects.***

Our industry is highly competitive and our results of operations and financial conditions are sensitive too, and may be materially and adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduce profit margins or loss of market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. Competition in our industry is significant. The industry in which we operate includes dealing in Stocks, shares, derivatives, Mutual Funds for our clients which is subject to extensive regulation by the SEBI, the RBI, and other governmental regulatory authorities. We are also regulated by stock exchanges and other intermediaries, including the BSE, NSE, NSDL and CDSL. The regulatory environment in which we operate are also subject to change and we may be adversely affected, if we fail to comply, as a result of new or revised legislation or regulations imposed by the SEBI and other regulatory authorities. If we fail to comply with any of the applicable regulation, administrative or judicial proceedings may be initiated against us that may result in fines and other disciplinary actions including trading bans, cancellation of registration or suspension of business licenses, the suspension or disqualification of our officers or employees, or other adverse consequences. The imposition of any of these or other penalties or restrictions could have a material adverse effect on our business, reputation, financial condition and results of operations. Some of our competitors may be larger than us in terms of business volume. In addition, our competitors that are smaller specialized companies may compete effectively against us based on price and their concentrated size and focus.

**7. *Our growth will depend on our ability to develop our brand and failure to do so may have a negative impact on our ability to compete in the finance industry.***

We believe that continuous brand building is necessary for achieving widespread recognition of our services. Promoting and positioning our brand will depend largely on the success of our marketing efforts and our ability to provide high quality services. Brand promotion activities may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses we incur in building our brand. If we fail to promote and maintain our brand, our business, financial condition and results of operations could be adversely affected.

**8. *Downturns or disruptions in the securities markets could reduce transaction volumes and cause a decline in our business, impacting our profitability.***

Our revenues, level of operations, and consequently our profitability, depend on favorable capital market conditions, the regulatory and political environment, investor sentiment, price levels of securities, and other factors affecting the volume of stock trading in India and interest in Indian business developments. In recent years, both the Indian and global securities markets have fluctuated considerably, and a downturn in these markets could adversely affect our operating results. Furthermore, our company is also engaged in proprietary trading, and any downward price movement in the stock market could negatively impact our business and profitability.

When markets are highly volatile, we face the risk of bad debts and losses, as well as litigation. Revenues are likely to decline during sustained periods of reduced trading volumes, and our profit margins may be adversely affected if we cannot reduce our expenses at the same pace as the decline in revenues. When trading volume is low, our profitability will suffer because our revenues will decrease while some of our operating costs remain fixed. Decreases in equity prices or reduced trading activity could have an adverse effect on our business, financial condition, and operating results.

**9. *Our success depends largely on our senior management and our ability to attract and retain our key personnel. Any significant changes in the key managerial personnel, may affect the performance of our Company.***

Our success depends on the continued services and performance of the members of the senior management team and other key employees. Competition for senior and experienced personnel in the industry is intense at present. The loss of the services of senior management or other key personnel could seriously impair our ability to continue to manage and expand our business, which may adversely affect our financial condition

**10. *If we do not successfully identify, monitor, and manage risks, as well as effectively apply our risk management policies, our business, financial condition, results of operations, and cash flows could suffer materially.***

We have a robust risk management policy. However, our rules and procedures for identifying, monitoring, and managing risks cannot be guaranteed to be completely effective. Some of our risk management strategies are not automated and may be susceptible to human error, and some are based on previous market behavior. As a result, these methodologies may be unable to effectively anticipate future risk exposures, which may be much bigger than those predicted by historical metrics.

To the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to mitigate effectively our risk exposures in particular market environments or against particular types of risk. If we fail to effectively implement our risk management policies, it could adversely affect our business, financial condition, results of operations and cash flows.

**11. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled ‘Objects of the Issue’***

As the Issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI (ICDR) Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue,. For further details, please refer to the section titled ‘Objects of the Issue’ on page 43 of this Letter of Offer.

**12. *We do not own our Registered Office from which we operate.***

We do not own the premises on which our Registered Office is situated. Our Company has taken the registered office on lease & license basis. If the owner of the premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavorable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

**13. *Internal or external fraud, dishonesty, or misconduct by our personnel could have a negative impact on our reputation and financial results.***

In cases where customers repay their loans in cash directly to us, we are exposed to the risk of fraud, misappropriation or unauthorised transactions by employees responsible for dealing with such cash collections. While we have procured insurance for cash in safes and in transit and have put in place systems to detect and prevent any unauthorised transaction, fraud or misappropriation by our employees, these measures may not be effective in all cases. In the past, we have been subject to acts of fraud and theft committed by our employees of a non-material nature. However, the amount of fraud was nil in both Fiscals 2022 and 2021. There can be no assurance that such events will not recur in the future. Further, we may be subject to regulatory or



other proceedings in connection with any unauthorised transaction, fraud or misappropriation by our employees, which could adversely affect our reputation and goodwill.

Misconduct by our employees could bind us to transactions that exceed authorised limits or present unacceptable risks, and our employees could conceal unauthorised or unlawful activities from us. Employee misconduct could also involve front running in securities markets or the improper use or disclosure of confidential information or non-compliance with insider trading rules, which could result in regulatory sanctions and serious reputational or financial harm. Any adverse action by SEBI against us could have a material adverse effect on our business and reputation.

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

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

Our Company may retain all our future earnings, if any, for use in the operations, and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholder's investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate.

***15. We are subject to cyber security risks and security breaches and may incur increasing costs in an effort to minimize those risks and to respond to cyber incidents.***

A number of other companies have disclosed cyber-attacks and security breaches, some of which have involved intentional attacks. Attacks may be targeted at us, our customers, or both. Although we devote significant resources to maintain and regularly upgrade our systems and processes that are designed to protect the security of our computer systems, software, networks and other technology assets and the confidentiality, integrity and availability of information belonging to us and our customers, our security measures may not provide absolute security. Despite our efforts to ensure the integrity of our systems, it is possible that we may not be able to anticipate or to implement effective preventive measures against all security breaches of these types, especially because the techniques used change frequently or are not recognized until launched, and because cyber-attacks can originate from a wide variety of sources, including third parties outside the Company such as persons who are involved with organized crime or associated with external service providers or who may be linked to terrorist organizations or hostile foreign governments.

A successful penetration or circumvention of the security of our systems could cause serious negative consequences, including significant disruption of our operations, misappropriation of our confidential information or that of our customers, or damage to our computers or systems or those of our customers and counterparties, and could result in violations of applicable privacy and other laws, financial loss to us or to our customers, loss of confidence in our security measures, customer dissatisfaction, significant litigation exposure, and affect to our reputation, all of which could have a material adverse effect on us.

Our servers are also vulnerable to computer viruses, physical or electronic break-ins, and similar disruptions. We may need to expend significant resources to protect against security breaches or to address problems caused by breaches. Security breaches, including any breach of our systems or by persons with whom we have commercial relationships that result in the unauthorized release of customers' or businesses' personal information, could damage our reputation and expose us to a risk of loss or litigation and possible liability.

***16. Security breaches of customers' confidential information that we store may harm our reputation and expose us to liability.***

We store customers' sensitive data. Any accidental or willful security breaches or other unauthorized access could cause the theft and criminal use of this data. Security breaches or unauthorized access to confidential information could also expose us to liability related to the loss of the information, time-consuming and expensive litigation and negative publicity. If security measures are breached because of third party action, employee error, malfeasance or otherwise, or if design flaws in our software are exposed and exploited, and, as a result, a third party obtains unauthorized access to customer data, our relationships with

customers will be severely damaged, and we could incur significant liability. Further, we engage with certain third-party service providers, and although our contracts with them restrict the usage of client data and impose protective precautions, there can be no assurance that they will abide by such contractual terms or that the contracts will be found to be in compliance with data protection laws

**17. *Any failure or severe weakness in our internal controls system could result in operational errors or fraud, affecting our profitability and reputation materially and negatively.***

We have appropriate internal controls that are commensurate with the size and complexity of our operations. Our internal control procedures are equipped to conduct continuing assessments of the sufficiency and effectiveness of internal controls to ensure that business units follow our internal risk policies, compliance requirements, and internal circular guidelines. While we test and update our internal controls systems on a regular basis, we are nevertheless susceptible to operational risks deriving from the potential inadequacy or failure of internal processes or systems, and our measures may not be enough to ensure effective internal controls in all instances.

Our management information systems and internal control procedures for monitoring our operations and overall compliance may not catch every instance of non-compliance or suspicious transaction. If internal control deficiencies are discovered, our actions may not be sufficient to remedy the situation. We encounter operational risks and there may be losses as a result of internal control system failures or shortcomings. Deal errors, pricing problems, erroneous financial reporting, fraud, and the loss of essential systems and infrastructure may all result from failures in our internal controls systems. Such incidents may have a negative impact on our reputation, business, and operational outcomes. Internal control failures or material deficiencies can also lead to fraud situations. There can also be no assurance that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, results of operations and financial condition.

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

We keep insurance coverage that we believe is sufficient for our activities. Our insurance policies, on the other hand, may not provide appropriate coverage in some situations and are subject to deductibles, exclusions, and policy limits. We cannot, however, guarantee that the terms of our insurance policies will be adequate to cover any damage or loss we incur, that such coverage will continue to be available on reasonable terms or in sufficient amounts to cover one or more large claims, or that the insurer will not deny coverage for any future claim.

**19. *Failure to stay up with technological changes, as well as the uses and regulation of the internet, might be detrimental to our Company.***

The industry of delivering finance products and services via a mobile app or the internet is dynamic and fresh. We must keep up with changing technical breakthroughs, customer and small Company usage habits, internet security threats, system failure or inadequacy hazards, and governmental regulation and taxation, all of which could have a negative influence on our firm.

## ISSUE SPECIFIC FACTORS

**1. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements.

2. **The Rights Entitlement of Physical Shareholders may lapse in case they fail to furnish the details of their demat account to the Registrar.**

In accordance with the SEBI Circular bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13' dated January 22, 2020, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least 1 (One) day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 03, 2018 issued by the SEBI, with effect from April 01, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

3. **SEBI has recently, by way of Rights Issue Circulars streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.**

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue Circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see 'Terms of the Issue' on page 116 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely being [●]) opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:

- (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
- (b) Equity Shares held in the account of IEPF authority; or
- (c) The demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or
- (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in the physical form on the Record Date the details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
- (e) Credit of the Rights Entitlements returned/reversed/failed; or
- (f) The ownership of the Equity Shares currently under dispute, including any court proceedings.

4. **Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our or members of our Promoter Group may adversely affect the trading price of the Equity Shares.**

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

5. **You may be subject to Indian taxes arising out of capital gains on the sale of the Right Shares and Rights Entitlement.**

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian Company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit

India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 01, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, and the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019 and have come into effect from July 01, 2020.

The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

**6. Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.**

Investors can start trading our Equity Shares Allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for our Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that our Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such EquityShares will commence in a timely manner.

**7. There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.**

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by BSE until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

**8. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.**

Under the Companies Act, any Company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

**9. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.**

On listing, our Equity Shares will be quoted in Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

**10. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.**

In terms of the SEBI ICDR Regulations, the Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political, or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of our Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase the Rights Equity Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealised loss as a result. We may complete the Allotment even if such events may limit the Applicant's ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**11. Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.**

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a Company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian Company than as shareholder of a corporation in another jurisdiction.

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

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

Furthermore, prior trading prices may not be indicative of future trading values for the Rights Equity Shares. A stock exchange may halt secondary market trading in our Equity Shares due to market conditions or other reasons. Furthermore, an exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, all of which may have an adverse impact on our Shareholders' ability to sell their Equity Shares or the price at which Shareholders may be able to sell their Equity Shares at any given time.

## EXTERNAL RISK FACTORS

**1. A significant change in the central and state governments' economic liberalization and deregulation policies could disrupt our business. A change in taxation laws could also adversely impact our financial condition and results of operations.**

Our performance and growth are dependent on the health of the Indian economy and more generally the global economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors.

In recent years, India has been following a course of economic liberalization and our business could be significantly influenced by economic policies adopted by the Government. The Government has at various times announced its general intention to continue India's current economic and financial liberalization and deregulation policies. The Government has traditionally

exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and political, economic or other developments in or affecting India. Any such change in the Government's policies in the future could adversely affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

**2. A slowdown in economic growth in the markets in which we operate could cause our business to suffer.**

Our performance and growth are dependent on the health of the economy of the markets in which we operate. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in the economy of the markets in which we operate may adversely affect our business and financial performance and the price of our Equity Shares.

**3. Our business is significantly dependent on the availability of financing in India and the failure to obtain financing in the form of debt or equity and adverse changes in financing terms may affect our growth and future profitability. Difficult conditions in the global financial markets and the economy generally have affected and may continue to materially and adversely affect our business and results of operations.**

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. These and other related events, such as the collapse of a number of financial institutions, have had and continue to have a significant adverse impact on the availability of credit, globally as well as in India. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in the Sensex, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares. We cannot assure you that global economic conditions will not deteriorate further and, accordingly, that our financial condition and results of operations will not be further adversely affected. On account of the prevailing conditions of the global and Indian credit markets, buyers of our products may remain cautious, consumer sentiment and market spending may turn more cautious in the near-term. If this trend continues, our results of operations and business prospects may be materially and adversely affected.

**4. Natural calamities could have an adverse impact on the economies of the countries in which we operate.**

The occurrence of natural disasters, including hurricanes, tsunamis, floods, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations or financial condition, including in the following respects:

- Catastrophic loss of life due to natural or man-made disasters could cause us to pay benefits at higher levels and/or materially earlier than anticipated and could lead to unexpected changes in persistency rates; and
- A natural or man-made disaster could result in losses in our investment portfolio, or the failure of our counterparties to perform, or cause significant volatility in global financial markets

We cannot assure the prospective investors that such events will not occur in the future or that our results of operations and financial condition will not be adversely affected.

**5. Any downgrading of India's debt rating by an international rating agency could have a negative impact on the trading price of the Equity Shares.**

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

**6. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.**

Our business is subject to various laws and regulations, which are evolving and subject to change. We are also subject to corporate, taxation and other laws in effect in India, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations, cash flows and financial condition.

**7. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.**

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as , acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India, or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations

**8. Significant differences exist between Ind AS and Indian GAAP and other accounting principles, such as IFRS and US GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows**

Our financial statements for Fiscals 2019, 2018 and 2017 included in this offer documents are prepared and presented in conformity with Indian GAAP and restated in accordance with the requirements the SEBI (ICDR) Regulations and the Guidance Note on "Reports in Company Offer Documents (Revised 2016)" issued by the ICAI. Ind AS differs from Indian GAAP and other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Offer Documents will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices.

## SECTION III – INTRODUCTION

## THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on October 15, 2024, in pursuance of Section 62 of the Companies Act, 2013, and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been determined by Rights Issue Committee formed by the Board of Directors at their meeting held on [●].

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in ‘Terms of the Issue’ on page 116 of this Draft Letter of Offer.

Equity Shares outstanding prior to the Issue	9,00,03,000 Equity Shares;
Right Shares offered in the Issue	Up to [●] Right Shares;*
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[●] Equity Shares;
Rights Entitlement	[●] Equity Shares for every [●] Equity Shares held on the Record Date;
Record Date	[●]
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares or is not in multiples of [●] ([●]), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Face Value per Equity Share	₹1.00/- (Rupee ONE Only) each;
Issue Price per Equity Share	₹[●]/- (Rupees [●] Only) including a premium of ₹[●]/- (Rupees [●] Only) per Rights Equity Share
Issue Size	Up to ₹49,00,00,000. (Rupees Forty-Nine Crore Only)
Terms of the Issue	Please refer to the section titled ‘Terms of the Issue’ beginning on page 116 of this Draft Letter of Offer.
Use of Issue Proceeds	Please refer to the section titled ‘Objects of the Issue’ beginning on page 43 of this Draft Letter of Offer.
Security Code/ Scrip Details	ISIN: INE989S01024; BSE Scrip ID: ONTIC and BSE Scrip Code: 540386; ISIN for Rights Entitlements: [●]

\*For Right Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of 1 (One) additional Rights Equity Share each, if such Eligible Shareholders have applied for additional Right Shares over and above their Rights Entitlements;

## TERMS OF PAYMENT

The entire amount of the Issue Price of [●] per Rights Equity Share shall be payable at the time of Application.

## ISSUE SCHEDULE

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



**GENERAL INFORMATION**

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies Ahmedabad, Gujrat dated May 16, 1995 with the name ‘ Maral Finance Limited’. The company has changed its name from the Maral Finance Limited to Ontic Finserve Limited on June 25, 2015 issued by Registrar of Companies, Ahmedabad. However the company has adopted new set of articles of association as per companies act 2013, on June 25, 2015. The Corporate Identification Number of Our Company is L65910GJ1995PLC025904.

Registered Office: UL/8, Ankur Complex, B/h Town Hall, Opp. X-Ray House, Ellisbridge, Ahmedabad, Gujarat, India, 380006

Tel: 9662975644 Website: :www.onticfinserve.in, E-mail: onticfinserve@gmail.com,

Contact Person: Manika Misra, Company Secretary and Compliance Officer Our Company is listed on the BSE Limited (BSE) effective from March 24, 2017 bearing Symbol ‘ONTIC’. The ISIN of our company is INE989S01042

Our Company operates in Financial Advisory Services our company is a professionally managed company. We cater to diversified range of customers with different income groups and because each of our clients has different risk tolerances and expectations, we customize each portfolio to match individual needs and circumstances. We Focus on Financial Planning through Mutual Funds. We help our clients reach their Financial Goals Through Goal Planning. We believe that investing without any defined goal is like boarding a train without a defined destination.

**REGISTERED OFFICE AND CORPORATE OFFICE OF OUR COMPANY**

<b>Company</b>	ONTIC FINSERVE LIMITED
<b>Registered Office Address</b>	UL/8, Ankur Complex, B/h Town Hall, Opp. X-Ray House, Ellisbridge, Ahmedabad, AHMEDABAD, Gujarat, India, 380006
<b>Contact Details</b>	9662975644
<b>Email-ID</b>	<a href="mailto:onticfinserve@gmail.com">onticfinserve@gmail.com</a>
<b>Website</b>	<a href="http://www.onticfinserve.in">www.onticfinserve.in</a>
<b>Corporate Identification Number</b>	L65910GJ1995PLC025904
<b>Registration Number</b>	25904

**ADDRESS OF THE REGISTRAR OF COMPANIES**

**Registrar of Companies, Ahmedabad,**  
Registrar Of Companies, ROC Bhavan, OppRupal Park Society,  
Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat

Name	Designation	DIN	Address
Mrs. Kruti Kevin Kapadia	Non-Executive Independent Director	07746940	A-3-8 amrapali tower,nava sharda mandir road paldi ahmedabad Gujarat 380007 India
Mr.Anjanaben Rajendrabhai Makwana	Non-Executive Independent Director	08104918	536, anand chowk,mitha pani darvaja, saraspur Ahmedabad Gujarat 380018 India
Mr. Raiyani Bhupendrakumar Dhanjibhai	Executive Director	08104918	D/23, matrushakti society, india colony road, Bapunagar, i.e bapunagar Ahmedabad Gujarat 380024India

Name	Designation	DIN	Address
Mrs.Madhuben Jivabhai Parmar	Non-Executive Independent Director	09214744	85/154/51, Maneklal Keshavlal Chali, Opp. Parixitlal Nagar, Behrampura – 380022, Ahmedabad. GJ
Mr. Vishwambar Kameshwar Singh	Executive Director	09717741	A-33, Manharnagar Vibhag-1, Opp. Krishna School, Bapunagar Ahmadabad City,Gujrat 380024

For further details of our Board of Directors, please refer to the section titled ‘Our Management’ beginning on page 59 of this Draft Letter of Offer.

