



Gosree Finance Limited

FORM NO PAS-4 PRIVATE PLACEMENT OFFER LETTER

[Pursuant to section 42 and rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014]

ISSUE OF 13700 REDEEMABLE SECURED NON CONVERTIBLE DEBENTURES OF RUPEES 1000 EACH (RUPEES THOUSAND ONLY) AGGREGATING TO RS 137,00,000 (RUPEES ONE CRORE THIRTY SEVEN LAKHS ONLY) ON PRIVATE PLACEMENT BASIS.

**For Private circulation only
For the exclusive use of**

Series No/Tranche No: V-Tranche/Series

Gosree Finance Limited

CIN : U65990KL2013PLC035734

**41/889-A3, Moopen Complex, N.H.Bypass
Service Road, Padivattom, Edapally- 682024,
Kochi**

Ph :+91 484 2803854,

Email : gosreefinance@gmail.com

Website : www.gosreefinance.com

**Contact person :- Mr. G S Ajith Prasad
Chief Financial Officer**

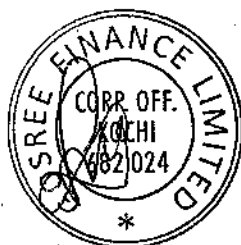
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DISCLAIMER

This document contains forward looking statements; statements which are based on plans, forecasts, estimates and projections and which hold true as the date they are made, and the Company is not obliged to update them in the light of new information or events.

Further the investors shall rely only on the information contained in this document. This private Placement Offer Letter ("**Offer Letter**") does not constitute an offer to the public generally to subscribe for or otherwise acquire the securities to be issued by the Company. This offer letter is not intended to be circulated to more than 200 persons. The Offer Letter is for the exclusive use of the persons to whom it is delivered and it should not be circulated or distributed to third parties or should not be reproduced.

Potential investors are required to make their independent evaluation and judgment before making the investment. This **Offer Letter** is valid only for the period as may be mentioned herein or as per the provisions of the Companies Act, 2013 or Rules made thereunder; any investment made after such date shall not be considered as investment made pursuant to this Offer Letter.



DEFINITIONS AND ABBREVIATIONS

In this Offer Letter unless the context requires otherwise, the following terms shall have the meanings set forth below. Reference to Statutes, Rules, Regulations, Guidelines and Policies will be deemed to include all amendments and modification notified thereto.

COMPANY RELATED TERMS

Term	Description
“We” , “us” , “our” , “ The Company” and “Issuer”	Gosree Finance Limited registered under the Companies Act, 2013 with CIN: U65990KL2013PLC035734 and having its registered office at 41/889-A3, Moopen Complex, N.H.Bypass Service Road, Padivattom, Edapally- 682024, Kochi, India.
“ Articles” / “ Article of Association”	The articles of association of the company as amended from time to time.
“ Board” / “ Board of Directors of the Company”	The Board of Directors of the Company as constituted from time to time and include the Committees of the Board.
“ Director(s)”	Director or Directors on the Board of the Company, or a Committee thereof as appointed from time to time.
“Issue”	The offer and issuance of 13700 Secured Redeemable Non – Convertible Debentures of Rs. 1000 (Rupees Thousand only) each aggregating to Rs. 137,00,000 (Rupees One Crore Thirty Seven Lakhs Only).
“Promoters” / “ our Promoters”	Persons with whose name appear in serial number 1- 12 in the list of subscribers in the Memorandum of association of the Company.
Registered Office	41/889-A3, Moopen Complex, N.H.Bypass Service Road, Padivattom, Edapally- 682024, Kochi



Term	Description
Articles	Articles of Association of the company
Board /Board of Directors	Board of directors as constituted from time to time
CFO	Chief Financial officer
CIN	Corporate Identification Number
DIN	Director Identification Number
Financial Year / FY	Period of 12 months ending on 31 st March of a particular year, unless otherwise stated.
INR	Indian Rupees
IND AS	Indian Accounting Standard
KMP	Key Managerial Personnel
MOA	Memorandum of Association
NBFC	Non-Banking Finance Company
NA	Not Applicable
Corporate Office	41/889-A3, Moopen Complex, N.H.Bypass Service Road, Padivattom, Edappally- 682024
ROC	Registrar of Companies
Securities	Debentures of the Company
Qtrly	Quarterly
NIL	No Value
Roll Over	Extension of Maturity period of the NCD Instrument.

1. GENERAL INFORMATION

Name : Gosree Finance Limited

CIN : U65990KL2013PLC035734

Registered Address : 41/889-A3, Moopen Complex, N.H.Bypass Service Road, Padivattom, Edappally- 682024

Registration Number : 035734

Email id : gosreefinance@gmail.com

Date of Incorporation of company : 20-12-2013

ROC : The Registrar of Companies, Kerala.

Statutory Auditors : M/s Krishnamoorthy & Krishnamoorthy
Chartered Accountants
Registration No: 001488S



a. Summary Of Business

The company is a non-banking financial company carrying on the business of advancing loans and other credit facilities, both fund based and non-fund based, money changer, dealers/brokers in foreign exchange. The company has NBFC license from RBI and also engaged in the business of dealing in financial instruments, pension funds and insurance, discounting of bills and factoring services, hire purchase and leasing, credit rating services, project advisory and consultancy services, asset management and reconstruction, wealth management services and portfolio buy out and securitization as well as to carry on and undertake the business of investment company. The Company has two subsidiaries namely "Gosree Insurance Broking Services Private Limited and "Gosree Investment and Risk Services Private Limited". The former is engaged in the business of Insurance Broking Services and the latter is an Investment Advisory Company. The Company has Four Branches at Ernakulam (Co-located with registered office), Kollam, Calicut and Coimbatore (Tamil Nadu).

b. Our Products and Services

- ☐ Retail loans-Vehicles, Consumer Goods
- ☐ Property loans
- ☐ Housing Loans
- ☐ Education Loans
- ☐ Personal Loans
- ☐ SME loans
- ☐ Equipment loan to Manufacturing/service Industry
- ☐ Loan to traders
- ☐ Loan to Infrastructure Contractors
- ☐ Bill Discounting
- ☐ Short term loans and a whole suite of financial products to meet all your financial needs.
- ☐ Loans to builders

c. Our Management

The management of the company is carried out by the Board of Directors along with Mr.Jayakumar.P.G, Managing Director & CEO, Mr.T.S. Jagadeesan, Managing Director, and Mr.G S Ajith Prasad, CFO, Mrs. Sripriya M Shenoy., Company Secretary, who are appointed under the provisions of Articles of Association of the company and the relevant provisions of the Companies Act 2013.



d. Particulars of Directors of the Company:

Din	Full Name	Address	Designation	Occupation
03390963	Jayakumar.P.G	298 B, Sreevalsom, Prasanthi Nagar, Edapally, Ernakulam, 682024, Kerala, India	Managing Director & CEO	Ex-Banker
06593209	Chandrika Devi	Chandrathra, Tc 9/2621 (1), Elankom Gardens, Vellyambalam, Thiruvananthapuram- 695010, Kerala.	Director	Ex RBI Official
06775429	T.S.Jagadeesan	Villa No.20, Periyar Heritage, Companyapadi, Aluva, Ernakulam-683106.	Managing Director	Ex-Banker
06598286	Gopalankutty Mamballikalam Menon	Flat No. 10 D, Duke Tower, Imperial Gardens, Near Ima Hall, Ernakulam, 682025, Kerala, India	Director	Business
06594837	Raghavan Pillai Kunjulekshmi Bhoothes	Harisree Mwra 14, Kochupillai Moodu Kollam 691001	Director	Business
00480136	Trikkur Seetharaman Anantharaman	NO.1121, Sobha Topaz, Sobha City, Trichur, Puzhakkal, Thrissur 680553	Director	Ex- Banker
02112415	Narasimhan Govindan	XI/7171, Td Road,, College Post Office, Kochi, 682035, Kerala, India	Director	Business
07240418	Chandramohana Prasad Bhaskara Kurup	Shanti Nilayam, Opp.Municipal Office,Kottarkavu, Mavelikara, 690101, Kerala, India	Independent Director	Ex-Banker
00763623	Sidharth Ram	Plot No. 203, Hill Gardens,, Kuttanallur, Trichur, 680014, Kerala, India	Director	Business



07628963	Sriraag Subramonian	Sriranjini, KC-8/797, Excel Nagar-14, Thevally P.O, Kollam-691009.	Director	Business
03500806	Vishnu Prasad Balakrishna Menon	Parayath, Bank Road Aluva P.O Ernakulam 683101 Kerala	Independent Director	Practising Chartered Accountant

Brief Profiles of the Directors

Mr.Jayakumar.P.G

Mr.Jayakumar.P. G, aged 67 years, Managing Director & CEO of the company, holds Bachelor Degree of Science and CAIIB to his qualification. He has over 38 years of vast experience in the field of Banking, Finance, Capital Market and Business Administration. Prior to Joining the company, he has held the positions of Executive Director and Managing director of Dhanlaxmi Bank at a critical juncture in its history and has been instrumental in putting the Dhanlaxmi Bank back to its glory. He also belongs to the promoter group of the company and is associated with the company since 7th April, 2015. He was appointed as Managing Director of the company on 19th November, 2015.

Mr.T.S.Jagadeesan

Mr.T.S.Jagadeesan, aged 68 years, Managing Director of the company, holds BSc, LL.B, CAIIB to his qualification. He Served Federal Bank for 42 years in various capacities and has 42 years of vast experience in the field of Banking, Finance, Capital Market and Business Administration Prior to Joining the company. He Retired as CGM of the Federal Bank and he is also the Current Managing Director of KPBF Ltd, an NBFC company headquartered in aluva, kerala. Being one of the promoters and first directors of the company he is associated with the company right from its inception and has been instrumental in moulding the company.He was appointed as Managing Director on 04.11.2017.

Mr.GopalanKutty Menon

Mr.GopalanKutty Menon, aged 87 years, Promoter and Director of the company, holds I.T.E. Graduation to his Qualification. He is also the founding member of Mamballikalam Group of Firms, one of the leading manufacturers and distributors of leading Consumer products and Merchant exporters for food grains and Ayurvedic Medicines. He is also associated with Nous Infosystems Pvt Lt, one of the well-known IT Companies in India. He is one of the First directors of the company and is associated with the company right from its inception.

Mr.R.K.Bhooedes

Mr.R.K. Bhooedes, aged 53 years, Promoter and Director of the company, holds Btech (Mechanical) and MBA (Marketing) to his qualification. He is also the Managing Partner of M/s. Kairali Exports, one of the leading Cashew Exporting Firms, Managing Director of Asia Commodities LLC, Dubai, a Dubai based Commodity Dealing LLC, the Chairman of Federation of Indian Cashew Industry and Member of Cashew Export Promotion Council of India. He is associated with the company right from its inception and he was appointed as a director of the company on 20th June, 2015.