Company Secretary	Chief Financial Officer
<p><b>Ms. Mankia Pandey</b></p> <p><b>Address:</b> D-2/545, Sector – F, Jankipuram, Lucknow – 226021, UP</p> <p><b>Contact Details:</b> 9099160033</p> <p><b>Email-ID:</b> <a href="mailto:manikamisra16@gmail.com">manikamisra16@gmail.com</a></p>	<p><b>Mr. Raiyani Bhupendra kumar</b></p> <p><b>Address:</b> D/23, matrushakti society, india colony road, Bapunagar, i.e bapunagar Ahmedabad Gujarat 380024India</p> <p><b>Contact Details:</b> 8238001010 ;</p> <p><b>Email-ID:</b> bdraiyani@gmail.com</p>
<b>i.</b>	<b>ii.</b>
Registrar to the Issue/ Registrar and Share Transfer Agent	Banker to our Company
<p><b>Skyline Financial Services Private Limited</b></p> <p>D 153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi - 110 020, India</p> <p><b>Contact Number :</b> +9999589084,</p> <p><b>Investor grievance e-mail:</b> info@skylinerta.com</p> <p><b>Website:</b> www.skylinerta.com</p> <p><b>Contact Person:</b> Pawan Singh Bisht;</p> <p><b>SEBI Registration Number:</b> INR000003241;</p> <p><b>Corporate Identification Number:</b> U74899DL1995PTC071324;</p>	<p><b>Bank of Baroda</b></p> <p><b>Address:</b> Nehru Nagar Surendra Mangaldas Road Nehru Nagar, Ambawadi, Ahmedabad Gujarat - 380015</p> <p><b>E-mail ID:</b> pbbahm@bankofbaroda.com</p> <p><b>Contact Details:</b> +91 79-66296009</p>
<p><b>Bank to the Issue</b></p> <p>[•]</p>	
STATUTORY & PEER REVIEW AUDITOR	
<p><b>M/s K M Chauhan &amp; Associates</b></p> <p><b>CHARTERED ACCOUNTANTS</b></p> <p>(From FY 2024-2025)</p> <p><b>Address :</b> 204, Krishna Con-Arch, Near Post Office, University Road, Rajkot- 360005</p> <p><b>Contact name :</b> BHAVDIP P. PORIYA</p> <p><b>Membership no.</b> 154536</p> <p><b>Firm Regn No.</b> 125924W</p>	

#### STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Ontic Finserve Limited will be responsible for all the responsibilities related to co-ordination and other activities in relation to this Issue. Hence a statement of inter-se allocation of responsibilities is not required.

#### SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Shares Allotted.

#### CONTACT PERSON FOR GRIEVANCES RELATING TO ISSUE RELATED MATTER

Investors may contact the Registrar or the Company Secretary and Compliance Officer of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Shares applied for, amount blocked (in case of ASBA process), ASBA Account number, and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled ‘Terms of the Issue’ beginning on page 116 of this Draft Letter of Offer.

#### EXPERT

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

Our Company has received a written consent from our Statutory Auditors, K M Chauhan & Associates., Chartered Accountants, to include their name in this Draft Letter of Offer and as an ‘expert’, as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated A , included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

#### SELF-CERTIFIED SYNDICATE BANKS

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

#### ISSUE SCHEDULE

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

Last Date for credit of Rights Entitlements	[•]
Issue Opening Date	[•]
Last Date for On Market Renunciation of Rights Entitlements#	[•]
Issue Closing Date*	[•]
Finalization of Basis of Allotment (on or about)	[•]
Date of Allotment (on or about)	[•]
Date of credit (on or about)	[•]
Date of listing (on or about)	[•]

Note:

#Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date;

\*Our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [•] to enable the credit of the

Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., [●]

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled “Terms of the Issue” beginning on page 116 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar to the Issue after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see “Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders” under the section titled “Terms of the Issue” beginning on page 116 of this Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

#### **CREDIT RATING**

As this proposed Issue is of Right Shares, the appointment of a credit rating agency is not required.

#### **DEBENTURE TRUSTEE**

As this proposed Issue is of Right Shares, the appointment of debenture trustee is not required.

#### **MONITORING AGENCY**

Since the Issue size does not exceed ₹ 100 crore, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI (ICDR) Regulations.

#### **APPRAISING ENTITY**

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

#### **UNDERWRITING**

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

#### **FILING**

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI (ICDR) Regulations has been increased from ₹10,00,00,000.00/- (Rupees Ten Crores Only) to ₹50,00,00,000.00/- (Rupees Fifty Crores Only). Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the BSE and not with SEBI. However, a copy of the Letter of Offer shall be submitted with SEBI for information and dissemination and will be filed with the BSE.

#### **MINIMUM SUBSCRIPTION**

Pursuant to the SEBI (ICDR) Regulations, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

1. Objects of the issue being other than capital expenditure for a project; and

## CAPITAL STRUCTURE

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

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
<b>Authorized Equity Share capital</b>		
10,00,00,000 (Ten Crore)Equity Shares	₹10,00,00,000/-	-
(vii)		
<b>Issued, subscribed and paid-up Equity Share capital before this Issue</b>		
9,00,03,000(Nine Crore Three Thousand ) Equity Shares.	₹9,00,03,000	-
(x)		
<b>Present Issue in terms of this Draft Letter of Offer<sup>(a) (b)</sup></b>		
[●] ([●]) Issue of Equity Shares, each at a premium of ₹[●]/- (Rupees [●] Only) per Equity Share, at an Issue Price of ₹[●]/- (Rupees [●] Only) per Equity Share	₹[●]/-	Up to ₹49,00,00,000/-
(xiii)		
<b>Issued, subscribed and paid-up Equity Share capital after the Issue</b>		
[●] ([●]) Equity Shares		₹[●]/-
<b>Subscribed and paid-up Equity Share capital</b>		
[●] ([●])fully paid-up Equity Shares		₹[●]/-
(xvi)		
<b>Securities premium account</b>		
Before the Issue <sup>(c)</sup>		Nil
After the Issue <sup>(d)</sup>		₹[●]/-

Notes:

The Authorised Share Capital of the Company is Rs. 1,00,000,000/- [Rupees Ten Crore only] divided into 1,00,000,000 [Ten Crore] Equity Shares of Rs.1/- [Rupee One only] each.

Assuming full subscription for allotment of Right Shares;

The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on October 15,2024.

(a) Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;

## NOTES TO THE CAPITAL STRUCTURE

- The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;
- At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;

3. As on the date of this Draft Letter of Offer, our Company has not issued any special voting Right Shares and there are no outstanding Equity Shares having special voting rights;
4. The ex-rights price arrived in accordance with the formula prescribed Regulation 10 (4) (b) (ii) of the SEBI (SAST) Regulations, in connection with the Issue is ₹[●] (Rupees [●] Only);

5. **Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares**

As on the date of this Draft Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares;

6. **Details of stock option scheme of our Company**

As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme;

7. Details of Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares
8. As on the date of this Draft Letter of Offer, the No Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares.

9. **Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Draft Letter of Offer**

None of the members of the Promoter and Promoter Group of the Company have acquired any Equity Shares in the last one year prior to the filing of this Draft Letter of Offer;

Our Company shall ensure that any transaction in the Equity Shares by our Promoter during the period between the date of filing this Letter of Offer and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transaction.

### 11. Shareholding Pattern of our company

The shareholding pattern of our Company as on **Quarter Ending 30<sup>th</sup> September 2024**, is as follows:

#### Summary statement holding of specified securities

Category of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
(A) Promoter & Promoter Group	-	-	-	-	-	-	-
(B) Public	20,660	9,00,03,000	9,00,03,000	100.00	9,00,03,000	100.00	6,87,40,000
(C1) Shares underlying DRs							
(C2) Shares held by Employee Trust	--	--	--	--	--	--	--
(C) Non Promoter-Non Public	--	--	--	--	--	--	--
<b>Grand Total</b>	<b>20,660</b>	<b>9,00,03,000</b>	<b>9,00,03,000</b>	<b>100.00</b>	<b>9,00,03,000</b>	<b>100.00</b>	<b>6,87,40,000</b>

#### Statement showing shareholding pattern of the Promoter and Promoter Group

Category of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of equity shares held in dematerialized form
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#### A1) Indian

**Individuals/Hindu undivided Family**

- - - - -

Sub Total A1	-	-	-	-	-	-
A2) Foreign	--	--	--	--	--	--
<b>A=A1+A2</b>	-	-	-	-	-	-

a) Statement showing shareholding pattern of the Public shareholders:

Category and name of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
<b>B1) Institutions</b>	-	-	-	-	-	-	-
<b>B2) Institution (Domestic)</b>	-	-	-	-	-	-	-
<b>B3 Institution (Foreign)</b>	-	-	-	-	-	-	-
<b>B2) Central Government/ State Government(s)/ President of India</b>	-	-	-	-	-	-	-
<b>B3) Non-Institutions</b>							
<b>Resident Individual share capital upto</b>	20,516	7,11,22,394	7,11,22,394	79.02	7,11,22,394	79.02	<b>5,25,59,394</b>



Category and name of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
<b>₹2 Lacs</b>							
<b>Resident Individual share capital in excess of ₹2 Lacs</b>	41	1,61,42,125	1,61,42,125	17.94	1,61,42,125	17.94	<b>1,35,82,125</b>
<b>ANKITA BIMESH JANI</b>	1	15,00,000	15,00,000	1.67	15,00,000	1.67	<b>15,00,000</b>
<b>Non-Resident Indian (NRI)</b>	28	5,14,206	5,14,206	0.57	5,14,206	1.27	<b>5,14,206</b>
<b>Bodies Corporate</b>	11	4,40,476	4,40,476	0.49	4,40,476	0.49	<b>3,10,476</b>
Any Other (specify)	64	17,83,799	17,83,799	1.98	17,83,799	1.98	<b>17,73,799</b>
<b>Sub Total B4</b>	<b>20,660</b>	<b>9,00,03,000</b>	<b>9,00,03,000</b>	<b>100.00</b>	<b>9,00,03,000</b>	<b>100.00</b>	<b>6,87,40,000</b>
<b>B=B1+B2+B3</b>	<b>12949</b>	<b>11430424</b>	<b>1,14,30,424</b>	<b>95.35</b>	<b>1,14,30,424</b>	<b>95.35</b>	<b>1,10,73,924</b>

b) Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

Category & Name of the Shareholders(I)	No. of shareholder (III)	No. of fully paid up equity shares held(IV)	Total no. shares held (VII = IV+V+VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	No. of equity shares held in dematerialized form (XIV)(Not Applicable)
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Category & Name of the Shareholders(I)	No. of shareholder (III)	No. of fully paid up equity shares held(IV)	Total no. shares held (VII = IV+V+VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	No. of equity shares held in dematerialized form (XIV)(Not Applicable)
C1) Custodian/DR Holder	--	--	--	--	--
C2) Employee Benefit Trust	--	--	--	--	--

Details of disclosure made by the Trading Members holding 1% or more of the Total No. of shares of the company

Sr. No.	Name of the Trading Member	Name of the Beneficial Owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
--			Nil		

Details of Significant Beneficial Owners

Sr. No.	Details of SBO		Details of registered owner		Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*:					Date of creation / acquisition of significant beneficial interest# (IV)
	(I)		(II)		(III)					
	Name	Nationality	Name	Nationality	Equity Shares	Voting Rights	Whether virtue of Rights on distributable dividend or any other distribution	Exercise of control	Exercise of significant influence	
--	--	--	--	--	--	--	--	--	--	--

1.

Note = \* In case the nature of the holding/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories

# This column shall have the details as specified by the listed entity under Form No. BEN-2 as submitted to the Registrar.

**OBJECTS OF THE ISSUE**

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

1. To meet the Working Capital requirements of the Company; and
2. General Corporate Purposes

The main objects and the objects incidental and ancillary to the main objects of our MOA enable our Company to undertake the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our MOA.

**Issue Proceeds**

The details of the Issue Proceeds are set forth in the table below:

( Rupees in Lakh)

Particulars	Amount
Gross Proceeds from the Issue <sup>#</sup>	4,900.00
Less :Estimated Issue related Expenses*	75.00
<b>Net Proceeds from the Issue</b>	<b>4825.00</b>

# Assuming full subscription and Allotment;

\*The Issue size will not exceed ₹ 4900.00 Lacs. If there is any reduction in the amount on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

**Requirement of Funds and utilization of Net Proceeds**

The proposed utilization of the Net Proceeds by our Company is set forth in the following table:

( Rupees in Lakh)

Particulars	Amount
Augmenting Working Capital Requirements	3990.00
General Corporate Purpose*	835.00
<b>Total Net proceeds</b>	<b>4825.00</b>

\*The amount shall not exceed 25% of the Gross Proceeds

There are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Directors, Key Managerial Personnel or associate companies (as defined under Companies Act, 2013).

**Means of Finance**

The funding requirements mentioned above are based on our Company's internal management estimates and have not been 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 these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management. However, any flexibility granted to the board/management to utilize the issue proceeds shall be exercised in full compliance with all applicable laws and regulations. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue

**Proposed schedule of implementation and deployment of Net Proceeds**

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

( Rupees in Lakh)

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment to Net Proceeds
			FY 2024 -25
1.	To augment the existing and incremental working capital requirement of our company	3990.00	3990.00
2.	General Corporate Purposes <sup>#</sup>	835.00	835.00
<b>Total Net Proceeds*</b>		<b>4825.00</b>	<b>4825.00</b>

<sup>#</sup>The amount to be utilized for General Corporate Purposes will not exceed 25% of the Gross Proceeds.

\*Assuming full subscription in the Issue, subject to finalization of the Basis of Allotment, receipt of Call Monies with respect to Rights Issue and to be adjusted per the Rights Entitlement ratio

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, Our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

**Details of the Objects**

The details of the Objects of the Issue are set out below:

**1. To augment the existing and incremental working capital requirement of our company**

As the company aims to reintroduce its primary business operations, which include financing, bill discounting, trading, hire purchase, and leasing. This strategic transition necessitates a significant increase in working capital to support the expanded operations. The major factor contributing to an increased working capital requirement is a need to make huge short term loans and advances as a part of the business operations. In the first year following the resumption of operations, the company plans to adopt a conservative, low-risk approach. This will involve offering shorter credit periods of less than six months to manage risk effectively. By prioritizing stability, the company aims to build a solid foundation for its operations. From the second year the company intends to reassess its risk profile and increase its appetite for risk. This shift will likely lead to a substantial rise in the volume of advances provided to clients, as well as extended credit terms. As part of its growth strategy, the company plans to extend the credit period to more than six months in the second year. Such changes are anticipated to enhance business growth. However, these developments will also contribute to a significant increase in the overall working capital requirements, necessitating careful financial planning and resource allocation to ensure sustainable growth.

As the company ventures into trading, the requirement to maintain inventory will become crucial, resulting in a substantial investment of working capital. Specifically, the company plans to allocate Rs. 163.99 lakhs in the financial year 2024-25 and Rs. 386.58 lakhs in the financial year 2025-26 to build an adequate inventory base. Furthermore, with anticipated revenue growth, the company will need to dedicate additional working capital to trade receivables, thereby elevating its overall working capital requirements.

Moreover, the company will need to make advance payments to suppliers to secure inventory, which will further necessitate a higher working capital reserve. This proactive approach to supplier payments helps the company to take advantage of discounts and favourable pricing, thereby enhancing profitability.

In summary, these factors collectively underscore the company's growing need for working capital, to facilitate growth and maintain operational efficiency in the forthcoming years.

(₹ in Lakh)

Particulars	Fiscal 2022 (Audited)	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Projected)	Fiscal 2026 (Projected)
<b>Current Assets</b>					
Inventories	-	-	-	163.99	386.58
Trade Receivables	41.59	26.56	-	1113.00	503.64
Cash and Bank Balance	1.97	4.44	5.01	163.96	184.58
Short Term Loans and Advances	404.20	421.24	175.50	3012.80	3653.45
Other current assets	7.23	7.64	3.45	5.56	7.24
<b>Total (A)</b>	<b>454.99</b>	<b>459.87</b>	<b>183.96</b>	<b>4295.32</b>	<b>4348.91</b>
<b>Current Liabilities</b>					
Trade Payables	-	-	-	154.00	163.00
Short Term Provision	4.91	5.53	4.24	135.60	147.52
<b>Total (B)</b>	<b>4.91</b>	<b>5.53</b>	<b>4.24</b>	<b>135.60</b>	<b>147.52</b>
<b>Total Working Capital (A)- (B)</b>	<b>450.08</b>	<b>454.34</b>	<b>179.72</b>	<b>4005.72</b>	<b>4038.39</b>
<b>Funding Pattern</b>					
<i>I) Networth / Internal Accruals</i>	450.08	454.34	179.72	15.72	-
<i>II) Proceeds from IPO</i>				3990	

**Key assumptions for working capital projections made by our Company (Holding Levels:)**

Particulars	Fiscal 2022 (Audited)	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Projected)	Fiscal 2026 (Projected)
Inventories (In Days)	-	-	-	9	20
Trade Receivable (In Days)	4	246	-	58	59
Short Term Loans and Advances (In Days)	38	2977	6735	165	242
Other Current Assets (In Days)	1	54	125	1	1
Trade Payable (In Days)	-	-	-	10	13

**Justification:**

<b>Particulars</b>	<b>Assumption made and Justification</b>
<b>Current Assets</b>	
<b>Inventories</b>	The company intends to return to its business of trading. Previously, the company did not engage in trading, but it plans to start in the coming years, necessitating the maintenance of inventory. Consequently, the inventory holding period is projected to increase to 9 days in the financial year 2024-25 and to 20 days in the financial year 2025-26.
<b>Trade Receivable</b>	In the financial year 2022-23, the company offered unusually long credit periods to its trade receivables, exceeding industry norms. This approach, while initially aimed at fostering customer relationships, led to an accumulation of outstanding receivables. As the company plans to return to its original business activities, it anticipates an increase in trade receivables as a result of this strategic shift. However, the company plans to implement standard credit periods in line with industry practices. As a result, trade receivable days are projected to decrease from 246 days in 2022-23 to 58 days in 2024-25 and 59 days in 2025-26.
<b>Short Term Loans and Advances</b>	As the company prepares to resume its core business activities in financing, bill discounting, trading, hire purchase, and leasing, it will need to make substantial short-term loans and advances. In the financial year 2022-23, the company lacked a coherent strategy for managing these short-term loans and advances, resulting in an extended holding period of 2977 days in the financial year 2022-23 and 6735 days in the financial year 2023-24. Now, the company aims to manage these loans and advances more effectively, reducing the holding period to 165 days in the financial year 2024-25. As it is company's first year resuming core business, the company is following lower risk approach and providing lower credit period. However, as the company expands its operations, the holding period is expected to rise again to 242 days in the financial year 2025-26 as the company would be ready with having a higher risk approach.
<b>Other current assets</b>	The other current assets primarily consist of advances to suppliers and prepaid expenses. As the company plans to make advance payments to its suppliers, the holding period for other current assets is expected to be 1 day in both financial years 2024-25 and 2025-26.
<b>Current Liabilities</b>	
<b>Trade Payable</b>	To resume its original business, the company will need to purchase inventory, which will result in an increase in trade payables. In previous years, the company did not have any trade payables. As these payables grow, trade payable days are expected to rise to 10 days in the financial year 2024-25 and 13 days in the financial year 2025-26.

**General Corporate Purpose:**

The Net Proceeds will first be utilized towards the Objects set out above, as well as meeting the Issue-related expenses. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds of [●] towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time. We confirm that utilization for general corporate purposes will not exceed 25% of the Gross Proceeds of the Issue.

Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, (a) funding growth opportunities, (b) employee expenses, (c) meeting of exigencies which our Company may face in the course of any business, (d) advertising, brand building and other marketing expenses, (e) additional Issue expenses, if any, and any other purpose in the ordinary course of business as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with applicable laws.”

Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals as per applicable laws.”