Ms.P.Chandrika Devi

Ms.P.Chandrika Devi, aged 64 years, Promoter and Director of the company, holds a Master's Degree in Maths to her qualification. Retired as Assistant General Manager of Reserve Bank of India, she has over 38 years of experience in the regulatory role of Banking, Finance and Administration. She is one of the First directors of the company and is associated with the company right from its inception.

Mr.Chandra Mohana Prasad

Mr.Chandra Mohana Prasad, aged 63 years, Director of the company, holds a Master's Degree in English Literature and LLB Degree to his Qualification. Retired as Deputy General Manager of Dhanlaxmi Bank, he has over 31 years of experience in the fields of Banking, Finance and Administration. Currently, he is also practicing as a lawyer in the Honourable High Court of Kerala. He was appointed as a director of the company on 21st June, 2015.

Mr.Sidharth Ram

Mr. Sidharth Ram, aged 38 years, Director of the company, holds ACMA and CGMA to his qualification. He is also the Managing Director of Gemini Warehousing and Logistics Private Limited and Leo Supply Chain Management Private Limited. He is also a Director in the following companies namely Taurus Properties Private Limited, Ram Nivas Resorts and Estates Private Limited, Sloka Developers Private Limited.

Mr. T.S. Anantharaman

Mr.T.S.Anantharaman, aged 71 years, holds B.Com, FCA to his qualification.

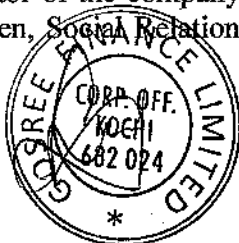
He is currently

- (i) Investment consultant with 30+ years of experience in the Indian capital markets and banking,
 - (ii) Vice Chairman, Leo Pharma Group of Companies, Thrissur and Kochi,
 - (iii) Director of Thrissur Heart Hospital Ltd, MobMe Wireless Ltd, Kochi, Poly Clinic Pvt Ltd, Thrissur and CrosborLuxuratePvt Ltd, Bangalore
 - (iv) Member, Academic Council of St. Thomas College (Autonomous), Thrissur
- Former Chairman, Catholic Syrian Bank Ltd, and member of the Board of Directors (2009-2016) • Founder, Chairman and Managing Director), Peninsular Capital Market Group of Companies - Member of NSE, BSE, MCX, NCDEX, Dubai Gold and Commodities Exchange, and Depository Participant with NSDL and CDSL • Vice President, Cochin Stock Exchange • Director of several listed companies including Manappuram Finance Ltd, Eastern Threads Ltd, MotilalOswal Financial Services Ltd, and SreeSakthi Paper Mills Ltd • United Nations expert with International Labour Office, Switzerland • Head of the Department of Accountancy and Management Studies, University of Botswana •

Won Lifetime Achievement Award from School of Management Studies, University of Calicut, and Thrissur Management Association • Management Excellence Award from Surya TV, Thrissur Pouravali, and Chamber of Commerce of Thrissur.

Mr.N.Govindan

Mr.N.Govindan, aged 60 years, Director of the company, is a successful Business man of high integrity with brilliant Business acumen, Social Relationship and with a vast experience in the



fields of Business Administration and Finance. He is also the Partner of M/s. Jayalakshmi and Director of Jayalakshmi Silks Private Limited belonging to the “Jayalakshmi Group”, one of the leading textile names in the country for the past 90 years, head quartered in Kochi and having several branches across Kerala. He was appointed as Additional Director of the company on 12.3.2016.

Mr.Sriraag Subramonian

Mr. Sriraag Subramonian, aged 35 years, Director of the company, holds B.Tech and MBA to his qualification is a business man with Brilliant business acumen. He has been appointed as the Additional Director of the company on 10.12.2016 and was regularised as Director of the Company. His vast experience, social relationships, stature and reputation as business man of high integrity is believed to fetch the company huge value and esteem.

Mr. Vishnu Prasad B Menon

Mr.Vishnu Prasad B Menon, aged 46 years, hailing from Aluva, holds BSc and FCA to his qualification and he is a Practicing Chartered Accountant by profession. He also holds Directorships in various other companies and is currently the Managing Partner of M/s. BALAN & Co., Chartered Accountants, a reputed Auditing and Management Consultancy firm.

e. Details of Key Managerial Person (Other than MD's and whole time directors)

Name	Address	Designation	Date of Appointment
G S Ajith Prasad	“Govinda Sadanam” Park View Road North Paravur Ernakulam Kerala-683513	Chief Financial Officer	05.01.2019
Sripriya M Shenoy	8/167, T D West Gate Sree Krishna Prasad Mattancherry, Kochi Pin 682002, Kerala	Company Secretary	03.06.2019

f. Management's Perception Of Risk

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.