**Our Company will need approximately ₹ 75 lakhs towards Issue related expenses, a break-up of the same is set forth in the table below:**

Sr. No.	Particulars	Estimated Amount*(₹in lakhs)	As a percentage of total estimated Issue expenses*	As a percentage of Gross Issue size*
	Fees payable to the Registrar to the Issue	6.75	9.00%	0.13%
1				
	Fees payable to the other professional service providers	8.25	11.00%	0.16%
2				
	Advertising, marketing, and shareholder outreach expenses	3.75	5.00%	0.07%
3				
	Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fee	33.47	44.63%	0.68%
4				
	Others			
5				
	Other Professional fees			
		11.07	14.76%	0.22%
	Printing and stationery			
		1.50	2.00%	0.03%
	Statutory Auditors.			
		3.00	4.00%	0.06%
	Bank to the issue.			
		7.21	9.61%	0.14%
	Miscellaneous expenses and stamp duty.			
		<b>75.00</b>	<b>100.00%</b>	<b>1.36%</b>
	Total estimated issuer-related expenses			

\*Assuming full subscription, subject to receipt of Call Monies with respect to Rights Issue, finalization of Basis of Allotment and actual Allotment.

All Issue related expenses will be paid out of the Gross Proceeds from the Issue. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be borne by the Company from internal accruals.

#### SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED

As on date, our Company has not deployed any funds towards the Objects of the Issue.

#### APPRAISAL OF THE OBJECTS

None of the Objects of the Issue for which the Net Proceeds will be utilised have been appraised by any bank or financial institution.

#### STRATEGIC AND/ OR FINANCIAL PARTNERS

There are no strategic and financial partners to the Objects of the Issue.

#### BRIDGE FINANCING FACILITIES

As on the date of this Draft Letter of Offer, our Company has not raised or availed of any bridge financing facilities which are subject to being repaid from the Issue Proceeds.

## INTERIM USE OF FUNDS

Our Company will have the flexibility to deploy the Net Proceeds in accordance with the policies established by our Board from time to time and in compliance with all the applicable laws. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors or a duly constituted committee thereof. In accordance with the Companies Act, our Company confirms that pending utilization of the Net Proceeds towards the stated objects of the Issue, our Company shall not use/deploy the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

## MONITORING OF UTILIZATION OF FUNDS

Since the Issue is for an amount less than ₹ 10,000 lakhs, in terms of Regulation 82 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18(3) read with Part C of Schedule II of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses / application of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in this Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Statutory Auditor

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in this Letter of Offer. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

## VARIATION IN OBJECTS

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the 'Postal Ballot Notice') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice will simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. For details, see 'Risk Factors - Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholder's approval.' on page 22.

## KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

No additional provisions of any acts, regulations, rules, and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

## OTHER CONFIRMATIONS

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, Directors, or Key Managerial Personnel of our Company in the ordinary course of business and no part of the Net Proceeds will be paid as consideration to any of them. Further, except as disclosed, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue.



**STATEMENT OF TAX BENEFITS**

To,  
The Board of Directors,  
**ONTIC FINSERVE LIMITED,**  
UL/8, Ankur Complex, B/h Town Hall,  
Opp. X-Ray House, Ellisbridge, Ahmedabad 380006

Dear Sir,

**Subject: Proposed rights issue of equity shares of face value of ₹1 (Rupee One only) ('Equity Shares') of Ontic Finserve Limited ('Company' and such offering, the 'Issue')**

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This certificate is issued in accordance with the terms of our engagement letter dated October 15, 2024

The preparation of the Statement is the responsibility of the management of the Company for the 'Issue', including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

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

The Management of the Company has prepared 'Statement of possible special tax benefits' under direct tax laws i.e. Income Tax Rules, 1962 ('Income Tax Laws'), and indirect tax laws i.e. the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India available to the Company and its shareholders.

The Company has requested us to confirm statement attached in the Annexure I and II, are available to the Company and its shareholders. We hereby confirm that the enclosed Annexures, prepared by the Company, provides the possible special tax benefits available to the Company. The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

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

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

1. The Company or its shareholders will continue to obtain these benefits in future; or
2. The conditions prescribed for availing the benefits have been/would be met with.

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

We hereby consent to the extracts of this certificate being used in the draft letter of offer / letter of offer of the Company in connection with the Issue or in any other documents in connection with the Issue, and the submission of this certificate as may be necessary, to any regulatory authority and / or for the records to be maintained by the Company in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the Company may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

This certificate may also be relied upon by the Company, their affiliates and the legal counsel in relation to the Issue.

The above certificate shall not be used for any other purpose without our prior consent in writing and we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Yours faithfully,

**For BHAVDIP P. PORIYA**

**KM CHAUHAN AND ASSOCIATES  
CHARTERED ACCOUNTANTS**

**FRN: - 125924W**

**M.No. 154536;**

**Place: Rajkot**

Date: [●]

**ANNEXURE I**

**STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ONTIC FINSERVE LIMITED ('COMPANY') AND ITS SHAREHOLDERS**

**1. Under the Income Tax Act, 1961 ('Act')**

**a. Special tax benefits available to the Company under the Act**

There are no special tax benefits available to the Company.

**b. Special tax benefits available to the shareholders under the Act**

There are no special tax benefits available to the shareholders of the Company.

Notes

1. The above Statement 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 shares;
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law;
3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2022-23;
4. This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company;
5. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile;
6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes;

**For BHAVDIP P. PORIYA**

**KM CHAUHAN AND ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**FRN: - 125924W**

**M.No. 154536;**

**UDIN:**

**Place: Rajkot**

Date: [●]

**ANNEXURE II**

**STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO ONTIC FINSERVE LIMITED('COMPANY') AND ITS SHAREHOLDERS**

- 1. Under the The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ('GST Act'), the Customs Act, 1962 ('Customs Act') and the Customs Tariff Act, 1975 ('Tariff Act') (collectively referred to as 'Indirect Tax')**

- a. Special tax benefits available to the Company under the Indirect Tax**

There are no special indirect tax benefits available to the Company.

- b. Special tax benefits available to the shareholders under the Indirect Tax**

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

Notes

1. The above statement is based upon the provisions of the specified Indirect Tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure;
2. The above statement covers only above-mentioned Indirect Tax laws benefits and does not cover any direct tax law benefits or benefit under any other law;
3. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice;
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes;

**For BHAVDIP P. PORIYA**

**KM CHAUHAN AND ASSOCIATES  
CHARTERED ACCOUNTANTS**

**FRN: - 125924W**

**M.No. 154536;**

**UDIN:**

**Place: Rajkot**

Date: [●]

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**SECTION IV – ABOUT THE COMPANY**


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**INDUSTRY OVERVIEW****INTRODUCTION**

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

The Government of India has introduced several reforms to liberalise, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). These measures include launching Credit Guarantee Fund Scheme for MSMEs, issuing guidelines to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by Government and private sector, India is undoubtedly one of the world's most vibrant capital markets.

**MARKET SIZE**

As of July 2024, AUM managed by the mutual funds industry stood at Rs. 64.97 lakh crore (US\$ 780.70 billion). Inflow in India's mutual fund schemes via systematic investment plans (SIP) from April 2023 to March 2024 stood at Rs. 2 lakh crore (US\$ 24.04 billion).

Equity mutual funds registered a net inflow of Rs. 22.16 trillion (US\$ 294.15 billion) by end of December 2021. The net inflows were Rs. 7,303.39 crore (US\$ 888 million) in December as compared to a 21-month low of Rs. 2,258.35 crore (US\$ 274.8 million) in November 2022.

Another crucial component of India's financial industry is the insurance industry. The insurance industry has been expanding at a fast pace. The total first-year premium of life insurance companies reached US\$ 32.04 billion in FY23. In FY23 (until December 2022) non-life insurance sector premiums reached Rs. 1.87 lakh crore (US\$ 22.5 billion)

Furthermore, India's leading bourse, the Bombay Stock Exchange (BSE), will set up a joint venture with Ebix Inc to build a robust insurance distribution network in the country through a new distribution exchange platform. In FY23, US\$ 7.17 billion was raised across 40 initial public offerings (IPOs). The number of companies listed on the BSE increased from 135 in 1995 to 5,415 as of June 2024.

According to the statistics by the Futures Industry Association (FIA), a derivatives trade association, the National Stock Exchange of India Ltd. (NSE) emerged as the world's largest derivatives exchange in 2020 in terms number of contracts traded. NSE was ranked 4th worldwide in cash equities by number of trades as per the statistics maintained by the World Federation of Exchanges (WFE) for CY20.

**INVESTMENTS**

The Financial Services Industry has seen major achievements in the recent past:

**In July 2024, Unified Payments Interface (UPI) recorded 14.40 billion transactions worth Rs. 20.44 lakh crore (US\$ 245.61 billion).**

**The number of transactions through immediate payment service (IMPS) reached 534.6 million (by volume) and amounted to Rs. 5.58 trillion (US\$ 68.61 billion) in February 2024.**

**India's PE/VC investments were at US\$ 77 billion in 2021, which was 62% higher than in 2020.**

**In 2021, Prosus acquired Indian payments giant BillDesk for US\$ 4.7 billion.**

**In September 2021, eight Indian banks announced that they are rolling out—or about to roll out—a system called 'Account Aggregator' to enable consumers to consolidate all their financial data in one place.**

**In September 2021, Piramal Group concluded a payment of Rs. 34,250 crore (US\$ 4.7 billion) to acquire Dewan Housing Finance Corporation (DHFL).**

**.GOVERNMENT INITIATIVES**

**Some of the major Government Initiatives are**

- In 2023, the government revamped the credit guarantee scheme. The inflow of Rs. 9,000 crore (US\$ 1,080.97 million) into the corpus of the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) will give MSMEs more access to collateral-free loans.
- In September 2021, the international branch of the National Payments Corporation of India (NPCI), NPCI International Payments (NIPL), has teamed with Liquid Group, a cross-border digital payments provider, to enable QR-based UPI payments to be accepted in 10 countries in north and southeast Asia.
- On September 30, 2021, the Reserve Bank of India communicated that the applicable average base rate to be charged by non-banking financial companies – micro-finance institutions (NBFC-MFIs) to their borrowers for the quarter beginning October 1, 2021, will be 7.95%.
- On September 30, 2021, the IFSC Authority constituted an expert committee to recommend an approach towards the development of a sustainable finance hub and provide a road map for the same.
- In August 2021, Prime Minister Mr. Narendra Modi launched e-RUPI, a person and purpose-specific digital payment solution. e-RUPI is a QR code or SMS string-based e-voucher that is sent to the beneficiary's cell phone. Users of this one-time payment mechanism will be able to redeem the voucher at the service provider without the usage of a card, digital payments app, or Internet banking access.

### ROAD AHEAD

India's financial services industry has experienced huge growth in the past few years. This momentum is expected to continue. India's private wealth management Industry shows huge potential. India is expected to have 16.57 lakh HNWIs in 2027. This will indeed lead India to be the fourth-largest private wealth market globally by 2028. India's insurance market is also expected to reach US\$ 250 billion by 2025. This will further offer India an opportunity of US\$ 78 billion in additional life insurance premiums from 2020-30.

India is today one of the most vibrant global economies on the back of robust banking and insurance sectors. The relaxation of foreign investment rules has received a positive response from the insurance sector, with many companies announcing plans to increase their stakes in joint ventures with Indian companies. Over the coming quarters, there could be a series of joint venture deals between global insurance giants and local players.

The Association of Mutual Funds in India (AMFI) is targeting a nearly five-fold growth in AUM to Rs. 95 lakh crore (US\$ 1.15 trillion) and more than three times growth in investor accounts to 130 million by 2025.



India's mobile wallet industry is estimated to grow at a CAGR of 23.9% between 2023 and 2027 to reach US\$ 5.7 trillion.

According to Goldman Sachs, investors have been pouring money into India's stock market, which is likely to reach >US\$ 5 trillion, surpassing the UK, and become the fifth-largest stock market worldwide by 2024.

Note: The conversion rate used for June 2024 is Rs. 1 = US\$ 0.012

References: Media Reports, Press Releases, IRDAI, General Insurance Council, Reserve Bank of India, Union Budget 2023-24

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

## BUSINESS OVERVIEW

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

You should carefully consider all the information in this Letter of Offer, including, “Risk Factors”, “Industry Overview”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition” beginning on pages 22, 53, 63 and 99 respectively, before making an investment in the Equity Shares.

In this section, any reference to the “Company” “we”, “us” or “our” refers to ONTIC FINSERVE LIMITED.

## OUR COMPETITIVE STRENGTHS

### 1. Effective marketing and business development

To grow your business, it’s crucial to prioritize marketing and business development, including Branding: Establishing a strong personal brand that reflects your values, expertise, and unique selling propositions.

Digital presence: Creating and maintaining a professional website and engaging in social media to reach a broader audience.

Content marketing: Providing valuable content through blogs, newsletters, and webinars to educate potential clients and establish authority in the field.

Networking: Building relationships with other professionals, such as attorneys and accountants, for referrals and collaborative opportunities.

Effective marketing and business development strategies help advisors attract new clients, retain existing ones, and differentiate themselves in a competitive market.

### 2. Ethical practice and compliance

Ethics and compliance are fundamental to the financial advisory profession. It’s critical to adhere to a strict code of ethics and comply with regulatory requirements to maintain your license and reputation. This includes:

Transparency: Being transparent about fees, potential conflicts of interest, and the risks involved in financial products.

Fiduciary responsibility: Acting in clients’ best interest at all times rather than for personal gain.

Compliance: Staying compliant with industry regulations and standards, such as those set by the SEC (Securities and Exchange Commission) or FINRA (Financial Industry Regulatory Authority).

Ongoing training: Participating in continuing education to keep up to date with regulatory changes and ethical standards.

By prioritizing ethical practices and compliance, advisors protect themselves from legal repercussions and build a reputation of integrity and trustworthiness, which is crucial for long-term success.

## OUR STRATEGIES

We strive for complete transparency and satisfaction of our clients with an unwavering thrust and focus on professional excellence and integrity. Our key strategic initiatives are described below:

**1. Building and maintaining client relationships**

We are focused on Strong, long-lasting client relationships which form the cornerstone of a successful financial advisory practice. Trust is at the core of an advisory relationship, which must be cultivated, nurtured, and reinforced. Building this trust involves: Focus on Soft Skill, Regular communication, Personalization, Reliability.

**2. Continuous education and staying informed**

The financial world is dynamic, with regulations, market conditions, and financial products continually evolving. Committing to lifelong learning is essential to providing the best advice and staying competitive. This includes:

**Certifications and credentials:** Obtaining and maintaining relevant certifications such as CFP (Certified Financial Planner), CFA (Chartered Financial Analyst), or other designations that add credibility.

**Industry news and trends:** Regularly read financial news, attend industry conferences, and participate in professional networks.

**Regulatory changes:** Staying updated on changes in laws and regulations that could impact client strategies and compliance requirements.

Being well-informed enables advisors to anticipate market trends, mitigate risks, and identify opportunities for their clients, thereby enhancing their value.

**Property**

The following table sets forth the location and other details of the leasehold properties of our Company:

Description of Property	Name of Lessor	Agreement Date, Lease Date	Period
UL/8, Ankur Complex, B/h Town Hall, Opp. X-Ray House, Ellisbridge, Ahmedabad 380006	Ms Hemal S. Shah & Ameer T. Shah	July 21, 2022	35 Months & 29 days

**Intellectual Property**

Our Company do not own any intellectual property including trademark.

**Manpower**

Our Company is committed towards creating an organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning platform that recognizes meritorious performance.

The following is a department-wise break-up of our employees as on March 31, 2024 do not have any outstanding export obligations.

Sr. No.	Category	Total
1	Management	5
2	Others	3
	Total	8

**OUR FINANCIAL PERFORMANCE**



Particulars	Financial Statements for the Financial Year ending			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	90,003,000	90,003,000	90,003,000	90,003,000
Net Worth	18,000,600	45,478,824	45,074,655	43,991,246
Total Income	1,617,091	5,060,995	393,223,856	22,960,718
Profit/(loss) after tax	(27,463,240)	4,48,945	1,179,408	3,74,350
Basic and diluted EPS	(0.30)	0.04	0.13	0.04
Total borrowings	-	-	-	-

**MAIN OBJECTS OF OUR COMPANY AS PER MOA****A. MAIN OBJECT OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION**

1. To carry on and undertake the business of finance, bills discounting, trading, hire purchase, leasing and to finance lease operations of all kinds, purchasing, selling, hiring or letting on hire all kinds of plants and machineries and equipments that the Company may think fit and to assist in financing of all and every kind and description of hire purchase or deferred payment or similar transactions and to subsidise, finance, or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all forms of immovable and movable properties including land and buildings, plants and machineries, equipments, ships, aircrafts, automobiles, computers and all consumer, commercial and industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof regardless of whether the property purchased and leased by new and/or used.
2. To carry on business of commodity trading by way of (including commodity derivatives) broking, trading and hedging and to act as brokers and traders in all commodities and commodity derivatives, and to act as market makers, finance brokers, underwriters, sub-underwriters, providers of service for commodity related activities buy, sell, take hold deal in, convert, modify, add value, transfer or otherwise dispose of commodities and commodity derivatives, and to carry on the business of commodity warehousing, processing and consumption.

**CHANGES IN MEMORANDUM OF ASSOCIATION**

The following changes have been made in the Memorandum of Association of our Company since inception:

Sr. No.	Particulars	Date of Meeting
1.	Name Clause of the Company was Altered from MARAL FINANCE LIMITED to ONTIC FINSERVE LIMITED	25th June, 2015
2	Object clause has been altered by insertion of sub clause (2) vide Special resolution passed in the meeting of Shareholders held on 18th August, 2018.	18th August, 2018.
3	The Face Values of the equity Shares of the Company has been splited from Rs. 10/- (Rupees Ten Only) each to Rs. 1/- (Rupees One Only)	25th June, 2015.
4	The Face Values of the equity Shares of the Company has been consolidated from Rs. 1/- (Rupees One Only) each to Rs. 10/- (Rupees Ten Only)	4th, April 2017.
5	The Face Values of the equity Shares of the Company has been splited from Rs. 10/- (Rupees Ten Only) each to Rs. 1/- (Rupees One Only) each	11 <sup>th</sup> August 2022.

## OUR MANAGEMENT

## BOARD OF DIRECTORS

As on date of this Draft Letter of Offer, our Company currently has 5 (Five) directors on its Board, 3 (Three) Independent Director and 2 (Two) Executive Directors. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations, to the extent applicable.

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

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age	Other directorships
<p style="text-align: right;">i.</p> <p><b>MRS.KAPADIA KRUTI KEVIN</b></p> <p>Designation: Non –Executive Independent Director</p> <p>Address: A-3-8 Amrapali Tower,Nava Sharda Mandir Road Paldi Ahmedabad Gujarat 380007 India</p> <p>Occupation: Business;</p> <p>Date of Appointment Since 29/07/2019;</p> <p>Nationality: Indian;</p> <p>Date of Birth: August 12, 1982</p> <p>DIN: 07746940</p>	42 years	<p>No. of other Company directorships-</p> <p>1. Kretto Syscon Ltd.</p> <p>2.Indo-Global Enterprises Ltd.</p> <p>3.Golden Capital Services Ltd.</p>
<p><b>MRS. ANJANABEN RAJENDRABHAI MAKWANA</b></p> <p>Designation Non – Executive Independent Director</p> <p>Address 536, Anand Chowk, Mitha Pani Darvaja, Saraspur Ahmedabad Gujarat 380018 India</p> <p>Occupation Business</p> <p>Date of Appointment Since ;March 15 2018</p> <p>Nationality Indian;</p> <p>Date of Birth December 18, 1980</p> <p>DIN 07924729</p>	44 years	<p>No. of other Company directorship – 1</p> <p>1. Noble Polymers Limited</p>

<p><b>MR. RAIYANI BHUPENDRA KUMAR DHANJIBHAI</b></p> <p><b>Designation</b></p> <p><b>Address</b></p> <p>Occupation</p> <p>Date of Appointment</p> <p>Nationality</p> <p>Date of Birth</p> <p>DIN</p>	<p>Executive Director</p> <p>D/23, MATRUSHAKTI SOCIETY, INDIA COLONY ROAD, BAPUNAGAR, I E BAPUNAGAR AHMEDABAD Gujarat 380024 India</p> <p>Business</p> <p>Since March 11, 2018;</p> <p>Indian</p> <p>March 04, 1971</p> <p>08104918</p>	<p>55 years55 years</p>	<p>No. of other Company directorship – 1</p> <p>Noble Polymers Limited</p>
<p><b>MRS.MADHUBEN JIVABHAI PARMAR</b></p> <p>Designation</p> <p>Address</p> <p>Occupation</p> <p>Date of Appointment</p> <p>Nationality</p> <p>Date of Birth</p> <p>DIN</p>	<p>Non-Executive Independent Director</p> <p>85/154/51, Maneklal Keshavlal Chali, Opp. Parixitlal Nagar, Behrampura – 380022, Ahmedabad, GJ</p> <p>Business</p> <p>Since October 21 2021 ;</p> <p>Indian</p> <p>January 01, 1973</p> <p>09214744</p>	<p>50 Years</p>	<p>No. of other Company directorship – 0</p>
<p><b>MR. VISHWAMBAR KAMESHWAR SINGH</b></p> <p>Designation</p> <p>Address</p> <p>Occupation</p> <p>Date of Appointment</p>	<p>Executive Director</p> <p>A-33, Manharnagar Vibhag-1, Opp. Krishna School, Bapunagar Ahmadabad City Gujarat 380024 India</p> <p>Business</p> <p>Since December 26, 2023;</p>	<p>66 Years</p>	<p>No. of other Company directorship – 4</p> <ol style="list-style-type: none"> <li>1. Hema Organic Limited</li> <li>2. Vax Fashion Private Limited</li> <li>3. Shree Kishan Medicare private limited.</li> </ol>

Nationality	Indian		
Date of Birth	August 7, 1952		
DIN	09822587		

**Past Directorships in suspended companies**

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

**Past Directorships in delisted companies**

Further, none of our Directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.

**Relationship between Directors**

None of our Directors are related to each other.

**Arrangement or understanding with major Shareholders, customers, suppliers or others**

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

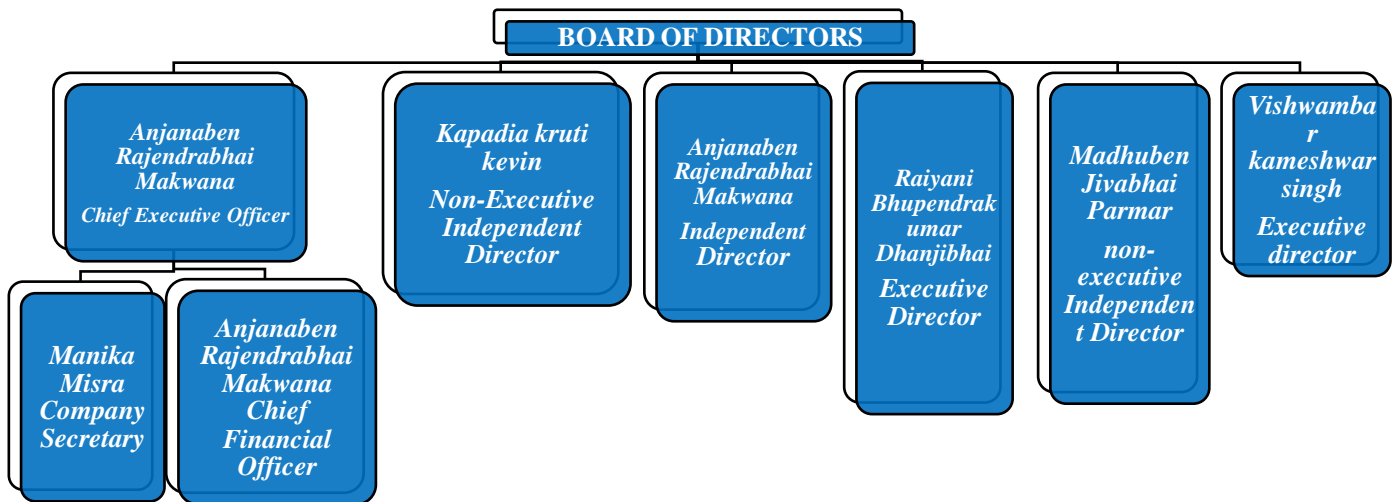
**Details of service contracts entered with Directors**

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

**KEY MANAGERIAL PERSONNEL**

Status of Key Managerial Personnel	Age (Years)
<p><b>ANJANABEN RAJENDRABHAI MAKWANA</b></p> <p>Designation: Chief Financial Officer</p> <p>Address: 536, Anand Chowk, Mitha Pani Darvaja, Saraspur Ahmedabad Gujarat 380018 India</p> <p>Date of Appointment: September 29, 2018</p> <p>Nationality: Indian;</p> <p>Educational Qualification: SS.C</p>	44 years
<p><b>MANIKA MISRA</b></p> <p>Designation: Company Secretary and Compliance Officer;</p> <p>Address: D-2/545, Sector – F, Jankipuram, Lucknow – 226021, UP</p> <p>Date of Appointment: October 05, 2020</p> <p>Nationality: Indian;</p> <p>Educational Qualification: Company Secretary;</p>	41 years

ORGANISATIONAL STRUCTURE



**SECTION V: FINANCIAL INFORMATION  
FINANCIAL STATEMENTS**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page Number</b>
1	Audited Financial Statements of our Company as at and for the financial year ended March 31, 2024	64-94
2.	Unaudited Financial Statements of our Company as at and for the Quarter ended December 31, 2023	95 -96

**Material changes and commitments, if any, affecting our financial position**

There are no material changes and commitments, which are likely to affect our financial position since March 31,2024 till date of this Letter of Offer. We have not given Restated Financials because we fall under Part B of SEBI (ICDR), 2018.

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**INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
ONTIC FINSERVE LIMITED  
Report on the Audit of the Financial Statements**

**Opinion**

We have audited the Financial Statements of **ONTIC FINSERVE LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2024, and the statement of profit and loss, (*statement of changes in equity*) and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information [hereinafter referred to as "the Financial Statements"].

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit/loss, (*changes in equity*) and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

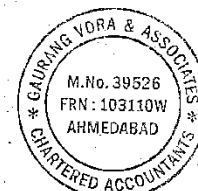
**"Information Other than the Financial Statements and Auditor's Report Thereon"**

The Company's Board of Directors is responsible for the other information. The other information comprises the [information included in the X report, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

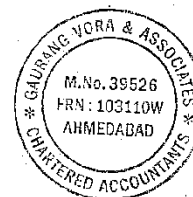
In preparing the Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- a. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

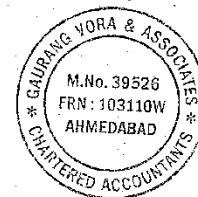
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### Report on Other Legal and Regulatory Requirements

1. The provisions of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is applicable to the Company, refer to our separate Report in "Annexure A".
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

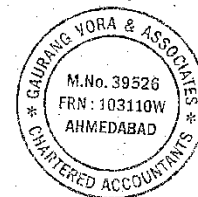
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

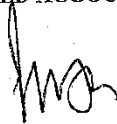
#### Report on Other Legal and Regulatory Requirements

1. The provisions of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is applicable to the Company, refer to our separate Report in "Annexure A".
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



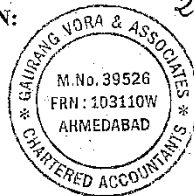
- (c) The Balance Sheet, the Statement of Profit and Loss, (the Statement of Changes in Equity) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- (e) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company have pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR, Gaurang Vora & Associates.**  
**CHARTERED ACCOUNTANTS**



CA. Gaurang Vora  
M.No. : 039526  
Place: Ahmedabad  
Date: 15.04.2024  
UDIN:

24039526BKEQ0B7183



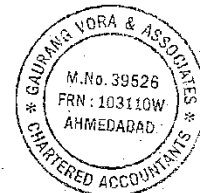
**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

**Annexure 'A'**

**Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- i. The Company has fixed assets, and company is maintaining proper records showing full particulars including quantitative details and situation of property plant and machinery. The physical verification and all the proper records maintained by the management.
- ii. There is no Closing stock at the end of the year, hence Not Applicable.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, company has complied with the provision of section 185 and 186 of the Companies Act, 2013 In respect of loans, investment, guarantees, and security.
- v. The company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provision of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regards to the deposits accepted from the public are not applicable.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

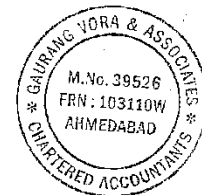


- vii. According to information and explanations given to us and on basis of our examination of the books of account, and records, the company has been generally regular in depositing statutory dues including, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues with the appropriate authorities. There is undisputed liabilities is standing as under.

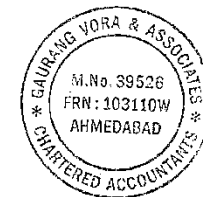
Particulars	Amount Rs	Financial Year
Income Tax Authority	23187170.00	2017-18
Income Tax Authority [Interest]	40000.00	2017-18
Income tax Authority	5100.0	2016-17
Service Tax Authority	145604.00	2014-15
Service Tax Authority	1462109.00	2015-16
Service Tax Authority	1173951.00	2016-17

The above appeal is pending before respective officer.

- viii. There is no any such transaction which was not recorded in the books of accounts, and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution or bank. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- x. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
- xi. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.



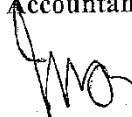
- xii. The company is not a Nidhi Company. Therefore clause (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. As per company size and nature of its transaction there is no need to apply internal audit systems, hence N.A
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or person connected with him. Accordingly, the provision of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. And accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
- xvii. During the year consideration there is cash loss of Rs.27463240/- was incurred.
- xviii. There is no any resignation of statutory auditors during the year consideration, hence N.A
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, and as per the auditor's opinion that **there is no any material uncertainty exists as on the date of the audit report**. The company is **capable** of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.



- xx. There is no any ongoing projects, the company has transferred unspent amount during the year consideration.
- xxi. There is no any adverse demand and qualification by the respective auditors, hence N.A

For Gaurang Vora & Associates.

Chartered Accountants



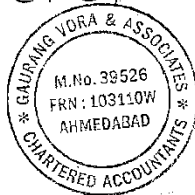
CA. Gaurang Vora

Proprietor

Place: Ahmedabad

Date: 15.04.2024

UDIN: 24039526 BKE 00B7183





**ANNEXURE - B TO THE AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of **ONTIC FINSERVE LIMITED** ("The Company") as of 31<sup>st</sup> March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

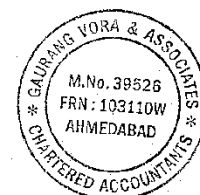
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

**Auditors' Responsibility**

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

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

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



**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

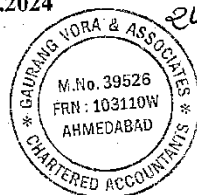
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for, *Gaurang Vora & Associates*  
**Chartered Accountants**  
 FRN No. : 103110W



**Gaurang Vora**  
 Proprietor  
 M. No. : 039526

Place: Ahmedabad  
 Date: 15.04.2024  
 UDIN:



24039526BKEQ087183

**Annexure C to the Independent Auditors' Report**

Additional Reporting as per Revised Schedule-III of the Companies Act -2013  
[Amended on 24<sup>th</sup> March 2021]

Additional Regulatory Information

**1. Title Deeds of Immovable Property not held in the name of the Company**

As per the information and explanation given to me, the records examined by me and based on the examination, in company there is no any immovable property, hence N.A

**2. Revaluation of Property, Plant & Equipments**

The Company has not revalued its Property, Plant and Equipments during the current financial year.

**3. Loans & Advances to Directors, Promoters KMPs & Related Parties**

The Company has not granted any loans or advances in the nature of loan outstanding to any of its Promoters, Directors, Key Managerial Personals and related parties.

**4. Capital Work-in-Progress**

The Company does not have any Capital Work in Progress Account as at the Balance Sheet Date.

**5. Intangible Assets under Development**

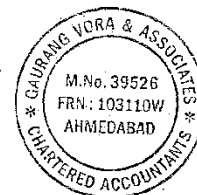
The Company does not have any Intangible Assets under development as at the Balance Sheet Date.

**6. Details of Benami Property held**

The Company does not hold any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**7. Wilful Defaulter**

As informed by the management, the name of the Company and any of its directors does not appear under the list of wilful defaulter.



**8. Relationship with Struck off Companies**

The Company does not have any transactions with the Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

**9. Registration of charges or satisfaction with Registrar of Companies**

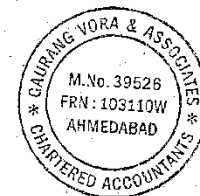
The Company does not require to create/modified/satisfied charge on the assets of the Company during the financial year.

**10. Compliance with number of layers of Companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

**11. Financial Ratios FY 2023-24**

SR. No	Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
1	Current Ratio	Current Assets	Current Liabilities	43.34	83.15	-	-
2	Debt-Equity Ratio	Loans (Liabilities)	Capital Accounts + Net Profit	0.00	0.00	-	-
3	Debt Service Coverage Ratio	Net Operating Income	Interest on Loan + Loan Repayment	0.00	0.00	-	-
4	Return on Equity Ratio	Profit	Equity+Profit	-0.29	0.01		
5	Inventory Turnover Ratio	Inventory	Turnover	0.00	0.00	-	
6	Trade Receivable Turnover Ratio	Trade Receivable	Turnover	0.00	0.00	-	



12. **Compliance with approved Scheme(s) of Arrangements**

There is not any scheme of arrangements has been approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013 during the current financial year.

13. **Utilization of Borrowed funds and Share Premium**

[A] The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall

- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

[B] The Company has not received any funds from any persons(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

14. **Undisclosed Income**

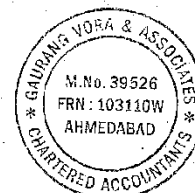
The Company does not have any transaction which was not recorded in the books of accounts in earlier years & that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

15. **Corporate Social Responsibility**

The Company is not covered under section 135 of the Companies Act, 2013.

16. **Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year.



Ontic Finserve Limited  
Balance Sheet as at 31st March, 2024

in Rs.

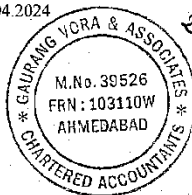
Particulars	Note No	March 31, 2024	March 31, 2023
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	40,216	56,128
(b) Capital Work-in-Progress		-	-
(c) Intangible Assets		-	-
(d) Financial Assets		-	-
(i) Investments		-	-
(ii) Loans		-	-
(iii) Other financial assets		-	-
(e) Other Non-Current Assets		-	-
<b>(2) Current Assets</b>			
(a) Inventories		-	-
(b) Financial Assets		-	-
(i) Investment		-	-
(ii) Trade Receivables	3	-	2,655,669
(iii) Cash and Cash Equivalents	4	49	19,935
(iv) Bank Balances (Other than (iii) above)	4	500,714	423,630
(v) Loans	5	17,550,000	42,124,072
(vi) Other financial assets		-	-
(c) Other Current Assets	6	345,386	763,832
<b>TOTAL ASSETS</b>		<b>18,436,365</b>	<b>46,043,265</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	7	90,003,000	90,003,000
(b) Other Equity	8	-72,002,400	-44,524,176
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities		-	-
(i) Borrowings		-	-
(ii) Other financial liabilities		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (net)	9	11,381	11,402
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities		-	-
(i) Borrowings		-	-
(ii) Trade Payables		-	-
(iii) Other financial liabilities		-	-
(b) Other current liabilities		-	-
(c) Provisions	10	424,384	553,040
(d) Current tax liabilities (Net)		-	-
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>18,436,365</b>	<b>46,043,266</b>

Significant Accounting Policies and other accompanying Notes (1 to 18) form an integral part of the Financial Statements  
As per our report of even date

For, Gaurang Vora & Associates  
Chartered Accountant  
Firm Reg. No. 103110W

(Gaurang Vora)  
Proprietor  
Place :- Ahmedabad  
Date :- 15.04.2024

UDIN:



24039526BKEQOB7183

Director  
DIN : 08104918  
(Bhupendra Raiyani)

Director  
DIN : 09214744  
(Madhuben Parmar)



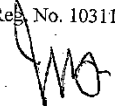
**Ontic Finserve Limited**  
**Statement of Profit & Loss for the year ended 31st March, 2024**

Particulars	Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Operations	11	-	4,121,091
Other Income	12	1,617,091	939,908
<b>TOTAL INCOME</b>		<b>1,617,091</b>	<b>5,060,999</b>
<b>EXPENSES</b>			
Purchase of Stock in Trade	13	26,525,132	129,528
Employee Benefits Expense	14	330,000	720,233
Other Expenses	15	2,225,220	3,605,522
<b>TOTAL EXPENSES</b>		<b>29,080,352</b>	<b>4,455,283</b>
<b>Profit before tax</b>		<b>-27,463,261</b>	<b>605,716</b>
Tax Expense:			
(1) Current Tax		-	157,486
(2) Deferred Tax		-21	-715
<b>Profit for the year</b>		<b>-27,463,240</b>	<b>448,945</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
i. Items that will not be reclassified to profit or loss		-	-
ii. Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Other Comprehensive Income for the year (net of tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>-27,463,240</b>	<b>448,945</b>
Earning per equity share( Face Value Rs. 10/- each)			
Basic and Diluted (Rs.)			

Significant Accounting Policies and other accompanying Notes (1 to 18) form an integral part of the Financial Statements  
As per our report of even date

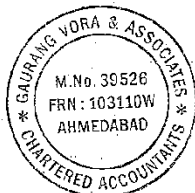
For and on behalf of the Board

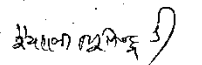
For, Gaurang Vora & Associates  
Chartered Accountant  
Firm Reg. No. 103110W

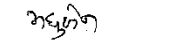


(Gaurang Vora)  
Proprietor  
Place :- Ahmedabad  
Date :- 15.04.2024

UDIN: 24039526BKEQ087183



  
Director  
DIN :08104918  
(Bhupendra Rajyani)

  
Director  
DIN : 09214744  
(Madhuben Parmar)

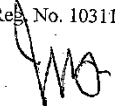
**Ontic Finserve Limited**  
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<b>Profit for the year</b>		<b>-27,463,240</b>	<b>448,945</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
i. Items that will not be reclassified to profit or loss		-	-
ii. Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Other Comprehensive Income for the year (net of tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>-27,463,240</b>	<b>448,945</b>
Earning per equity share( Face Value Rs. 10/- each)			
Basic and Diluted (Rs.)			

Significant Accounting Policies and other accompanying Notes (1 to 18) form an integral part of the Financial Statements  
As per our report of even date

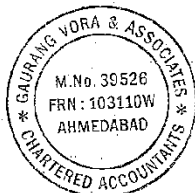
For and on behalf of the Board

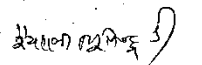
For, Gaurang Vora & Associates  
Chartered Accountant  
Firm Reg. No. 103110W

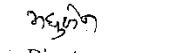


(Gaurang Vora)  
Proprietor  
Place :- Ahmedabad  
Date :- 15.04.2024

UDIN: 24039526BKEQ087183



  
Director  
DIN :08104918  
(Bhupendra Rajyani)

  
Director  
DIN : 09214744  
(Madhuben Parmar)



Ontic Finserve Limited  
4 STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	-27,463,261	685,716
Add :		
Depreciation and amortisation expenses	15,913	22,679
Appropriation	-14,984	-44,775
Transfer to Reserve	-	-
Bad debts	-	-
Miscellaneous Expenses Ammortized	-	-
Impairment Allowances for doubtful debts	-	-
Finance Cost	929	-22,096
	-27,462,332	583,620
Less:		
Interest Income	-	-
Dividend Income from Investments	-	-
Net gain/(loss) on sale of Current Investments	-	-
Net gain/(loss) on Fair Valuation of current investments	-	-
Net gain/(loss) on Foreign Exchange fluctuation and translation	-	-
Provisions / Liabilities no longer required written back	-	-
Profit/(Loss) on sale / discard of Fixed Assets (Net)	-	-
<b>Operating Profit before Working Capital changes</b>	<b>-27,462,332</b>	<b>583,620</b>
Less:		
Increase/(Decrease) in Inventories	-	-
Increase/(Decrease) in Trade Receivables	-	-
Increase/(Decrease) in Loans & advances, other financial and non-financial assets	27,648,187	-241,436
(Increase)/Decrease in Trade Payables, other financial and non-financial liabilities and provisions	-128,656	27,519,531
<b>Cash generated from Operations</b>	<b>57,199</b>	<b>403,831</b>
Less: Direct Taxes paid (Net)	-	157,486
<b>Net cash flow from Operating activities</b>	<b>57,201</b>	<b>246,345</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	-	-
Fixed Assets sold/discarded	-	-
(Purchase)/Sale of Investment (net)	-	-
Advances and Loans to subsidiaries	-	-
Interest received	-	-
Dividend received	-	-
Investment in bank deposits (having original maturity of more than 3 months)	-	-
<b>Net Cash flow from Investing activities</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayments) from short term borrowings (net)	-	-
Proceeds/(Redemption / Repayment) of Long Term Debentures/Term Loan	-	-
Interest and other borrowing cost paid	-	-
Dividend paid	-	-
Tax on Dividend	-	-
<b>Net cash flow from Financing activities</b>	<b>-</b>	<b>-</b>
<b>Cash and Cash equivalents (A+B+C)</b>	<b>57,201</b>	<b>246,345</b>
Cash and Cash equivalents as at 1st April	443,565	197,219
<b>Cash and Cash equivalents as at 31st March (refer note no. 4)</b>	<b>500,763</b>	<b>443,565</b>

Note:

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act, 2013.