1. INTERNAL RISK FACTORS

- Our business requires substantial capital, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition.
- Our financial performance is particularly vulnerable to interest rate risk. If we fail to adequately manage our interest rate risk in the future it could have an adverse effect on our net interest margin, thereby adversely affecting our business and financial condition.
- We may not be able to recover the full loan amount, and the value of the collateral may not be sufficient to cover the outstanding amounts due under defaulted loans. Failure to recover the value of the collateral could expose us to a potential loss, thereby adversely affect our financial condition and results of operations.
- We face increasing competition in our business which may result in declining margins if we are unable to compete effectively. Increasing competition may have an adverse effect on our net interest margin, and, if we are unable to compete successfully, our market share may decline.
- We may not be able to successfully sustain our growth strategy. Inability to effectively manage our growth and related issues could materially and adversely affect our business and impact our future financial performance.
- Our operations would be adversely affected if there is any disruption or downturn in the economy of the region of our operation.
- Our results of operations could be adversely affected by any disputes with our employees.
- A decline in our capital adequacy ratio could restrict our future business growth. If we fail to maintain effective internal control over financial reporting in the future, the accuracy and timing of our financial reporting may be adversely affected.
- System failures or inadequacy and security breaches in computer systems may adversely affect our operations and result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation.
- We may be subject to regulations in respect of provisioning for non-performing assets that are less stringent than in some other countries. If such provisions are not sufficient to provide adequate cover for loan losses that may occur, this could have an adverse effect on our financial condition, liquidity and results of operations.



- We are subject to supervision and regulation by the RBI as a non-deposit-taking Non-systemically important NBFC. In case of any adverse change in the regulations, we may have to comply with stricter regulations and guidelines issued by regulatory authorities in India which may adversely affect our business, results of operation and financial condition.
- Our ability to recover the bad debts from our customers may depend on the statutory environment and the amendments and modification to the regulation introduced by the Parliament and the regulators.
- Any failure by us to identify, manage, complete and integrate acquisitions, divestitures and other significant transactions successfully could adversely affect our results of operations, business and prospects.
- In order to be successful, we must attract, retain and motivate key employees, and failure to do so could adversely affect our business. Failure to hire key executives or employees could have a significant impact on our operations.
- We have not availed any insurance coverage adequate to protect us against all potential losses to which we may be subject. Any liability in excess of our insurance claim could have a material adverse effect on our results of operations and financial position.
- Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business, financial condition and results of operations.
- Major lapses of control, system failures or calamities could adversely impact our business.
- Our ability to borrow from various banks may be restricted on account of guidelines issued by the RBI imposing restrictions on banks in relation to their exposure to NBFCs. Any limitation on our ability to borrow from such banks may increase our cost of borrowing, which could adversely impact our growth, business and financial condition.
- Our business strategy may change in the future and may be different from that which is contained herein. Any failure to successfully diversify into other businesses can adversely affect our financial condition.
- We are significantly dependent on our management team and our ability to attract and retain talent. Loss of any member from our management team can adversely affect our business and results of operation.



- Our employees may be the target of theft, burglary and other crimes which may adversely affect our business, operations, and ability to recruit and retain employees.
- Our internal procedures, on which we rely for obtaining information on our customers and loan collateral, may be deficient and result in business losses.
- No Debenture redemption reserve is being created for the present issue of NCDs .As per Rule 18 (7) of the Companies (Share Capital and Debentures) Regulations,2014, issued by the vide G.S.R 265(E) dated March 31,2014, NBFCs registered with the RBI under section 45 IA of the RBI (Amendment) Act, 1997, need not required to create DRR on the issue of privately placed debentures.

2. External Factors

- A decline in India's Foreign Exchange reserves may affect liquidity and interest rates in Indian economy, which could adversely impact our financial condition as well as value of rupee and could ultimately result in reduced liquidity and higher interest rates.
- Companies operating in India are subject to a variety of Central and State Government taxes and surcharges .Any increase in tax rate could adversely affect our business and results of operations.
- Public companies in India, including our company may be required to prepare financial statements under the IFRS or a variation thereof, viz, IND AS. The transition to IND AS is still unclear and we may be negatively affected.
- The government policies and regulations are yet another factor which are beyond the control of management.
- Changes in RBI rates and policies may also have an adverse effect on our business.
- Civil unrest, acts of violence, terrorist attacks, war and political instability could materially and adversely affect the financial markets which could impact our business.
- Natural disasters may disrupt the normal working condition of the Indian economy.
- Degradation of Sovereign rating by International Credit Rating agency may affect our credibility in the international markets in turn affect our business and financial future financial performance.



- g. Details of default if any including therein the amount involved, duration of default and present status, in repayment of-

Particulars	Status
Statutory Dues	NIL
Debenture and Interest thereon	NIL
Deposit and Interest thereon	NIL
Loan from any bank or financial Institution and Interest Thereon	NIL
Any Default in Annual Filing of the company under Companies, Act, 2013 or Rules made there under.	NIL

- h. Name, designation ,address and phone number, email id of the nodal/compliance officer of the company,if any, for the private placement offer process:

Particulars	Remarks
Name	Mr. G S Ajith Prasad
Designation	Chief Financial Officer
Address	"Govinda Sadanam, Park View Road, North Paravur, Ernakulam, Kerala – 683513
Phone No	+91 9539003648
E-mail id	gosreefinance@gmail.com

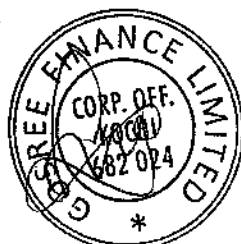
- i. Details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations.