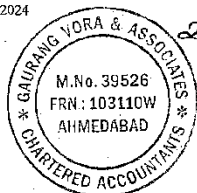
Significant Accounting Policies and other accompanying Notes (1 to 18) form an integral part of the Financial Statements  
As per our report of even date

For, Gaurang Vora & Associates  
Chartered Accountant  
Firm Regd. No. 103110W

*Gaurang Vora*

(Gaurang Vora)  
Proprietor  
Place :- Ahmedabad  
Date :- 15.04.2024

UDIN:



240395260KEQ087183



Director  
DIN : 08104918  
(Bhupendra Raiyani)

Director  
DIN : 09214744  
(Madhuben Parmar)

Ontic Finserve Limited

Statement of Changes in Equity for the year ended 31st March, 2024

(i) Equity Share Capital

Particulars	In Rs lakh
Balance as at April 1, 2022	900.03
Changes during the year	-
Balance as at March 31, 2023	900.03
Changes during the year	-
Balance as at March 31, 2024	900.03

(ii) Other Equity

As at March 31, 2024

Particulars	Reserves & Surplus				Items of Other Comprehensive Income	Equity Instrument through Other Comprehensive Income	Total
	Capital Reserve	Central State Subsidy	General Reserve	Retained Earnings	Remeasurements of the Defined Benefit Plans		
Balance as at March 31, 2023	-	-	-44,524,176	-	-	-	-44,524,176
Total comprehensive income for the year	-	-	-	-27,463,240	-	-	-27,463,240
Transferred from Retained earnings to General Reserve	-	-	-27,463,240	27,463,240	-	-	-
Appropriations for the year	-	-	-	14,984	-	-	-14,984
Transfer to Retained earning on disposal of Equity Instruments	-	-	-	-	-	-	-
Interim Dividend including tax thereon	-	-	-	-	-	-	-
Balance as at March 31, 2024	-	-	-71,987,416	14,984	-	-	-72,002,400

As at March 31, 2023

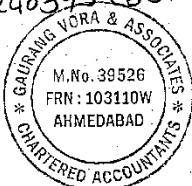
Balance as at April 1, 2022	-	-	-44,928,346	-	-	-	-44,928,346
Total comprehensive income for the year	-	-	-	448,945	-	-	448,945
Transferred from Retained earnings to General Reserve	-	-	448,945	-448,945	-	-	-
Appropriations for the year	-	-	-	44,775	-	-	-44,775
Transfer to retained earning on disposal of Equity Instruments	-	-	-	-	-	-	-
Final Dividend including tax thereon	-	-	-	-	-	-	-
Interim Dividend including tax thereon	-	-	-	-	-	-	-
Balance as at March 31, 2023	-	-	-44,479,401	44,775	-	-	-44,524,176

Significant Accounting Policies and other accompanying Notes (1 to 18) form an integral part of the Financial Statements  
As per our report of even date

For, Gaurang Vora & Associates  
Chartered Accountant  
Firm Reg. No. 103110W

(Gaurang Vora)  
Proprietor  
Place :- Ahmedabad  
Date :- 15.04.2024

UDIN: 24039526BKEQ087183



Director  
DIN : 08104918  
(Bhupendra Raiyani)

Director  
DIN : 09214744  
(Madhuben Parmar)

Ontic Finserve Limited

Notes: Forming Part of the Financial Statement as at 31st March, 2024

Notes-1

**I. CORPORATE INFORMATION**

M/s. Ontic Finserve Limited is a public limited company incorporated under the provisions of Companies Act, 1956 and having its registered office at Ahmedabad in the state of Gujarat.

**II. STATEMENT OF COMPLIANCE:**

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2024, the Statement of Profit and Loss for the year ended 31 March 2024, the Statement of Cash Flows for the year ended 31 March 2024 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'Financial Statements')

**III. SIGNIFICANT ACCOUNTING POLICIES:**

**1. BASIS OF ACCOUNTING:**

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period and investment in one of its subsidiary which as on the date of transition have been fair valued to be considered as deemed cost.

**2. PLANT, PROPERTY & EQUIPMENT**

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and adjustment for exchange difference wherever applicable and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. For major projects and capital installations, interest and other costs incurred on / related to borrowings to finance such projects or fixed assets during construction period and related pre-operative expenses are capitalized.

**3. REVENUE RECOGNITION**

Revenue from sale of goods rendered is recognised upon passage of title.

**4. TAXATION OF INCOME**

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier year.

**5. Earnings per Share**

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted Earnings per Share is calculated by adjustment of all the effects of dilutive potential equity shares from the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period.

**6. INVENTORIES**

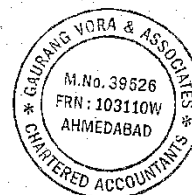
Inventories are valued at lower of cost or net realisable value. Costs for the purpose of Raw materials, stores and spares and consumables comprise of the respective purchase costs including non-reimbursable duties and taxes. Cost for carriage, clearing and forwarding are included in inventory.

**7. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

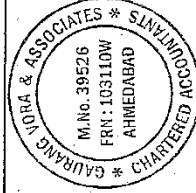


**Ontic Finserve Limited**

Notes forming part of accounts

Note:-2 Tangible Assets

Sr. No.	Particulars	Rate %	GROSS BLOCK (At cost)			DEPRECIATION			NET BLOCK			
			As at 01/04/2023	Additions	Deduction	As at 31/03/2024	Up to 01/04/2023	For the year	Up to 31/03/2024	As at 31/03/2024	As at 31/03/2023	
1	Computer & Printer	39.30%	1 25 000	-	-	1 25 000	1 14 700	4 048	-	1 18 748	6 252	10 300
2	Furniture & Fixtures	25.89%	2 05 000	-	-	2 05 000	1 59 171	11 865	-	1 71 036	33 964	45 829
	<b>Total :</b>		<b>3 30 000</b>	-	-	<b>3 30 000</b>	<b>2 73 871</b>	<b>15 913</b>	-	<b>2 89 784</b>	<b>40 215</b>	<b>56 128</b>
	<b>Previous Year :</b>		<b>3 30 000</b>	-	-	<b>3 30 000</b>	<b>2 51 192</b>	<b>22 679</b>	-	<b>2 73 871</b>	<b>56 128</b>	<b>78 808</b>



Ontic Finserve Limited

Notes: Forming Part of the Provisional Financial Statement as at 31st March, 2024

Note : 3 Trade Receivable

Sr. No	Particulars	As at 31.03.2024	As at 31.03.2023
		Rs	Rs
	<b>Less than Six Months</b>		
	Undisputed Trade Receivables - Considered Good	-	-
	Undisputed Trade Receivables - Considered Doubtful	-	-
	Disputed Trade Receivables - Considered Good	-	-
	Disputed Trade Receivables - Considered Doubtful	-	-
	<b>Period 6 months to 1 Years</b>		
	Undisputed Trade Receivables - Considered Good	-	-
	Undisputed Trade Receivables - Considered Doubtful	-	-
	Disputed Trade Receivables - Considered Good	-	-
	Disputed Trade Receivables - Considered Doubtful	-	-
	<b>Period 1 Years to 2 Years</b>		
	Undisputed Trade Receivables - Considered Good	-	2,655,669
	Undisputed Trade Receivables - Considered Doubtful	-	-
	Disputed Trade Receivables - Considered Good	-	-
	Disputed Trade Receivables - Considered Doubtful	-	-
	<b>Period 2 Years to 3 Years</b>		
	Undisputed Trade Receivables - Considered Good	-	-
	Undisputed Trade Receivables - Considered Doubtful	-	-
	Disputed Trade Receivables - Considered Good	-	-
	Disputed Trade Receivables - Considered Doubtful	-	-
	<b>Period 2 Years to 3 Years</b>		
	Undisputed Trade Receivables - Considered Good	-	-
	Undisputed Trade Receivables - Considered Doubtful	-	-
	Disputed Trade Receivables - Considered Good	-	-
	Disputed Trade Receivables - Considered Doubtful	-	-
	<b>Total</b>	<b>-</b>	<b>2,655,669.00</b>

Note : 4 Cash and Cash Equivalents

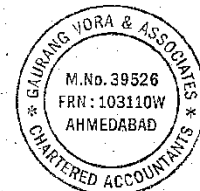
Sr. No	Particulars	As at 31.03.2024	As at 31.03.2023
		Rs	Rs
1	Cash on Hand (As certified by Management)	49	19,935
2	Balances with Bank in current accounts	500,714	423,630
	<b>Total</b>	<b>500,763</b>	<b>443,565</b>

Note : 5 Short Term Loans & Advances

Sr. No	Particulars	As at 31.03.2024	As at 31.03.2023
		Rs	Rs
	Recoverable in Cash or Kind or for which Value to be received	17,550,000	42,124,072
	<b>Total</b>	<b>17,550,000</b>	<b>42,124,072</b>

Note : 6 Other Current Assets

Sr. No	Particulars	As at 31.03.2024	As at 31.03.2023
		Rs	Rs
1	Listing Fees	-	724,051
2	TDS Receivables 2022-23	-	39,781
3	TDS Receivables 2024-25	40,946	-
4	Prepaid Expenses	304,440	-
	<b>Total</b>	<b>345,386</b>	<b>763,832</b>



**Ontic Finserve Limited**

Notes: Forming Part of the Provisional Financial Statement as at 31st March, 2024

**Note : 7 Share Capital**

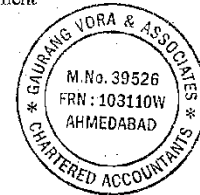
Sl. No	Particulars	As at 31.03.2024		As at 31.03.2023	
		No of Shares	Amount in Rs	No of Shares	Amount in Rs
a)	<b>AUTHORISED CAPITAL</b> Equity Shares of Rs. 10/- each.	10,000,000	100,000,000	10,000,000	100,000,000
		<b>10,000,000</b>	<b>100,000,000</b>	<b>10,000,000</b>	<b>100,000,000</b>
b)	<b>ISSUED, SUBSCRIBED &amp; FULLY PAID UP</b> Equity Shares of Rs 10/- Each, Fully paid up				
	Balance at the beginning of the year	9,000,300	90,003,000	9,000,300	90,003,000
	Balance at the end of the year	<b>9,000,300</b>	<b>90,003,000</b>	<b>9,000,300</b>	<b>90,003,000</b>
	<b>Total</b>	<b>9,000,300</b>	<b>90,003,000</b>	<b>9,000,300</b>	<b>90,003,000</b>

**Rights, Preferences and Restrictions attached to Equity Shares**

The Company has only one class of Equity Shares having a par Value of Rs 10 per share. Each Shareholder is eligible for one vote per share held. All Shares have equal rights in respect of distribution of dividend and repayment of capital. No shares have any restrictions in respect of distribution of dividend and repayment of capital.

**Shares reserved for issued**

No Equity Shares have been reserved for issue under option and contracts/commitments for sale of shares/disinvestment as at Balance Sheet date.



**Ontic Finserve Limited**

Notes: Forming Part of the Provisional Financial Statement as at 31st March, 2024

**Note : 8 Reserve & Surplus**

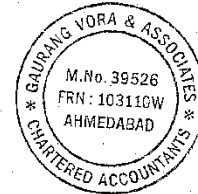
Sr. No	Particulars	As at 31.03.2024	As at 31.03.2023
		Rs	Rs
1	<b>Surplus in Statement of Profit &amp; Loss</b>		
	Balance at the beginning of the year	(44,524,176)	(44,928,346)
	Add: Profit for the year	(27,463,240)	448,945
	Balance available for appropriation	(71,987,416)	(44,479,401)
	Less : Appropriations	14,984	44,775
	Balance at the end of the year	(72,002,400)	(44,524,176)
	<b>Total</b>	<b>(72,002,400)</b>	<b>(44,524,176)</b>

**Note : 9 Deferred Tax Liability**

Sr. No	Particulars	As at 31.03.2024	As at 31.03.2023
		Rs	Rs
	<b>Deferred Tax Liabilities (Opening Balance)</b>		
	Difference of book depreciation and tax depreciation	11,402	12,117
	<b>Deferred Tax Assets/Liability during the year</b>		
		(21)	(715)
	<b>Total</b>	<b>11,381</b>	<b>11,402</b>

**Note : 10 Short Term Provision**

Sr. No	Particulars	As at 31.03.2024	As at 31.03.2023
		Rs	Rs
1	Provision for Expenses	424,384	395,554
2	Provision for Income Tax (Net)	-	157,486
	<b>Total</b>	<b>424,384</b>	<b>553,040</b>



11 Revenue from operations.

in Rs.		
Particulars	For The Year Ended March 31, 2024	For The Year Ended March 31, 2023
Sale of Shares	-	4,121,091.00
<b>TOTAL</b>	-	<b>4,121,091.00</b>

12 Other Income

in Rs.		
Particulars	For The Year Ended March 31, 2024	For The Year Ended March 31, 2023
Interest Income	1,417,069.00	939,908.00
Misc Income	200,000.00	-
Discount Income	22.00	-
<b>TOTAL</b>	<b>1,617,091.00</b>	<b>939,908.00</b>

13 Cost of Material Consumed

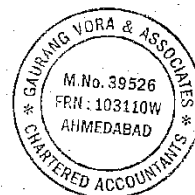
in Rs.		
Particulars	For The Year Ended March 31, 2024	For The Year Ended March 31, 2023
Opening Stock (Including Consumables)	-	-
Purchases During the Year	-	-
Less: Closing Stock (Including Consumables)	-	-
Purchase of Shares	-	-
Shares Trading Expenses	-	129,528.00
F&O Profit and Loss	26,525,132.00	-
<b>TOTAL</b>	<b>26,525,132.00</b>	<b>129,528.00</b>

14 Employee Benefit Expenses

in Rs.		
Particulars	For The Year Ended March 31, 2024	For The Year Ended March 31, 2023
Salaries, Wages and Bonus	330,000.00	638,000.00
Staff Welfare Expenses	-	82,233.00
<b>TOTAL</b>	<b>330,000.00</b>	<b>638,000.00</b>

15 Other Expenses

in Rs.		
Particulars	For The Year Ended March 31, 2024	For The Year Ended March 31, 2023
Advertisement Expenses	-	-
Bank Charges	1,378.00	402.00
BSE Expenses	755,204.00	59,000.00
CDSL Expenses	178,974.00	93,834.00
CS Salary Expenses	144,000.00	-
NSDL Expenses	64,285.00	35,636.00
Bad Debts Expenses	125,000.00	2,491,563.00
Conveyance Expense	-	146,790.00
Depreciation Expense	15,913.00	22,679.00
Electric Bill Expenses	-	28,457.00
Legal Fee Expense	106,900.00	26,000.00
Miscellaneous Expenses	-	25,335.00
Office Expenses	374,774.00	64,879.00
Preliminary Expenses Written Off	419,610.00	343,500.00
Rent Expenses	-	150,000.00
Secretarial Audit Expenses	-	25,000.00
Share Registry Expenses	-	50,000.00
Stationery Expenses	15,996.00	12,447.00
Website Expenses	-	5,000.00
Web Domain Expenses	3,186.00	-
Auditor's Remuneration	-	-
Audit Fees	20,000.00	25,000.00
<b>TOTAL</b>	<b>2,225,220.00</b>	<b>3,605,522.00</b>





**Ontic Finserve Limited**

Notes Forming Part of the Financial Statement as at 31st March, 2024

**Note : 16 Earning Per Equity Share (EPS)**

	Particulars	As at 31.03.2024	As at 31.03.2023
		Amount in Rs	Amount in Rs
1	<b>Basic EPS</b>		
	a. Net Profit /(Loss) after Tax	(27,463,240) 448,945	448,945 1,179,408
	b. Paid up Equity Capital (Rs. 10 each)	90,003,000 (90,003,000)	90,003,000 (90,003,000)
	c. Basic EPS (a*10/b)	(3.05) 0.05	0.05 0.13
2	<b>Diluted EPS</b>		
	a. Net Profit /(Loss) after Tax per Accounts	(27,463,240) 448,945	448,945 1,179,408
	b. Paid up Equity Capital (Rs. 10 each)	90,003,000 (90,003,000)	90,003,000 (90,003,000)
	c. Diluted EPS (a*10/b)	(3.05) 0.05	0.05 0.13

**Note : 17**

Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

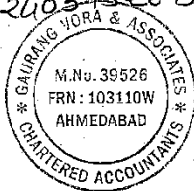
**Signature to Note No. 1 to 17**

Significant Accounting Policies and other accompanying Notes (1 to 17) form an integral part of the Financial Statements As per our report of even date

For, Gaurang Vora & Associates  
Chartered Accountant  
Firm Reg. No. 103110W

(Gaurang Vora)  
Proprietor  
Place :- Ahmedabad  
Date :- 15.04.2024

UDIN: 24039526 BKEQ087183



Director  
DIN : 08104918  
(Bhupendra Raiyani)

Director  
DIN : 09214744  
(Madhuben Parmar)

**M/s. ONTIC FINSERVE LIMITED**

**NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH, 2024**

**Notes to Balance sheet and Profit & Loss Account**

**1. Significant Accounting Policies:-**

i) Basis of Accounting:

Financial Statement is prepared under historical cost convention on an accrual basis in accordance with the requirements of the Companies Act, 2013.

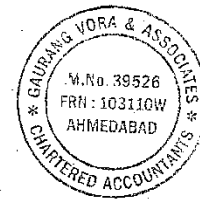
ii) Fixed Assets and Depreciation:

- a) The Fixed Assets stand at their historical cost.
- b) Depreciation:

The Depreciation Calculate on the Fixed Assets as per WDV method of the Companies Act, 2013.

iii) INVENTORIES:

There is no Inventories, hence does Not Applicable.



M/s. **ONTIC FINSERVE LIMITED**

-2-

iv) MISCELLANEOUS EXPENSES:

There is no Preliminary Expenditure, hence does not applicable.

V) CONTINGENT LIABILITIES:

No provision is made for liabilities, which are contingent in nature but, if material the same is disclosed by way of notes to the accounts.

## VI) Taxation:

N.A

## 2. Deferred Tax

Deferred Tax Income Tax Rs.21/- And Balance as on 31.03.2024 is Rs.11381/-.

## 3. None of the employees of the Company has crossed the Limits Prescribed u/s. 217 (2A) of the Companies (Particulars of Employees) Amendment Rules, 1988 during the year.

## 4. (a) Value of Import calculates on CIF basis

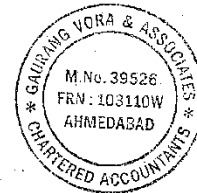
	Current year	Previous year
1. Raw Material	N.A.	(N.A.)
2. Components & Spare Parts	N.A.	(N.A.)
3. Capital Goods	N.A.	(N.A.)