2. PARTICULARS OF THE OFFER			
Particulars		Terms	
Date of Board Resolution		11 th January 2020	
Date of General Meeting		EGM - 12 th March, 2016 (As per Sec 180 (1)(c), the issue of NCDs are within the borrowing limits.)	
Kind & Class of securities offered		Secured Redeemable Non-Convertible Debentures	
Price at which security is being offered including premium if any		Rs. 1000 each	
Name and address of the valuer who performed valuation		NA since the issue is of Non-Convertible Debentures	
Amount which the company intends to raise by issue of securities		Rs 137,00,000 (Rupees One Crore Thirty Seven Lakhs Only)	
Terms of raising of securities:			
Tenor	370 Days	36 months	60 Months
Nature of indebtedness	Secured Redeemable NCD		
Options/ Schemes	S I- Quarterly		
Coupon Rate	11.00%	11.50%	12.00%

Summary Term Sheet

Relevant Date with reference to which the price has been arrived at.	11.01.2020
The Class or Classes of persons to whom the allotment is proposed to be made.	Individuals
Proposed time within which the allotment shall be completed.	Within 60 days of Receipt of application money.
Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	N.A
Intention of Promoters, Directors or KMPs to subscribe to the offer.	The Directors have intention to subscribe to the offer to the extent of amount that may be entered in the application form.



Other Terms and Conditions of the NCD Issue:

I. The Secured NCDs shall be available for 370 Days, 36 Months and 60 Months under Quarterly rate of interests.

II. The NCD Instruments shall be offered at the following rates :

CATEGORY	TENOR	INTEREST RATE
Secured NCDs	370 Days	11.00%
	36 Months	11.50%
	60 Months	12.00%

III. Debentures shall be applied for a minimum of Rs.1 lakh and shall be in multiples of Rs. 50,000 thereafter.

IV. The Secured NCDs would constitute secured obligations of the company and shall rank pari-passu with the existing secured creditors.

V. The NCDs shall be transferred or transmitted freely in accordance with Articles in respect of the Articles of Association and the companies Act, 2013, shall apply, mutatis mutandis (to the extent applicable to debentures) to the NCDs as well.

VI. The redemption of principal amount of NCDs will be made only at the maturity of the Instrument attached to the instrument as part of the terms of issue. Premature redemption of NCDs will not be entertained under any of the circumstances. The Redemption proceeds shall be remitted directly to the Bank account of the Registered Debenture holder within seven days of Maturity Date of the NCD Instrument.

VII. Application for NCDs/Bonds should be made in the prescribed application form duly completed in all respects and accompanied by Cheque or Drafts, Direct remittance advise etc.

VIII. All cheques or Drafts should be crossed "Account Payee" and made payable to Gosree Finance Limited. Direct remittance can also be made to Company's Bank account.



IX.. All monies paid towards subscription of NCDs shall be received from the Bank Account of the Applicant / First Applicant (in case of Joint Holding) and any payment received in contravention of same shall be rejected and refunded.

X. The NCDs shall be issued only in Demat form to the DP account in the name of the applicant/s as provided by them

XI. Minors can also apply for the Debentures, provided the application forms are signed by the natural guardian (Only the father or mother of the minor should sign the application form). If both are not alive, only by the person who is appointed by the court of law. The date of birth of the minor should also be indicated in the relevant column of the application.

XII. Debenture holder can nominate one person to whom the Company can remit Debenture proceeds in the event of death of holder/s through the prescribed nomination form annexed with the application form.

XIII. If debentures are held in the names of more than one, all payments of Principal, Interest etc. shall be made in the name of the first named holder. In the event of death of the first holder, the second holder will be entitled to these rights and so on.

Proposed time period for which for the offer letter is valid	90 Days from the date of Circulation of offer letter.
Purpose and object of the offer	The proceeds of Issue, after meeting the expenditures of and related to the Issue, will be utilised for various financing activities of the Company including lending and investments, subject to applicable statutory and/or regulatory requirements, to repay the Company's existing loans and its business operations including working capital requirements and general corporate purposes.
Contribution by the promoters or directors	Nil
Principle terms of assets charged as security	Pari -passu charge on all Standard Loan assets/Receivables, of the company, both present and future.
Debenture Trustee	George Joseph, Chartered Accountant
Interest on Application Money	At the Coupon rate from the date of realization of cheque(s) up to one day prior to date of allotment.
Modification of Terms of Issue	Terms of Issue can be altered/modified/amended by Board of Directors of the Company subject to written consent of all the debenture holders of the particular tranche/Series of NCD Issue.
Change in control, if any, in the company that would occur consequent to private placement	NIL



The Pre-issue and post-issue share holding pattern of the company:

SL No:	Category	Pre-Issue		Post-Issue	
		No of Shares held	% of Share holding	No of Shares held	% of Share holding
A	PRMOTERS HOLDINGS				
1	INDIAN				
	Individual	3200000	10.02	3200000	10.02
	Bodies Corporate	-	-	-	-
	Sub Total	3200000	10.02	3200000	10.02
2	FOREIGN PROMOTERS	-	-	-	-
	Sub Total (A)				
B	NON PROMOTERS HOLDINGS				
1	Institutional Investors	-	-	-	-
2	Non Institutional Investors	-	-	-	-
	Private Body Corporates	1383333	4.33	1383333	4.33
	Directors and Relatives	9446667	29.58	9446667	29.58
	Indian Public	17909934	56.07	17909934	56.07
	Others (Including Non-resident Indians (NRIs)				
	Sub Total (B)	2,87,39,934	89.98	2,87,39,934	89.98
	Grand Total	3,19,39,934	100.00	3,19,39,934	100.00

3. MODE OF PAYMENT FOR SUBSCRIPTION :

1. Cheque

☐

2. Demand Draft

☐

3. Other Banking Channel,

☐

Please Specify: NEFT/RTGS.



4 DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.

- i. Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons. –

The Promoters, KMPs and Directors of the Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them. In addition, the Promoters, KMPs and Directors of the Company may also be deemed to be interested to the extent of Equity Shares, if any, held by them or by companies, firms and trusts in which they are as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. The Promoters, KMPs and Directors are also deemed to be interested to the extent of Fresh applications, if any, made for the NCDs of the company in the current offer through Private Placement Basis.

- ii. Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed –

There is no litigation or legal action pending or taken by any such Ministry or Department or statutory authority against any promoters of the company during the last three years immediately preceding the year in which the offer letter was circulated.

- iii. Remuneration of Directors (During The Current Year And Last Three Financial Years):

Sl No	Name	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20 (Current Year)
1.	Mr.Jayakumar.P.G	*2100000	**3600000	***4800000	****3600000
4.	Mr. Jagadeesan T S	-	*****980000	*****3600000	*****2700000

* Remuneration paid for 3 months @ 100000 p.m and @ 2, 00,000 p.m for 9 months.

** Remuneration paid for 12 months @ 300000 p.m

*** Remuneration paid for 12 months @ 400000 p.m

**** Remuneration paid for 9 months @ 400000 pm

***** Remuneration paid for 4 months 26 days @ 200000 p.m (Appointed as MD on 04.11.2017)

***** Remuneration paid for 12 months @ 300000 p.m

***** Remuneration paid for 9 months @ 300000 p.m



iv. RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST THREE FINANCIAL YEARS (Rs. Lakhs):

Name of Party	Mr. Jayakumar.P.G			Mr. T S Jagadeesan		
Nature of Party	Key Managerial Personnel			Managing Director		
Years	FY 2016-17	FY 2017-18	FY 2018-19	FY 2016-17	FY 2017-18	FY 2018-19
Remuneration	21.00	36.00	48.00		9.8	36.00

Name of Party	Mr.G S Ajith Prasad		
Nature of Party	Key Managerial Personnel		
Years	FY 2016-17	FY 2017-18	FY 2018-19
Remuneration			2.09*

Name of party	Mrs. Sripriya M Shenoy **		
Nature of Party	Company Secretary		
Years	FY 2015-16	FY 2016-17	FY 2017-18
Remuneration	-	-	-

* Appointed as CFO wef 05.01.2019 @ Rs 70000 pm

** Appointed as CS wef 03.06.2019 @ Rs 60000 pm

v. There has been **no reservations or qualifications or adverse remarks of auditors** in the last one financial year immediately preceding the year of circulation of offer letter and the auditors have specified that the financial statements depict a true and fair view of the state of affairs of the company.

vi. Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (Whether Pending or not) fines imposed, compounding of offenses in the last three years immediately preceding the year of the offer letter and if so, section- wise details thereof for the company and all of its subsidiaries.

There has been no inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law, in the last three years immediately preceding the year of circulation of offer letter, against the company and also there were no prosecutions filed (Whether Pending or not) fines imposed, compounding of offenses in the last three years immediately preceding the year of the offer letter.

vii. There has been **no material frauds committed** against the company in the last three year.



5. FINANCIAL POSITION OF THE COMPANY

Capital Structure of the company

Particulars	Aggregate values (Rs.)
A. Authorised capital (7,50,00,000 equity shares of Rs.10 each)	75,00,00,000
B. Issued , subscribed and paid up share capital before the offer (3,19,39,934 equity shares of Rs.10 each)	31,93,99,340
C. Size of Present offer	Issue of 13700 Secured Redeemable Non – Convertible Debentures of Rs. 1000 (Rupees Thousand only) each aggregating to Rs 13700000 (Rupees One Crore Thirty Seven Lakhs Only).

Paid-up capital after the Offer

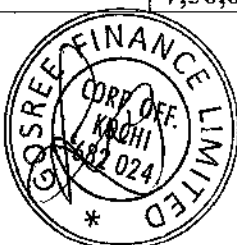
Particulars	Before offer	After Offer
Paid-up Capital Rs.	31,93,99,340	31,93,99,340
Securities premium Account Rs.	4,46,49,670	4,46,49,670
Paid-up Capital After conversion of Convertible Instruments.	33,37,36,340	33,37,36,340

SHARE CAPITAL HISTORY OF THE COMPANY

Changes in Authorised Capital Structure

Changes in authorised capital of the company for the last 3 years as on the date of offer letter is set forth below:

S N	Date of Shareholder Resolution	AGM/ EGM	Aggregate Value of Increase	Particulars
1.	20-06-2015	AGM	15 Crores	Increase in authorised share capital from Rs. 5 Crores divided into 50,00,000 equity shares of Rs.10 each to Rs.20 Crores divided into 2,00,00,000 equity shares of Rs.10 each.
2.	02-09-2015	EGM	30 Crores	Increase in authorised share capital from Rs. 20 Crores divided into 2,00,00,000 equity shares of Rs.10 each to Rs.50 Crores divided into 5,00,00,000 equity shares of Rs.10 each.
3.	24-07-2018	AGM	25 Crores	Increase in authorised share capital from Rs. 50 Crores divided into 5,00,00,000 equity shares of Rs.10 each to Rs.75 Crores divided into 7,50,00,000 equity shares of Rs.10 each.