(b) Expenditure in Foreign Currency Nil Nil

(c) Amount remitted in foreign currency on account of dividend to Non Resident Nil Nil

## 5. Auditors Remuneration

	As at 2023-2024	As at 2022-2023
a) Audit Fees	20000	25000.00



M/s. ONTIC FINSERVE LIMITED

-3-

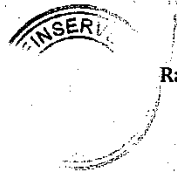
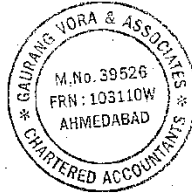
6. In the opinion of the Board, Current Assets, Loans and Advances have the value at which they are stated in the Balance Sheet, if realized in the ordinary course of business and are subject to confirmation.
7. Additional Information under Schedule III of the Companies Act, 2013: Nil
8. Cash on Hand and Stock value, Sundry Debtors, Sundry Creditors, Provisions and Loans & Advances Balances are subject to Physical Verification due to Covid-19. We relied on management representation.
9. In regards of Position of Expenses, we relied on Management, regarding its Genuineness and the same will be paid by Management.

FOR, GAURANG VORA & ASSOCIATES  
CHARTERED ACCOUNTANTS

(GAURANG VORA)  
FRN No. 039526

UDIN: 24039526BKEQOB7183

PLACE: AHMEDABAD  
DATE: 15.04.2024



Director  
Raiyani Bhupendrakumar  
(DIN: 08104918)



Director  
Madhuben Parmar  
(DIN: 09214744)

**ANNEXURE I****ONTIC FINSERVE LIMITED****Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)**

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024</b> <b>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Amount in Lakhs)</b>				
<b>I.</b>	<b>Sl. No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualifications)</b>	<b>Adjusted Figures (audited figures after adjusting for qualifications)</b>
	1.	Turnover / Total income	<b>1617091</b>	<b>5060999</b>
	2.	Total Expenditure	<b>29080352</b>	<b>4455283</b>
	3.	Net Profit/(Loss)	<b>(27463240)</b>	<b>448945</b>
	4.	Earnings Per Share	<b>(0.30)</b>	<b>0.05</b>
	5.	Total Assets	<b>18436365</b>	<b>46043266</b>
	6.	Total Liabilities	<b>435765</b>	<b>564442</b>
	7.	Net Worth	<b>18000600</b>	<b>45478824</b>
	8.	Any other financial item(s) (as felt appropriate by the management)	<b>NA</b>	<b>NA</b>
<b>II.</b>	<b><u>Audit Qualification (each audit qualification separately):</u></b>			
	a.	<b>Details of Audit Qualification: N.A</b>		
	b.	<b>Type of Audit Qualification : N.A</b>		
	c.	<b>Frequency of qualification: N.A</b>		
	d.	<b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b>		
	e.	<b>For Audit Qualification(s) where the impact is not quantified by the auditor: N.A</b>		
	(i)	<b>Management's estimation on the impact of audit qualification:</b>		
	(ii)	<b>If management is unable to estimate the impact, reasons for the same:</b>		
	(iii)	<b>Auditors' Comments on (i) or (ii) above:</b>		

<b>III</b> .	<b><u>Signatories:</u></b>	<b>S/D</b>  <b>S/D</b>  <b>S/D</b>
	<ul style="list-style-type: none"> <li>• <b>Director: BHUPENDRAKUMAR RAIYANI (DIN: 08104918)</b></li> </ul>	
	<ul style="list-style-type: none"> <li>• <b>Audit Committee Chairman : ANJANABEN RAJENDRABHAI MAKWANA (DIN: 07924729)</b></li> </ul>	
	<ul style="list-style-type: none"> <li>• <b>Statutory Auditor : GAURANG VORA (GAURANG VORA &amp; ASSOCIATES)</b>  <b>(M. No: 39526) (F.R.No: 103110W)</b></li> </ul>	
	<b>Place: 15.04.2024</b>	
<b>Date: Ahmedabad</b>		

**ONTIC FISERVE LIMITED**  
CIN - L65910GJ1995PLC025904

UL/8, Ankur Complex, B/h Town Hall, Opp. X-Ray House, Ellis bridge, AHMEDABAD GJ 380006

**Statement of Profit & Loss for the quarter ended on June 30,2024**

(Amount in Rs Lakhs)

Particulars	Quarter Ended			Year Till date		Year Ended
	30.06.2024	31.03.2024	30.06.2023	30.06.2024	30.06.2023	31.03.2024
	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
I Revenue From Operations	-	-	-	-	-	-
II Other Income	1.55	8.70	0.42	1.55	0.42	16.17
<b>III Total Income (I+II)</b>	<b>1.55</b>	<b>8.70</b>	<b>0.42</b>	<b>1.55</b>	<b>0.42</b>	<b>16.17</b>
IV EXPENSES:						
Cost of Materials Consumed	-	-	-	-	-	-
Purchase of Stock-in-Trade	-	-	-	-	-	265.25
Change in Inventory of finished goods, work-in-progress and Stock-in-Trade	-	-	-	-	-	-
Employee Benefits Expenses	0.24	1.44	0.24	0.24	0.24	3.30
Finance costs	0.03	-	-	0.03	-	-
Depreciation and amortization expenses	12.87	17.95	1.25	12.87	1.25	22.25
Other Expenses	-	-	-	-	-	-
<b>Total expenses (IV)</b>	<b>13.13</b>	<b>19.39</b>	<b>1.49</b>	<b>13.13</b>	<b>1.49</b>	<b>290.80</b>
V Profit/(Loss) before exceptional Items and tax	(11.59)	(10.69)	(1.07)	(11.59)	(1.07)	(274.63)
VI Exceptional Items	-	-	-	-	-	-
VII Profit before extraordinary Items and tax	(11.59)	(10.69)	(1.07)	(11.59)	(1.07)	(274.63)
VIII Extraordinary Items	-	-	-	-	-	-
<b>IX Profit/(Loss) before tax</b>	<b>(11.59)</b>	<b>(10.69)</b>	<b>(1.07)</b>	<b>(11.59)</b>	<b>(1.07)</b>	<b>(274.63)</b>
X Tax expense: -						
(1) Current Tax	-	-	-	-	-	-
(2) MAT Credit Entitlement	-	-	-	-	-	-
(3) Deferred Tax	(0.00)	-	-	(0.00)	-	(0.00)
XI Profit/(Loss) for the period from continuing operation	<b>(11.59)</b>	<b>(10.69)</b>	<b>(1.07)</b>	<b>(11.59)</b>	<b>(1.07)</b>	<b>(274.63)</b>
XII Profit/(Loss) for discontinued operation	-	-	-	-	-	-
XIII Tax expenses of discontinued operations	-	-	-	-	-	-
XIV Profit/(Loss) form Discontinued operation (after tax)	-	-	-	-	-	-
XV Profit/(Loss) for the period	<b>(11.59)</b>	<b>(10.69)</b>	<b>(1.07)</b>	<b>(11.59)</b>	<b>(1.07)</b>	<b>(274.63)</b>
XVI Earnings per equity share:						
(1) Basic	(0.01)	(0.01)	(0.00)	(0.01)	(0.00)	(0.31)
(2) Diluted	(0.01)	(0.01)	(0.00)	(0.01)	(0.00)	(0.31)

Place: Ahmedabad  
Date : 10/06/2024

  
**BHUPENDRAKUMAR RAIYANI**  
 Director  
 DIN: 08104918



**Independent Auditor's Limited Review Report on Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

**To**  
**The Board of Directors**  
**ONTIC FINSERVE LIMITED**

We have reviewed the accompanying statement of unaudited standalone financial results of **ONTIC FINSERVE LIMITED** ('the Company') for the quarter ended **30<sup>th</sup> June 2024** being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Our responsibility is to issue a report on the financial statement based on our review.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and rules thereunder, requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial





Accounting Ratios:

Particulars	Based on Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Basic earnings per share (₹) (for continued operations)	(3.05)	0.05	0.13
Diluted earnings per share (₹) (for continued operations)	(3.05)	0.05	0.13
Return on Net Worth (%)	-152.56	0.98	2.616
Net Asset Value per Equity Share (₹)	2.00	5.05	5.00
EBITDA (₹ in lakhs)	(274.47)	6.29	16.29

The formula used in the computation of the above ratios is as follows:

Basic earnings per share	Net profit /(Loss) after Tax as per statement of profit and loss at to Equity Shareholders ( after adjusting non controlling interest ) after exceptional item ,as applicable/ weighted Average number of Equity Shares.
Diluted earnings per share	Net Profit/(Loss) after Tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) after exceptional item, as applicable/Weighted Average number of Equity Shares (including convertible securities).
Return on net worth (in %).	Profit/(Profit/(Loss) for the Year as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)/Net worth at the end of the year on basis.
Net Worth as per 2(1)(hh) SEBI (ICDR) Regulations, 2018:	Net worth means the aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write -back of depreciation, and amalgamation.
Net asset value per Equity Share	Net Worth on consolidated basis divided by the number of Equity Shares outstanding for the year.
EBITDA	Profit/(Loss) for the year before finance costs, tax, depreciation, amortization, and exceptional items as presented in the Consolidated Statement of Profit and Loss

Calculation of Return of Net Worth

(In ₹ lakhs, unless otherwise specified)

Particulars	Based on Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Net Profit after Tax (before OCI) (A)	(27,463,240)	448,945	11,79,408
Net Worth (B)*	18,000,600	45,478,824	45,074,654
Return of Net Worth (A/B) (%)	-152.56	0.98	2.616

\* Net Worth as per 2(1)(hh) of SEBI (ICDR) Regulations, 2018.

## Calculation of Net asset value per Equity Share

(In ₹ lakhs, unless otherwise specified)

Particulars	Based on Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Net Worth (A)(₹ in lakhs)	180.006	454.788	450.746
No. of Shares(B)(in numbers)	90,00,300	90,00,300	90,00,300
Net Assets Value[(Ax100,000)/B]	2.00	5.05	5.00

## Calculation of EBITDA

(In ₹lakhs ,unless otherwise specified)

Particulars	Based on Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Net Profit/(Loss)after Tax	(274.63)	4.49	11.79
Add: Taxes	0.00	1.57	4.17
Add: Interest	0.00	0.00	0.00
Add: Depreciation	0.16	0.23	0.33
Add: Exceptional Items	-	-	-
EBITDA	(274.47)	6.29	16.29

**MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

You should read the following discussion of our financial condition and results of operations together with our Audited Financial Statements as of and for the year ended March 31, 2024 all prepared in accordance with the Companies Act and Ind AS, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled “Financial Statements” on page 63 of this Draft Letter of Offer. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements of our Company.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections titled “Risk Factors” and “Forward Looking Statements” on pages 22 and 18 respectively, of this Draft Letter of Offer.

Our financial year ends on March 31 of each year, so all references to a particular “Financial year” and “Fiscal” are to the twelve (12) month period ended March 31 of that financial year. References to the “Company”, “we”, “us” and “our” in this chapter refer to ONTIC FINSERVE LIMITED, as applicable in the relevant period, unless otherwise stated. Unless otherwise indicated or the context requires, the financial information for Financial Year 2024 included in this Draft Letter of Offer. For further information, see “Financial Statements” beginning on page 63.

**SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATION**

Our business, financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘Risk Factors’ on page 22 The following are certain factors that had, and we expect will continue to have, a significant effect on our business, financial condition and results of operations:

- Increasing competition in the Industry;
- Ability to comply with the quality requirement of customers as well as regulatory authorities;
- Changes in government regulations, tax regimes, laws and regulations that apply to the industry;
- Changes in fiscal, economic or political conditions in India;
- Changes in the foreign exchange control regulations, interest rates and tax laws in India.

**SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies have been applied consistently to the periods presented in the Audited Financial Statements. For details of our significant accounting policies, please refer chapter titled “Financial Statements” on page 63 of this Draft Letter of Offer

**CHANGE IN ACCOUNTING POLICIES**

There has been no change in accounting policies during the Financial Year 2024

**RESERVATIONS,QUALIFICATION AND ADVERSE REMARK /OTHER OBSERVATION IN CARO**

The following is the summary of qualifications/reservations/emphasis of matters/adverse remarks/other observations in CARO (as applicable) in the Audited Financial Statements for the Financial Year 2023-2024

Period	Type of Financials	Qualifications/ Reservations/ Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO
Financial Year	Standalone	<u>Qualifications/Reservations/Adverse Remarks:</u> NIL  <u>Matter of Emphasis:</u>

		<p>NIL</p> <p>Other Observations in CARO:</p> <p>vii. In respect of statutory dues:</p> <p>(b) No other statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes.</p>
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Particulars	CURRENT PERIOD F.Y 2023-2024 Amount in Rupees	PREVIOUS YEAR F.Y 2022-2023 Amount in Rupees	PREVIOUS YEAR F.Y 2021-2022 Amount in Rupees	PREVIOUS YEAR F.Y 2020-2021 Amount in Rupees
<b>INCOME</b>				
I Revenue from Operation	-	4,121,091	391,042,181	22,124,520
II Other income	1,617,091	939,908	21,81,675	836,198
III. Total Revenue(I+II)	<b>1,617,091</b>	<b>5,060,995</b>	<b>39,32,23,85</b>	22,960,718
<b>IV EXPENSES</b>				
Material Purchase	26,525,132	129,528	38,76,98,820	20,551,300
Increase /Decrease in Stock in Trade	-	-	-	-
Employees Benefit Expenses	330,000	720,233	5,34,000	630,000
Finance Costs	-	-	-	-
Other expenses	2,225,220	3,605,522	33,94,836	1,277,981
Depreciation	-	-	-	-
<b>Total Expenses</b>	<b>(21)</b>	<b>1,56,771</b>	<b>39,16,27,656</b>	<b>22,459,281</b>
<b>V. PROFIT before exceptional and extraordinary items and tax (III-IV)</b>		<b>605,716</b>	<b>15,96,200</b>	

	-27,463,261			501,437
<b>VI. Profit after extraordinary items and tax(V)</b>	-27,463,261	448,945	11,79,408	374,350
<b>VII .Profit before tax</b>	-27,463,261	605,716	31,08,000	501,437
<b>VIII Tax Expenses</b>				
<b>1)Current Tax</b>	-	157,486	4,15,012	130,374
<b>2) Deferred Tax</b>	(21)	(715)	1,780	(3,278)
<b>Less Adjustment of earlier year</b>	-	-	-	-
<b>IX. Profit (loss) for the period from continuing operation</b>	-27,463,240	448,945	11,79,408	374,350
<b>X. Profit (loss)for the Discontinuing operations(after tax)</b>	-	-	-	
<b>XI Basic and Diluted EPS</b>	(3.05)	0.05	0.13	0.04
<b>XI Basic and Diluted EPS</b>	(3.05)	0.05	0.13	

**Results of our Operations**

The following table sets forth certain information with respect to our results of operations for the periods indicated

**Financial Year 2024 compared to Financial Year 2023**

**Financial Year 2023 compared to Financial Year 2022**

**Total Revenue**

Our total revenue for the Financial Year 2024 was Rs. 1,617,091/- as compared to ₹5,060,995/- for the Financial Year 2023.

Our total revenue for the Financial Year 2022 was Rs. 39,32,23,856/- as compared to Rs. 5,060,995/- for the financial year and quarter ended 2023

#### **Revenue from Operations**

There was no revenue from operations for the Financial Year 2024 as compared to Rs. 4,121,091/- for the Financial Year 2023.

Our revenue from operation the Financial Year 2022 was Rs. 39,10,42,181/- as compared to Rs. 4,121,091/-for the financial year and quarter ended 2023

#### **Other income**

Other income for the Financial Year 2024 was Rs. 1,617,091/- as compared to Rs. 939,908/- for the Financial Year 2023,.

Other income for the Financial Year 2022 was Rs. 1,81,675/- as compared to Rs. 939,908/- for the financial year and quarter ended 2023

#### **Expenses**

Our total expenditure for the Financial Year 2024 was Rs. 29,080,352/- as compared to Rs. 4,455,283/- for the Financial Year 2023.

Our total expenditure for Financial Year 2022 was Rs. 39,16,27,656/- as compared to Rs. 4,455,283/- for the Financial year and quarter ended 2023

#### **Material Purchase**

The Material Purchase for the Financial Year 2024 was Rs. 4,455,283/- as compared to Rs 129,528/- for the Financial Year 2023. There was decrease in volume of material purchase.

The Material Purchase for the Financial Year 2022 was Rs 38,76,98,820/-as compared to Rs. 129,528/- for the Financial year and quarter ended 2023. There was increase in volume of material purchase.

#### **Increase/Decrease in stock-in-trade**

There was no Purchase of stock-in-trade for the Financial Year 2024

There was no Purchase of stock-in-trade for the Financial Year 2023

There was no Purchase of stock-in-trade for the Financial Year 2022

#### **Employee benefit expenses**

Employee benefit expense for the Financial Year 2024 was Rs. 330,000 /- as compared to Rs. 720,233 /- for the Financial Year 2023. This decrease was primarily increase in Employee benefit expenses.

Employee benefit expenses for the Financial Year 2022 was Rs 5,34,000 /- as compared to Rs. 720,233 /- for the Financial year and quarter ended 2023.

#### **Finance cost**

No Finance cost for the Financial Year 2024 & Financial Year 2023.

No Finance Cost for the Financial Year 2022 & Financial Year 2023

#### **Depreciation**

No Depreciation for the Financial Year 2024 to the Financial Year 2023.

No Depreciation for the Financial Year 2022 to the Financial Year 2023.

#### **Other expenses**

Other expenses for the Financial Year 2024 were ₹ 2,225,220/- as compared to ₹ 36,05,522/- for the Financial Year 2023.

Other expenses for the quarter Financial Year 2022 was Rs. 33,94,836/- as compared to Rs 36,05,522/- for the Financial year and quarter ended 2023

**Profit/(loss) before exceptional and extraordinary items and tax share.**

Profit/(loss) before exceptional and extraordinary items and tax share for the Financial Year 2024 was Rs -27,463,261/- as compared to Rs. 605,716/- for the Financial Year 2023.

Profit/(loss) before exceptional and extraordinary items and tax share for the Financial Year 2022 was Rs 1,596,200/- as compared to Rs 605,716/- for the Financial year and quarter ended 2023.

**Profit after extraordinary items and tax**

Profit after extraordinary items and tax for the Financial Year 2024 was Rs -27,463,240/- as compared to Rs. 448,945/- for the Financial Year 2023. This increase in profit was due to profit .

Profit after extraordinary items and tax for the Financial Year 2022 was Rs 1,179,408/- as compared to Rs. 448,945/- for the Financial year and quarter ended 2023

**Profit/(loss) before Tax**

The profit/(loss) before tax for the Financial Year 2024 was Rs. (27,463,261)/- as compared to Rs. 605,716/- for the Financial Year 2023.

The profit/(loss) before tax for the Financial Year 2022 was Rs 1,596,200/- as compared to Rs 605,716/- for the Financial year and quarter ended 2023.

**Tax expenses**

The Tax Expenses for the Financial Year 2024 was Rs. (21)/- as compared to Rs.(715)/- for the Financial year and quarter ended 2023

The profit/(loss) before tax for the Financial Year 2022 was Rs. 4,16,792/- as compared to Rs. .(715)/- for the Financial year and quarter ended 2023

**Unusual or Infrequent Events or Transactions**

Other than as described in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as “unusual” or “infrequent”.

**Significant dependence on a Single or Few Suppliers or Customers**

Other than as described in this Draft Letter of Offer, particularly in chapter titled “Risk Factors” on page 22 , to our knowledge, there is no significant dependence on a single or few customers or suppliers.

**Related Party Transactions**

For details, please refer to the chapter titled “Financial Statements” beginning on page 63 of this Draft Letter of Offer.

**Significant developments after March 31, 2024, that may affect our future results of operations**

Other than as disclosed in this Draft Letter of Offer, there have been no significant developments after December 31, 2024, that may affect our future results of operations.

**MATERIAL DEVELOPMENTS**

Except as stated elsewhere in this Draft Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2024, which materially or adversely affect or are likely to affect, within the next 12 months, our operations, performance, prospects or profitability, or the value of our assets or our ability to pay our liabilities.