The number of persons to whom the allotment on preferential basis/ Private Placement /Rights Issue has already been made during the year, in terms of number of securities as well as price;

Mode	Kind of Security	Number of Securities	Number of Persons	Issue Price Per security
Private Placement	NCD	97400	51	1000
Rights Issue	Equity Shares	-	-	-
Preferential Issue	-	-	-	-

Equity Share Capital History

The history of the equity share capital of the company as on the date of this offer letter is set forth below:

Date of Allotment	Number of Shares Allotted	Face Value of Shares Allotted	Consideration	Remarks
20 -12- 2013	22,00,000	Rs. 10	Cash	By Subscription to MoA.
20-11-2015	1,25,50,000	Rs.10	Cash	Allotment of Equity shares on Private Placement Basis
07-04-2016	29,50,000	Rs.10	Cash	Allotment of Equity shares on Private Placement Basis
12-04-2017	88,50,000	Rs.10	Cash	Allotment of Equity Shares on Rights Issue Basis
20-10-2018	53,89,934	Rs.10	Cash	Allotment of Equity Shares on Rights Issue Basis



Allotments of shares made in last One year

Date of Allotment	Number of Shares Allotted	Face Value of Shares Allotted	Issue Price / Consideration	Remarks
20-10-2018	53,89,934	Rs.10	Cash	Allotment of Equity Shares on Rights Issue Basis

Allotments of NCDs made in last One year

Date of Allotment	Number of NCD's Allotted	Face Value of NCD Allotted	Issue Price / Consideration	Remarks
24.05.2018	6000	Rs.1000	Cash	Allotment of NCD's
08.08.2018	3350	Rs.1000	Cash	Allotment of NCD's
17.10.2018	4750	Rs.1000	Cash	Allotment of NCD's
19.12.2018	9250	Rs.1000	Cash	Allotment of NCD's
16.03.2018	4100	Rs.1000	Cash	Allotment of NCD's

DIVIDEND HISTORY OF THE COMPANY

The Company declared and paid a final dividend of 6 % on outstanding shares as on 31.03.2019.

Interest Coverage Ratio for Last Three Years:

FY 15	-
FY 16	3.20
FY 17	3.37
FY 18	3.76
FY 19	3.29

The company has not incurred any interest expenses for the FY 2015



SUMMARY OF THE FINANCIAL POSITION FOR THE LAST THREE YEARS:

Summary Balance Sheet (Rs.in Lakhs unless otherwise stated)

Particulars	FY 13-14	FY 14-15	FY 15-16	FY 2016-17	FY 2017-18	FY 2018-19
Equities & Liabilities						
Share Capital	220.00	220.00	1475.00	1770.00	2655.00	3193.99
Reserves and Surplus	(2.67)	6.92	13.13	142.22	743.17	1116.78
Share Application Money pending allotment	-	-	-	1062	-	0
Money received against share warrant	-	-	-	-	15.77	15.77
Non-Current Liabilities						
Deferred Tax Liabilities	0.00877	-	0.57	0.37	1.11	0
Long Term Borrowings	-	-	8.74	524.21	1337.75	1326.83
Current Liabilities						
Short Term Borrowings	-	-	483.78	201.57	523.85	786.11
Other Current Liabilities	0.08427	2.26	9.23	468.19	618.95	465.88
Short term provisions	0.05245	2.46	12.79	17.53	41.01	84.67
Total	217.47	231.64	2003.23	4186.09	5936.61	6990.03
Assets						
Non- Current Assets						
Fixed Assets- Tangible Assets	0.75	1.43	33.05	33.74	62.04	89.14
Long Term loans and Advances	-	-	575.05	957	2354.50	2036.11
Non-Current Investment	-	-	-	70.84	70.84	105.84
Deferred Tax Asset	-	-	-	-	-	7.67
Intangible Assets	-	-	-	2.41	1.53	1.73
Other Assets					25.00	25.00
Current Assets						
Cash and Cash Equivalents	201.14	228.51	678.83	1093.91	10.63	57.67
Short Term Loans and Advances	0.00	0.00	699.86	2014.13	3399.90	4637.34
Other Current Assets	15.58	1.70	16.44	14.07	12.14	29.53
Total	217.47	231.64	2003.23	4186.09	5936.61	6990.03



Summary Profit and Loss statement (Rs in Lakhs)

Particulars	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Income						
Income from operation	-	-	77.25	553.08	929.44	1082.78
Other income	1.75	17.77	28.67	2.38	10.20	8.73
TOTAL REVENUE	1.75	17.77	105.92	555.46	939.65	1091.51
Expenses						
Employee Benefit Expenses	-	0.83	18.36	65.57	101.09	180.04
Finance Costs	-	-	2.69	102	158.86	279.99
Depreciation	0.0096216	0.0886219	1.71	5.89	6.87	9.84
Other expenses	4.18	3.11	56.45	31.96	82.11	199.40
TOTAL EXPENSES	4.19	4.03	79.20	205.42	348.94	669.27
Profit/(Loss) before tax	(2.44)	13.74	26.71	350.04	590.70	422.24
Tax Expense:						
Current Tax	0.23	4.12	19.94	114.39	166.01	136.78
Deferred Tax	0.00877	(0.00877)	0.57	(0.19)	0.74	(8.78)
Prior period taxes	-	0.02955	-	0.24		0
Profit for the year	(2.67)	9.60	6.21	235.61	423.94	294.24
Earnings per share (Basic/Diluted)	(0.44)	0.44	0.09	1.33	1.61	1.02