**Appointment, Re-appointment , Regularization and Resignation of Directors and Key Managerial Personnel:**

On 27<sup>th</sup> September 2024 –

- Regularization of Additional Director, Mr. Vishwambar Kameshwar Singh (DIN: 09822587) as an executive director of the company:

**Appointment of Statutory Auditor:**

- On 27th September 2024 appointed KM Chauhan And Associates, Chartered Accountant, statutory auditor for a term of five year 2024-25 to 2028-29.

**Increase in authorised capital of the Company :**

- The Face Values of the equity Shares of the Company has been splited from Rs. 10/- (Rupees Ten Only) each to Rs. 1/- (Rupees One Only) each vide Special resolution passed in the meeting of Share Holders held on 25TH June, 2015.The Face Values of the equity Shares of the Company has been consolidated from Rs. 1/- (Rupees One Only) each to Rs. 10/- (Rupees Ten Only) each vide Special resolution passed in the meeting of Share Holders held on 4th, April 2017.
- The Face Values of the equity Shares of the Company has been splited from Rs. 10/- (Rupees Ten Only) each to Rs. 1/- (Rupees One Only) each vide Shareholders approval in the Annual General Meeting held on 11.07.2022



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**SECTION VI- LEGAL AND OTHER INFORMATION**


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**KEY INDUSTRY REGULATIONS AND POLICIES**

The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description below may not be exhaustive and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial, or administrative decisions. 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 Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, please refer “Government and Other Approvals” on page 109. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts, and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local bylaws.

Following is an overview of some of the important laws and regulations, which are relevant to our business.

**The Micro, Small and Medium Enterprises Development Act, 2006.**

Our company is registered as SME with the District Industries Center. Small and medium scale enterprises (SMEs) are understood in India as enterprises where the investment in plant and machinery or equipment is between ` 25 lakhs to ` 10 crores in case of a manufacturing industry and between ` 10 lakhs to ` 5 Crores in case of a service sector enterprise. This definition is provided in Section 7 of Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) and was notified in September 2006. The Act provides for classification of enterprises based on their investment size and the nature of the activity undertaken by that enterprise.

**Labour Laws**

Depending upon the nature of the activities undertaken by our Company, certain applicable labour laws and regulation include the following:

**Child Labour (Prohibition and Regulation) Act, 1986**

The Child Labour (Prohibition and Regulation) Act, 1986, (“CLPRA Act”) provides for prohibiting engagement of children below 14 years in factories, mines and hazardous employments and regulates the conditions of their employment in certain other employments. The CLPRA Act aims to regulate the number of hours, period of work and holidays to be given to child labourers. It specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The CLPRA Act also provides for health and safety measures to be complied with by the employer. Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 (“ISMW Act”)

The ISMW Act regulates the employment of inter-state migrant workmen and provides for their conditions of services and for matter connected therewith. Under the provisions of the ISMW Act, every principal employer of an establishment which employs five or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding 12 months has to register his establishment under ISMW Act. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed. Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to two years or with fine which may extend to ` 2,000 or with both

**Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWPPR Act”) aims to provide women protection against sexual harassment at the workplace and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines ‘sexual harassment’ to include any unwelcome acts or a sexually determined behaviour (inter alia whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organisations, non-governmental organisations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an ‘internal complaints committee’ at each office or branch, of an organization employing at least 10 employees. Factors like mental trauma, medical expenses, loss

in the career opportunity and income shall be considered while determining compensation. The duties of the employer and the district officer are provided in the SHWPPR Act.

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

The Maternity Benefit Act, 1961, as amended (“Maternity Benefit Act”) on 1st April 2017 regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. However, the relevant provision on the “work from home” option will come into effect from 1st July 2017. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. The maximum period for which any woman shall be entitled to maternity benefit shall be 26 weeks, of which not more than Eight weeks shall precede the date of her expected delivery. For women who are expecting after having 2 children, the duration of paid maternity leave shall be 12 weeks (i.e., 6 weeks pre and 6 weeks post expected date of delivery). It also provides that every woman who adopts a child shall be entitled to 12 weeks of maternity leave, from the date of adoption. The MB Amendment Act has also introduced an enabling provision relating to “work from home” for women, which may be exercised after the expiry of the 26 weeks’ leave period depending on nature of work. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy. The MB Amendment Act makes crèche facility mandatory for every establishment employing 50 or more employees. Women employees would be permitted to visit the crèche 4 times during the day.

#### **The Minimum Wages Act, 1948**

Under the Minimum Wages Act, 1948 (“Minimum Wages Act”) every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including outworkers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

#### **The Central Goods and Services Tax Act, 2017**

The GST Act levies tax on supply of goods and services throughout India to replace multiple taxes levied by the Central and State Governments on production, supply and sale of goods and providing of services in India. The GST Act is applicable from July 1, 2017 and binds together the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. Under GST, goods and services are taxed under five different categories that are 0%, 5%, 12%, 18%, 28%. GST is levied on all transactions such as supply, transfer, purchase, barter, lease, or import of goods and/or services. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

#### **Other Laws and Regulations**

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations. Our Company is also amenable to various central and state tax laws

### **APPROVALS**

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the section titled ‘**Government and Other Approvals**’ beginning on 107, of this Draft Letter of Offer

## OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

Except as disclosed below, there are no outstanding litigations involving our Company and our Subsidiaries/associates whose financial statements are included in the draft letter of offer, either separately or in a consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

- In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as 'material';
- For the purpose of determining materiality, the threshold shall be determined by the issuer as per requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended,

Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

### LITIGATION INVOLVING OUR COMPANY

#### 1) Litigation Involving Actions by Statutory/Regulatory Authorities

As on date of this Draft Letter of Offer, there are no actions by statutory / regulatory authorities against our Company

#### 2) Litigation involving Tax Liabilities

##### (i) Direct Tax Liabilities

As on date of this Draft Letter of Offer, there are no direct tax liabilities against our Company.

##### (ii) Indirect Taxes Liabilities

As on date of this Draft Letter of Offer, there are no indirect tax liabilities against our Company.

#### 3) Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

As on date of this Draft Letter of Offer, there are no issues of moral turpitude or criminal liability on the part of our Company.

#### 4) Proceedings involving Material Violations of Statutory Regulations by our Company

As on date of this Draft Letter of Offer, there are proceedings involving Material Violations of Statutory Regulations by our Company.

#### 5) Matters involving economic offences where proceedings have been initiated against our Company

As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company;

#### 6) Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

As on date of this Draft Letter of Offer, there are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;

### LITIGATION INVOLVING OUR DIRECTORS, PROMOTERS AND PROMOTER GROUP

#### Litigation Involving Actions by Statutory/Regulatory Authorities

As on date of this Draft Letter of Offer, there are no subsisting litigations involving actions by statutory/ regulatory authorities filed by or against our directors, promoters, and promoter group;

#### **LITIGATION INVOLVING OUR SUBSIDIARY**

##### **Litigation involving our Subsidiary**

As on date of this Draft Letter of Offer, there are no subsisting litigations filed by or against our Subsidiary;

#### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoter or any of our Directors are or have been categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

#### **DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET FOR MARCH 31,2024**

Except as mentioned in this Draft Letter of Offer, no material circumstances have arisen since the date of last financial statement until the date of filing the Draft Letter of Offer, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months to our knowledge.

## GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

### I. Incorporation details

- Certificate of incorporation dated May 16, 1995 issued to Company by the Registrar of Companies, Ahemdabad.
- The Corporate Identity Number (CIN) of our Company is L65910GJ1995PLC025904.

### II. Approvals in relation the Issue

- The Board of Directors have, pursuant to Section 62(1)(a) of the Companies Act 2013, by a resolution passed at its meeting held on October 15,2024 authorized the Issue.
- In-principle approval from the BSE dated [□].

### III. Approvals in relation Tax

- The permanent account number of our Company is AADCM2519E .
- The tax deduction account number of our company is AHMM14436C.
- The GST number of our Company is L65910GJ1995PLC025904.

### IV. Approvals in relation to our Business

- Our Company does not required any specific certificate relating to business

### OFFICES

**Registered Office:** UL/8, Ankur Complex, B/h Town Hall, Opp. X-Ray House, Ellisbridge, Ahmedabad, Gujarat, 380006

**OTHER REGULATORY AND STATUTORY DISCLOSURES**

**AUTHORITY FOR THE ISSUE**

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

1. Resolution passed by our Board of Directors under clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, at their meeting conducted on October 15,2024
2. The Rights Issue Committee / Board of Directors of our Company in their meeting conducted on [●] approved this Issue inter-alia on the following terms:

<b>Issue Size</b>	Upto 49,00,00,000 /- (Forty-Nine Crore Rupees);
<b>Issue Price</b>	₹[●]/- (Rupees [●]) per Right Equity Share issued in 1 (One) Rights Entitlement, (i.e. ₹[●]/- (Rupees [●]) per Rights Equity Share, including a premium of ₹[●]/- (Rupees [●]) per Rights Equity Share);  On Application, Investors will have to pay ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price;
<b>Issue Entitlement Ratio</b>	[●]:[●] i.e., Equity Shares for every [●] Equity Shares held by Eligible Shareholders of our Company as on Record Date;
<b>Record Date</b>	[●];

The Issue Price shall be determined by the Company;

3. This Draft Letter of Offer has been approved at Meeting of the Board of Directors on October 15,2024.
4. Receipt of In-principle approval from BSE Limited in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Right Shares proposed to be allotted pursuant Issue vide a letter bearing reference number [●] from BSE Limited (BSE) dated [●]. Our Company will also make application to BSE Limited (BSE) to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular;
5. Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company.

**PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES**

1. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been prohibited or debarred 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.
2. The companies with which our Directors or the persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.
3. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been identified as Wilful Defaulters by the RBI;
4. None of our Directors are associated with the securities market in any manner;
5. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been declared as fugitive economic offenders;
6. None of our Directors currently holds nor have held directorship(s) in the last five years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange;
7. There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, Directors, Group Companies;

#### ELIGIBILITY FOR THE ISSUE

1. Our Company is a listed company incorporated under the Companies Act, 2013. Our Equity Shares are presently listed on the BSE Limited ( BSE ). Our Company is eligible to offer and issue Right Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations;
2. Our Company is undertaking this Right Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations. Our Company undertakes to make an application to BSE Limited ( BSE) for listing of the Right Shares to be issued pursuant to this Issue.

#### COMPLIANCE WITH SEBI (ICDR) REGULATIONS

1. The present Issue being of less than ₹5,000 Lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI (ICDR) Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI (ICDR) Regulations with SEBI for information and dissemination on the website of SEBI, i.e. [www.sebi.gov.in](http://www.sebi.gov.in);
2. Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations to the extent applicable;
3. Further, in relation to compliance Regulation 62 (1) (a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to BSE Limited ( BSE) for listing of the Right Shares to be issued pursuant to this Issue;

#### COMPLIANCE WITH CLAUSE (1) OF PART B OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS

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

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

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI (ICDR) Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI (ICDR) Regulations.

#### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company is in compliance with the provisions of the Companies (Significant Beneficial Ownership) Rules, 2018.

#### DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹5,000.00 Lakhs.

As required, a copy of the Letter of Offer will be submitted to SEBI.

#### DISCLAIMER CLAUSES FROM OUR COMPANY

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

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

#### CAUTION

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Right Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date of this Draft Letter of Offer.

#### DISCLAIMER WITH RESPECT TO JURISDICTION

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

#### DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Issue will be BSE Limited ( BSE )

#### DISCLAIMER CLAUSE OF BSE SMELIMITED

As required, a copy of this Draft Letter of Offer has been submitted to the BSE Limited ( BSE ) has given vide its letter dated [●] to use its name in this Draft Letter of Offer. The Disclaimer Clause as shall be intimated by the BSE Limited ( BSE ) to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with BSE Limited ( BSE) Further BSE Limited ( BSE)does not in any manner:

1. Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
2. Warrant that our Company's Equity Shares will be listed or will continue to be listed on BSE Limited ( BSE); or
3. Take any responsibility for the financial or other soundness of our Company, its management or any scheme or project of our Company;

And it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the BSE Limited ( BSE ).

Every Investor who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE Limited ( BSE) whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### FILING

The Draft Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is up to ₹5,000.00 Lakhs which does not require issuer to file Draft Letter of Offer with SEBI. The Company has filed Draft Letter of Offer with the Stock Exchange for obtaining in-principle approval.

#### SELLING RESTRICTIONS

The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form, and the issue of Right Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, or Application Form may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer,



Abridged Letter of Offer, Entitlement Letter, and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the BSE Limited ( BSE). Accordingly, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, and the Application Form.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, and Application Form or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Accordingly, the Rights Entitlements or Right Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Right Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Right Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or their respective affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Right Shares referred to in this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Right Shares in this Issue must provide an Indian address.

No information in this Draft Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlement and the Right Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Right Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or date of such information.

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

#### **NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Right Shares have not been and will not be registered under the United States Securities Act, 1933, as amended, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof or to, or for the account or benefit of, 'U.S. persons' (as defined in Regulation S under the Securities Act, except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Right Shares referred to in this Draft Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Right Shares and/ or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this Draft Letter of Offer, the Letter of Offer, and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Entitlement Letter, and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Right Shares shall be made from US bank accounts and all persons subscribing for the Right Shares and wishing to hold such Right Shares in registered form must provide an address for registration of the Right Shares in India.

**We, the Registrar, or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:**

- a. **Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Right Shares in compliance with all applicable laws and regulations;**
- b. **Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;**
- c. **Where a registered Indian address is not provided;**
- d. **Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;**

**And we shall not be bound to allot or issue any Right Shares in respect of any such Application Form.**

The Rights Entitlements may not be transferred or sold to any person in the United States.

## **INVESTOR GRIEVANCES AND REDRESSAL SYSTEM**

### **1. Mechanism for Redressal of Investor Grievances**

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011 dated June 3, 2011'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising of 3 (Three), members of the said committee, which meets as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, **Skyline Financial Services Pvt. Ltd.**, for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

### **2. Investor Grievances arising out of this Issue**

Our Company's investor grievances arising out of the Issue will be handled by **Skyline Financial Services Pvt. Ltd.**, who is the Registrar to the Issue. The Registrar to the Issue will have a separate team of personnel handling only post- Issue correspondence. The agreement between our Company and the Registrar to the Issue will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice to enable the Registrar to redress grievances of Investors.

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

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

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

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Right Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled ‘**Terms of the Issue**’ on 116, of this Draft Letter of Offer.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

Company Secretary and Compliance Officer	Registrar to the Issue
<p><b>Ms. Mankia Pandey</b></p> <p><b>Address:</b> D-2/545, Sector – F, Jankipuram, Lucknow – 226021, UP</p> <p><b>Contact Details:</b> 9099160033</p> <p><b>Email-ID:</b> <a href="mailto:manikamisra16@gmail.com">manikamisra16@gmail.com</a></p>	<p><b>Skyline Financial Services Pvt. Ltd</b></p> <p>D--153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020</p> <p>Tel No.: +011-40450193-197;Fax No: +011-26812683</p> <p>E-Mail Id: ipo@skylinerta.com Investor Grievance E-Mail Id: <a href="mailto:grievance@skylinerta.com">grievance@skylinerta.com</a></p> <p>Website: <a href="http://www.skylinerta.com">www.skylinerta.com</a></p> <p>Contact Person: Mr. AnujRana</p> <p>SEBI Registration No.: INR000003241</p>

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**SECTION IX – ISSUE INFORMATION**  
**TERMS OF THE ISSUE**

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This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in the Issue Materials, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up.

Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA facility as disclosed in this section.

#### OVERVIEW

This Issue and the Right Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the BSE Limited (BSE) and the terms and conditions as stipulated in the Allotment advice.

#### IMPORTANT

##### 1. Dispatch and availability of Issue materials

In accordance with the SEBI ICDR Regulations, ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material ('Issue Materials') only to the Eligible Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) on the websites of:

- a. Our Company's website at [www.onticfinserve.in](http://www.onticfinserve.in)
- b. Registrar to the Issue's website at [www.skylinerta.com](http://www.skylinerta.com) ;
- c. BSE Limited's website at [www.bse.com](http://www.bse.com);
- d. Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at [www.skylinerta.com](http://www.skylinerta.com) by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at [www.onticfinserve.in](http://www.onticfinserve.in)

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible. In light of the current situation and pursuant to the SEBI Rights Issue Circulars, our Company, and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form attributable to the non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

## 2. Facilities for Application in this Issue

**In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the Paragraph titled 'Procedure for Application through the ASBA Process' page no. 126 of this Draft Letter of Offer.**

### ASBA facility

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, Paragraph titled '**Procedure for Application through the ASBA Process**' on 126 of this Draft Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

### Credit of Rights Entitlements in demat accounts of Eligible Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI - Rights Issue Circular, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and
- b. A demat suspense escrow account (namely, '**ONTIC FINSERVE - RIGHTS ENTITLEMENT SUSPENSE ESCROW DEMAT ACCOUNT**') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
  - (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
  - (ii) Equity Shares held in the account of IEPF authority; or
  - (iii) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
  - (iv) Credit of the Rights Entitlements returned/ reversed/ failed; or
  - (v) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

Eligible Shareholders as on Record Date are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer.

## OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

Purpose	Link
Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors	<a href="http://www.skylinerta.com">www.skylinerta.com</a>
Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders	
Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company	<a href="mailto:info@skylinerta.com">info@skylinerta.com</a>
Updation of demat account details by Eligible Shareholders holding shares in physical form	

## RENOUNCEES

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

## AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of Board of Directors of our Company passed at their meeting held on October 15,2024, in accordance with the provisions of Section 62(1)(a) of the Companies Act.

The Board of Directors in their meeting held on [●] have determined the Issue Price at ₹[●] per Equity Share and the Rights Entitlement as [●] Rig

hts Equity Share(s) for every [●] fully paid-up Equity Share(s) held on the Record Date.

The Issue Price has been determined by the Company.

## BASIS FOR THIS ISSUE

The Right Shares are being offered for subscription for cash to the Eligible Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members at the close of business hours on the Record Date.

## RIGHTS ENTITLEMENTS

Eligible Shareholders whose names appear as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Shares as set out in the Rights Entitlement Letter

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

- e. Eligible Shareholders can also obtain the details of their respective Rights Entitlements from the Registrar to the Issue's website at [www.skylinerta.com](http://www.skylinerta.com) by entering their DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on our Company's website at [www.onticfinserve.in](http://www.onticfinserve.in)

Rights Entitlements shall be credited to the respective demat accounts of Eligible Shareholders before the Issue Opening Date only in dematerialised form.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Rights Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Rights Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Rights Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the Registrar's website at [www.skylinerta.com](http://www.skylinerta.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date.

Our Company is undertaking this Issue on a rights basis to the Eligible Shareholders and will send the Issue Materials to email addresses of Eligible Shareholders who have provided their Indian address to our Company or who are located in jurisdictions where this Issue and sale of the Rights Entitlements or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid email address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar and our Company through a link contained in the aforementioned email sent to email addresses of Eligible Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) and on the BSE Limited (BSE) website. The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Right Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer filed with BSE Limited (BSE) and the Letter of Offer to be filed with SEBI and the BSE Limited (BSE). Accordingly, the Rights Entitlements and Right Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, or the Application Form should not, in connection with the issue of the Right Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Forms received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Right Shares under the laws of any jurisdiction which apply to such person.

## PRINCIPAL TERMS OF THIS ISSUE

### 1. Face Value

Each Right Shares will be having face value of ₹1.00 (Rupee One Only).

### 2. Issue Price

Each Rights Equity Share is being offered at a price of ₹[●] (Rupees [●] Only) per Rights Equity Share (including a premium of ₹[●] (Rupees [●] Only) per Rights Equity Share) in this Issue.

On Application, Investors will have to pay entire amount of ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●] % ([●] percent) of the Issue Price.

The Issue Price for Right Shares has been arrived at by our Company and has been decided prior to the determination of the Record Date.

**3. Rights Entitlements Ratio**

The Right Shares are being offered on a rights basis to the Eligible Shareholders in the ratio of [●] Rights Equity Share(s) for every [●] fully paid up Equity Share(s) held by the Eligible Shareholders as on the Record Date.

**4. Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the BSE Limited (BSE) or through an off-market transfer

In accordance with SEBI circulars the Physical Shareholders as on the Record Date, who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

**5. Process of Credit of Rights Entitlements in dematerialized account**

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and
- b. A demat suspense escrow account (namely, '[●]' opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
  - (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
  - (ii) Equity Shares held in the account of IEPF authority; or
  - (iii) Physical Shareholders as on Record Date where details of demat accounts are not provided by Eligible Shareholders to our Company or Registrar; or
  - (iv) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
  - (v) Credit of the Rights Entitlements returned/ reversed/ failed; or
  - (vi) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

In this regard, our Company has made necessary arrangements with the Depositories for the crediting of the Rights Entitlements to the demat accounts of the Eligible Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period, i.e., from [●] to [●] (both days inclusive). It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Shareholders whose Rights Entitlement are credited in demat suspense account are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account, details of which



have been provided to the Company or the Registrar account is active to facilitate the transfer. Physical Shareholders can update the details of their demat accounts on the website of the Registrar accessible at [www.skylinerta.com](http://www.skylinerta.com). Such Eligible Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Shareholders and the demat suspense escrow account to the BSE after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

**PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, PLEASE REFER TO THE PARAGRAPH TITLED 'PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS' ON PAGE 126 OF THIS DRAFT LETTER OF OFFER.**

#### 6. Trading of the Rights Entitlements

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the BSE Limited (BSE) under ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the BSE Limited (BSE) for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the BSE on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date. For details, see 'Procedure for Renunciation of Rights Entitlements – On Market Renunciation' and 'Procedure for Renunciation of Rights Entitlements – Off Market Renunciation'.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

#### 7. Terms of Payment

The entire amount of the Issue Price of ₹[●] per Rights Equity Share shall be payable at the time of Application.

Each Rights Equity Share is being offered at a price of ₹[●]/- per Rights Equity Share (including a premium of ₹[●]/- per Rights Equity Share), for every 1 Rights Equity Share allotted in this Issue.

Where an Applicant has applied for additional Right Shares and is Allotted a lesser number of Right Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

#### 8. Fractional Entitlements

The Rights Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of [●] Rights Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Shares over and above their Rights Entitlements, if any, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder hold [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Shares. Such Eligible Shareholders are entitled to apply for additional Rights Shares and will be given preference in the Allotment of one Rights Shares, if such Eligible Shareholders apply for additional Rights Shares, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

#### **9. Ranking of Equity Shares**

The Right Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the NSE and the terms and conditions as stipulated in the Allotment advice.

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

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

#### **10. Credit Rating**

As this Issue is a Rights Issue, there is no requirement for credit rating for this Issue

#### **11. Listing and trading of the Right Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Right Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Right Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Right Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the BSE Limited for final approvals for the listing and trading of the Right Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Right Shares or the price at which the Right Shares offered under this Issue will trade after the listing thereof.

The Right Shares shall be listed and admitted for trading on the BSE Limited (BSE) under ISINs for Right Shares. The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

The existing Equity Shares are listed and traded on Main Board of BSE bearing Scrip Symbol code 'ONTIC' Scrip code 540386 under ISIN'INE989S01042'. The Rights Equity shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approval from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our company.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule. In case our Company fails to obtain listing or trading permission from the BSE, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the BSE, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within 4 (Four) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

#### **12. Rights of holders of Right Shares of our Company**

Subject to applicable laws, holders of the Right Shares shall have the following rights:

- a. The Right Shares shall rank pari-passu with the existing Equity Shares in all respects;
- b. The right to receive dividend, if declared;
- c. The right to vote in person, or by proxy, except in case of Right Shares credited to the demat suspense account for resident Eligible Shareholders;
- d. The right to receive surplus on liquidation;
- e. The right to free transferability of Right Shares;
- f. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and
- g. Such other rights as may be available to a shareholder of a listed public Company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

**Subject to applicable law and Articles of Association, holders of Right Shares shall be entitled to the above rights in proportion to amount paid-up on such Right Shares in this Issue.**

### **13. Mode of Payment of Dividend**

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

## **GENERAL TERMS OF THE ISSUE**

### **1. Market Lot**

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for trading of Rights Entitlements is 1 Shares and in multiples of 1 Shares. To clarify further, fractional entitlements are not eligible for trading.

### **2. Minimum Subscription**

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

- a. Objects of the issue being other than capital expenditure for a project; and
- b. Our Promoter and Promoter Group have confirmed that they will subscribe to their right entitlement, in part or to full extent and will not renounce rights except to the extent of renunciation within the promoter group.

The objects of the Rights Issue involve financing other than the financing of capital expenditure for a project.

### **3. Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Right Shares offered in this Issue.

### **4. Nomination**

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

### **5. Arrangements for Disposal of Odd Lots**

The Rights Equity Shares are traded in dematerialized form only. The market lot for trading of Rights Entitlements is 1 Shares and in multiples of 1 Shares and therefore the marketable lot is 1 Equity Shares.

**6. Restrictions on transfer and transmission of shares and on their consolidation/splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

**7. Notices**

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material only to the Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their email address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation (Hindi being the regional language of Indore where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their website.

**OFFER TO NON-RESIDENT ELIGIBLE SHAREHOLDERS/INVESTORS**

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Right Shares to non-resident shareholders including additional Right Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things:

1. Subscribe for additional Equity Shares over and above their Rights Entitlements;
2. Renounce the Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or
3. Apply for the Equity Shares renounced in their favour.

Applications received from NRIs and non-residents for allotment of Right Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Right Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the e-mail address of non-resident Eligible Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Right Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Right Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Any non-resident shareholder who has applied in the Issue without submitting RBI approval and/or without providing Indian address, his/her application will be liable for rejection.

## PROCEDURE FOR APPLICATION

### How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process only. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

### Application Form

The Application Form for the Right Shares offered as part of this Issue would be sent to the Eligible Shareholders only to

- (i) E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;
- (ii) Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;
- (iii) Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and
- (iv) E-mail addresses of foreign corporate or institutional shareholders.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least 3 (Three) days before the Issue Opening Date.

In case of non-resident Eligible Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions.

**Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).**

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit [www.skylinerta.com](http://www.skylinerta.com). Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of:

- (i) Our Company at [www.onticfinserve.in](http://www.onticfinserve.in);
  - (ii) The Registrar at [www.skylinerta.com](http://www.skylinerta.com);
  - (iii) The Stock Exchange at [www.bse.com](http://www.bse.com).
- f. The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.skylinerta.com](http://www.skylinerta.com) by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at [www.onticfinserve.in](http://www.onticfinserve.in)

The Application Form can be used by the Eligible Shareholders as well as the Renouncees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Right Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Right Shares by:

- (i) Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- (i) The ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or

**Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.**

**Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see 'Grounds for Technical Rejection'. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an Application that is available on the website of the Registrar, Stock Exchange, or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see '**Application on Plain Paper under ASBA process**' on page 128 of this Draft Letter of Offer.

#### **OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS**

The Rights Entitlement Letter will clearly indicate the number of Right Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Right Shares to the full extent of its Rights Entitlements; or
2. Apply for its Right Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Right Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Right Shares to the full extent of its Rights Entitlements and apply for additional Right Shares; or
5. Renounce its Rights Entitlements in full.

#### **PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS**

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

#### **Self-Certified Syndicate Banks**

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

## ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Right Shares:

Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Please note that on the Issue Closing Date:

Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE Limited(BSE), and

**Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.**

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section ‘**Application on Plain Paper under ASBA processes**’ on page 128 of this Draft Letter of Offer.

## ADDITIONAL RIGHT SHARES

Investors are eligible to apply for additional Right Shares over and above their Rights Entitlements, provided that they are eligible to apply for Right Shares under applicable law and they have applied for all the Right Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity. Where the number of additional Right Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Right Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section ‘**Basis of Allotment**’ on page no. 136.

**Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Right Shares.**

**Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Shares.**

Pursuant to the ASBA Circulars, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Shares while submitting the Application through ASBA process.

## PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part:

- 1) By using the secondary market platform of BSE Limited(BSE),; or
- 2) Through an off -market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Shares.

The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state, or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stockbroker regarding any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied for trading in Rights Entitlements

**OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.**

**PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.**

**(i) On Market Renunciation**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchange under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

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

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+1 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

**(ii) Off Market Renunciation**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

**APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS**

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (i) Name of our Company, being '**ONTIC FINSERVE LIMITED**';
- (ii) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);



- (iii) Registered Folio No./DP and Client ID No.;
- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option – only dematerialized form;
- (vi) Number of Right Shares entitled to;
- (vii) Total number of Right Shares applied for;
- (viii) Number of additional Right Shares applied for, if any;
- (ix) Total number of Right Shares applied for;
- (x) Total amount paid at the rate of ₹[●]/- for Right Shares issued in one Rights Entitlement;
- (xi) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- (xii) In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- (xiii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Right Shares applied for pursuant to this Issue;
- (xiv) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (xv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- (xvi) In addition, all such Eligible Shareholders are deemed to have accepted the following:

‘I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the ‘US Securities Act’) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the ‘United States’) except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (hereinafter referred to as ‘**Regulation S**’), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements. In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the

Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.skylinerta.com](http://www.skylinerta.com).

I/ We acknowledge that Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.'

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.skylinerta.com](http://www.skylinerta.com)

## MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility only.

The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in Section 40 (3) of the Companies Act, 2013.

The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB. The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

### 1. Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

### 2. Mode of payment for non-resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

- a) Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, the BSE Limited ( BSE), and our Company;

Note: In case of non-resident Eligible Shareholders, the Issue Materials shall be sent to shall be sent to their email addresses if they have provided their Indian address to our Company and if they are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. The Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions.

- i. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Shares may be restricted by applicable securities laws;

- ii. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;
- Notes**
- (i) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
  - (ii) In case Rights Shares Are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India;
  - (iii) In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
  - (iv) Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
  - (v) In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;
  - (vi) Non-resident Renounees, who are not Eligible Shareholders, must submit regulatory approval for applying for additional Rights Shares;

#### ALLOTMENT OF THE RIGHT SHARES IN DEMATERIALIZED FORM

**PLEASE NOTE THAT THE RIGHTS SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE 'ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS' ON PAGE 137 OF THIS DRAFT LETTER OF OFFER.**

#### GENERAL INSTRUCTIONS FOR INVESTORS

1. Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process;
2. Please read the instructions on the Application Form sent to you;
3. The Application Form can be used by both the Eligible Shareholders and the Renounees;
4. Application should be made only through the ASBA facility;
5. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English;
6. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section '**Application on Plain Paper under ASBA processes** on page 128 of this Draft Letter of Offer;
7. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use only the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA;
8. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
9. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange;

10. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar;
11. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;
12. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected.** With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be 'suspended for credit' and no Allotment and credit of Right Shares pursuant to this Issue shall be made into the accounts of such Investors;
13. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;
14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB;
15. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant;
16. All communication in connection with Application for the Right Shares, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Shareholders, the Eligible Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;
17. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012 dated September 25, 2012' within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility;
18. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;
19. Investors are required to ensure that the number of Right Shares applied for by them do not exceed the prescribed limits under the applicable law;
20. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

**Do's:**

1. Ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may Investors should provide correct DP-ID and client-ID/ folio number while submitting the Application. Such DP-ID and Client-ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
2. mention their internal reference number in place of application number;

3. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;
4. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ('Demographic Details') are updated, true and correct, in all respects;

**Don'ts:**

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;
4. Do not pay the Application Money in cash, by money order, pay order or postal order;
5. Do not submit multiple Applications.

**Do's for Investors applying through ASBA:**

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Right Shares will be Allotted in the dematerialized form only;
2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application;
3. Ensure that there are sufficient funds (equal to {number of Right Shares (including additional Right Shares) applied for} X {Application Money of Right Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;
4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same;
5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;
6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;
7. 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. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter;

**Don'ts for Investors applying through ASBA:**

1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;
3. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;

**Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;

2. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;
3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
5. Account holder not signing the Application or declaration mentioned therein;
6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);
9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;
11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer;
12. Physical Application Forms not duly signed by the sole or joint Investors;
13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
14. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;
15. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Right Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Right Shares in respect of any such Application Form;
16. Applications which have evidence of being executed or made in contravention of applicable securities laws;
17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;
18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;

**DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE**

**IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHT SHARES DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME**

**SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

**Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.**

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

**The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Right Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.**

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

**MULTIPLE APPLICATIONS**

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Right Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see **'Procedure for Applications by Mutual Funds'** below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications and are liable to be rejected.

**LAST DATE FOR APPLICATION**

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. The Board of Directors may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by the Board of Directors, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and the Board of Directors shall be at liberty to dispose of the Right Shares hereby offered, as provided under the section, **'Basis of Allotment'** on 142 of this Draft Letter of Offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE Limited(BSE),

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

**WITHDRAWAL OF APPLICATION**

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

## ISSUE SCHEDULE

Last date for Credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation*	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of Credit (on or about)	[●]
Date of Listing (on or about)	[●]

\* Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

Our Board of Directors may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

## BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Right Shares in the following order of priority:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlements of Right Shares either in full or in part and also to the Renounee(s) who has or have applied for Right Shares renounced in their favour, in full or in part.
2. Eligible Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Right Shares. Allotment under this head shall be considered if there are any unsubscribed Right Shares after allotment under (a) above. If number of Right Shares required for Allotment under this head are more than the number of Right Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
3. Allotment to the Eligible Shareholders who having applied for all the Right Shares offered to them as part of this Issue, have also applied for additional Right Shares. The Allotment of such additional Right Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Right Shares after making full Allotment in (1) and (2) above. The Allotment of such Right Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
4. Allotment to Renounees who having applied for all the Right Shares renounced in their favour, have applied for additional Right Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Right Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
5. Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

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

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



## ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will e-mail Allotment advice, refund intimations or demat credit of Right Shares and/or letters of regret, along with crediting the Allotted Right Shares to the respective beneficiary accounts (only in dematerialized mode) or in a demat suspense account or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 (Fifteen) days from the Issue Closing Date. In case of failure to do so, our Company and the Directors who are 'officers in default' shall pay interest at 15% (Fifteen Percent) p.a. and such other rate as specified under applicable law from the expiry of such 15 (Fifteen) days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

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

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## PAYMENT OF REFUND

### Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

1. Unblocking amounts blocked using ASBA facility.
2. National Automated Clearing House (hereinafter referred to as 'NACH') – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
3. National Electronic Fund Transfer (hereinafter referred to as 'NEFT') – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (hereinafter referred to as 'IFSC Code'), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
5. RTGS – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

### Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

#### **ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES**

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

#### **RECEIPT OF THE RIGHT SHARES IN DEMATERIALIZED FORM**

Please Note That the Right Shares Applied For Under This Issue Can Be Allotted Only In Dematerialized Form And to

1. The Same Depository Account/ Corresponding PAN in which The Equity Shares Are Held By Such Investor On The Record Date, Or
2. The Depository Account, Details of which Have Been Provided to our Company or The Registrar At Least Two Working Days Prior To The Issue Closing Date By The Eligible Equity Shareholder Holding Equity Shares In Physical Form As On The Record Date, Or
3. Demat Suspense Account Pending Receipt of Demat Account Details For Resident Eligible Shareholders/ Where The Credit Of The Rights Entitlements Returned/Reversed/Failed.

Investors shall be Allotted the Right Shares in dematerialized (electronic) form.

#### **INVESTORS MAY PLEASE NOTE THAT THE RIGHT SHARES CAN BE TRADED ON THE BSE LIMITED (BSE) ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Right Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Right Shares and the Application Form will be rejected.
5. The Right Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Shareholders with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Right Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Right Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

#### **PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS**

1. **Procedure for Applications by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post -Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

## **2. Procedure for Applications by AIFs, FVCIs and VCFs**

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

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

## **3. Procedure for Applications by NRIs**

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ('OCI') may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid - up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ('Restricted Investors'), will require prior approval of the Government of India. It is not clear from the press note whether or not an issuance of the Right Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

#### 4. Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

#### 5. Procedure for Applications by Systemically Important Non-Banking Financial Companies ('NBFC-SI')

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

#### IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions 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 Shares; 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 Shares; or otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447.'**

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

In case the fraud involves (i) an amount which is less than ₹10 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

#### PAYMENT BY STOCK INVEST

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

#### DISPOSAL OF APPLICATION AND APPLICATION MONEY

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board of Directors of the Company reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In cases where refunds are applicable, such refunds shall be made within a period of 15 days. In case of failure to do so, our Company and the Directors who are 'officers in default' shall pay interest at the prescribed rate. In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Right Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

#### UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of the issue shall be attended to by our Company expeditiously and satisfactorily;
2. All steps for completion of the necessary formalities for listing and commencement of trading at BSE Limited ( BSE), where the Right Shares are to be listed are taken within the time limit specified by the SEBI;
3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;

4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (Fifteen) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;
6. Adequate arrangements shall be made to collect all ASBA applications;

#### UTILIZATION OF ISSUE PROCEEDS

Our Board declares that:

- a. All monies received out of issue of this Right Equity Issue to the public shall be transferred to a separate bank account.
- b. Details of all monies utilized out of this Right Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
- c. Details of all unutilized monies out of this Right Issue referred to in clause (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

#### IMPORTANT

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed '**ONTIC FINSERVE LIMITED -RIGHT ISSUE**' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

**Skyline Financial Services Pvt. Ltd**

D--153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020

Tel No.: +011-40450193-197; Fax No: +011-26812683

E-Mail Id: ipo@skylinerta.com Investor Grievance E-Mail Id: [grievance@skylinerta.com](mailto:grievance@skylinerta.com)

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

Contact Person: Mr. AnujRana

SEBI Registration No.: INR000003241

**Corporate Identification Number:** U74899DL1995PTC071324;

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([www.skylinerta.com](http://www.skylinerta.com)).
4. This Issue will remain open for a minimum 07 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the 'government route', where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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 way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the 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. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (**'FDI Circular 2020'**), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. The activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non-resident shareholding is within the sectoral limits under the FDI Policy; and
3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

Our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Letter of Offer. Investors 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.

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**SECTION VII – OTHER INFORMATION**

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Please note that the Right Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

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- g. The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at [www.onticfinserve.in](http://www.onticfinserve.in)

in from the date of this Draft Letter of Offer until the Issue Closing Date.

**MATERIAL CONTRACTS FOR THE ISSUE**

1. Registrar Agreement dated [●] between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated [●] among our Company and the Registrar to the Issue and the Bankers to the Issue;

**MATERIAL DOCUMENTS IN RELATION TO THE ISSUE**

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Fresh certificate of incorporation
3. Copies of annual report of our Company for the last Financial Years for the Financial Year ending March 31, 2024.
4. Resolution of our Board of Directors dated October 15, 2024, in relation to the Issue and other related matters;
5. Resolution of our Rights Issue Committee /BoardBoard of Directors dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
6. Consents of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Statutory Auditor, Bankers to the Issue, and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
7. Report on Statement of Special Tax Benefits dated [●], for our Company from the Statutory Auditors of our Company;
8. In-principle approval issued by BSE Limited (BSE) dated [●];
9. Tripartite agreement amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
10. Tripartite agreement amongst our Company, National Securities Depository Limited and Registrar to the Issue.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We/ I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder. We/ I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by Securities and Exchange Board of India, Government of India and any other competent authority in this behalf, have been duly complied with.

We/ I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**Name of the Directors**

**Signature**

**Kapadia Kruti Kevin**  
**Non –Executive Independent Director**  
**DIN No.: 07746940**

Sd/-

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**Anjanaben Rajendrabhai Makwana**  
**Non –Executive Independent Director**  
**DIN No.: 07924729**

Sd/-

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**Raiyani Bhupendra Kumar Dhanjibhai**  
**Executive Director**  
**DIN No.: 08104918**

Sd/-

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**Madhuben Jivabhai Parmar**  
**Non-Executive Independent Director**  
**DIN No.: 09214744**

Sd/-

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**Vishwambar Kameshwar Singh**  
**Executive Independent Director**  
**DIN No.: 09822587**

Sd/-

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**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

**Anjanaben Rajendrabhai Makwana**

Sd/-

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**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER**

**Manika Misra**

Sd/-

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**Place: Ahmedabad**  
**Date: October 15, 2024**