CASH FLOW STATEMENT

Cash flow statement for the three years immediately preceding the date of circulation of offer letter (Rs in Lakhs):

Particulars	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
A. Cash Inflow/Outflow from operating Activities	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Profit before tax	(2.44)	13.74	26.71	350.04	590.70	422.24
Depreciation	0.0096216	0.09	1.71	5.89	6.87	9.84
Loss on sale of Asset						4.72
Provision for standard Assets	-	-	3.18	4.23	6.95	70.29
Interest Income	(1.75)	(17.77)	(28.40)	(2.38)	(2.51)	(3.13)
Interest Expense	-	-	-	-	-	



Operating Profit before Working Capital Changes	(4.18)	(3.94)	3.20	357.79	602.01	503.96
Adjustment for working capital changes :						
(Increase)/Decrease in other Current Assets	(1.58)	(0.12)	(14.74)	2.38	1.92	(17.38)
Increase(Decrease) in other Current Liabilities	0.08427	2.17	5.14	29.77	(5.40)	2.70
Decrease/(increase) in long term loans and advances	-	-	(575.05)	(381.95)	(1397.51)	354.58
Decrease/(increase) in short term loans and advances	-	-	(699.86)	(1314.26)	(1385.77)	(1237.43)
Decrease / (increase) in other non current assets					(25)	
Net Working Capital Changes	(1.50)	2.05	(1284.51)	1664.06	2811.76	897.53
Cash Generated from operations	(5.68)	1.89	(1281.31)	(1306.27)	(2209.76)	(393.57)
Income Tax paid	0.18	1.74	(12.79)	(114.12)	(149.48)	(199.61)
Net Cash Flow from operating Activities	(5.86)	(3.63)	(1294.10)	(1420.39)	(2359.24)	(593.18)
B. Cash Inflow/outflow from Investing Activities						
Purchase of Fixed Assets	(0.76)	(0.77)	(33.32)	(9.00)	(34.29)	(41.85)
Interest received	1.75	17.77	28.40	2.38	2.51	3.13
Investment in Subsidiary Companies	-	-	-	(70.84)	-	(35.00)
Cash Inflow /(outflow) from investing activities	1.00	17	(4.92)	(77.46)	(31.78)	(73.72)



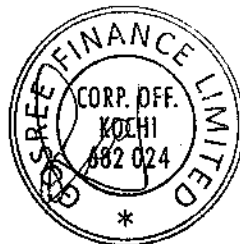
C. Cash Inflow/Outflow from Financing Activities						
Received from members towards paid up share capital	206.00	14.00	1255.00	295.00	885.00	538.99
Securities Premium					177	269.49
Share Application money received	-	-	-	1062	(1062)	0
Proceeds from issue of share warrant					15.77	0
Proceed from vehicle loan	-	-	11.00	250.00	20.5	0
Repayment of Debentures					(329)	(209)
Repayment of vehicle loan	-	-	(0.43)	(1.83)	(2.02)	(5.69)
Proceeds from term loan					822.23	250
Repayment of term loan					(100)	(372.50)
Proceeds / (Repayment) in working capital bank Borrowing s	-	-	483.78	(282.21)	322.27	262.27
Proceeds from debenture Issue	-	-	-	696.50	558.00	170.5
Dividend paid including dividend Distribution tax	-	-	-	(106.52)	-	(190.12)
Interest expense paid	-	-	(2.69)	-	-	-
Net Cash Flow from financing activities	206.00	14.00	1746.66	1912.94	1307.75	713.94
Summary:						
Net Cash from /(used) in Operating Activities	(5.86)	(3.63)	(1291.42)	(1420.39)	(2359.24)	(593.18)



Net Cash from/(used) in Investing Activities	1.00	17	(4.92)	(77.46)	(31.78)	(73.72)
Net Cash from/(used) in financing activities	206.00	14.00	1746.66	1912.94	1307.75	713.94
Net Increase/(Decrease) in Cash Equivalents	201.14	27.37	450.32	415.07	(1083.27)	47.04
Cash or Cash equivalents at the beginning	0	201.14	228.51	678.82	1093.90	1063.28
Cash or Cash equivalents at the End	201.14	228.51	678.82	1093.90	10.63	57.66

ACCOUNTING POLICIES

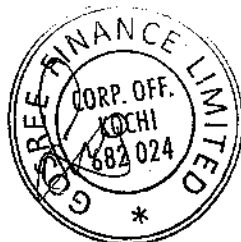
There were no change in accounting policies during the last financial years.



Part B
(To be filled by the Applicant)

1. Name	
2. Fathers Name	
3. Complete Address	
4. Phone Number	
5. Email Id	
6. PAN Number	
7. Bank Account Details	
Account Number	
Branch Name	
IFSC Code	
Amount Invested	
Signature of Applicant	

Initial of the Officer of the company designated to keep the record:




DECLARATION BY THE DIRECTORS THAT

- a. the company has complied with the provisions of the Act and the rules made thereunder;
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter;

We are authorized by the Board of Directors of the Company vide Board Resolution dated 11th January, 2020, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, and legibly attached herein.

Signed and Verified By


Jayakumar.P.G
Managing Director & CEO


T.S Jagadeesan
Managing Director

Date : 11.01.2020
Place : Ernakulam

Attachments:-

1. Copy of Shareholders Resolution
2. Copy of Board resolutions.
3. Consent Letter from Debenture Trustee.

