

PROGRESSIVE FINLEASE LIMITED

(A Company incorporated under the Companies Act, 1956 on 12th January, 1995)

INFORMATION MEMORANDUM

**INFORMATION MEMORANDUM FOR LISTING OF 3,250,000 EQUITY SHARES OF RS. 10/- EACH
FULLY PAID-UP**

Registered Office

S-2 Ground Floor,
Plot No. - A 2/3,
Lusa Tower Azadpur,
Delhi

Phone No: 011- 40424242

Fax: 011- 40424200

Email Id: info@progressivefinlease.in **Website:** www.progressivefinlease.com

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I. GENERAL INFORMATION

Progressive Finlease Limited

Incorporated as a Public Limited Company in the name and style of "Progressive Finlease Limited" with the Registrar of Companies, NCT of Delhi & Haryana vide certificate of incorporation dated 12th January 1995. The corporate Identification Number (CIN) of the Company is L65910DL1995PLC064310.

Registered Office: S-2 Ground Floor, Plot No. – A 2/3, Lusa Tower Azadpur, Delhi

Company Secretary & Compliance Officer:

Ankita Kabra

H. NO. 19, Dhobi Muhlla, Gumla,
PS-Gumla, Dist-Gumla,
835207, Jharkhand, India

Ph. No : 9717794069

Email : ankita@progressivefinlease.in

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

REGISTRAR AND SHARE TRANSFER AGENT

M/s. BEETAL FINENCIAL&COMPUTER SERVICES PVTLTD,

**Regd. Off -BEETAL HOUSE, 3rd Floor,99,Madangir,
behind LSC, New Delhi - 110062**

Tel.:011-29961281-283

Fax:011-29961284

Email Id.:beetal@beetalfinencial.com

Website:www.beetalfinancial.com

GENERAL RISK

Investment in equity and equity-related securities involve a degree of risk and investors should not invest in the equity shares of Progressive Finlease Limited unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in the shares of Progressive Finlease Limited. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of the investors is invited to the statement of Risk Factors appearing in this Information Memorandum.

ABSOLUTE RESPONSIBILITY OF PROGRESSIVE FINLEASE LIMITED

Progressive Finlease Limited having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to Progressive Finlease Limited, which is material, that the information contained in this Information Memorandum 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 Information Memorandum 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 of Progressive Finlease Limited are listed on the Delhi Stock Exchange Limited (DSE). The Company proposes to list and trade its Equity shares on MCX Stock Exchange Limited (MCX-SX). The Company has submitted this Information Memorandum to MCX-SX. The Information Memorandum would be made available on the website of MCX-SX (www.mcx-sx.com).

II. DEFINITIONS, ABBREVIATIONS & INDUSTRY RELATED TERMS

Term	Description
Act	The Companies Act, 1956 and applicable provisions of the Companies Act, 2013
AGM	Annual General Meeting
Articles/AOA	Articles of Association of the Company as originally framed or as altered from time to time in pursuance of any previous company law or of this Act.
AS	Indian Accounting Standard
Board or Board of Directors	Board of Directors of Progressive Finlease Limited
Capital or Share Capital	Share Capital of the Company
CDSL	Central Depository Services (India) Limited
CIT	Commissioner of Income Tax
CS	Company Secretary
DSE	Delhi Stock Exchange Limited
DOI	Date of Issue
Depository Act	A Depository Act, 1996
Depository	A depository registered with SEBI under the Securities And Exchange Board of India (Depositories participants) Regulation 1996 , as amended
Depository Participants or DP	A depository participants as defined under the Depositories Act
EPS	Earnings Per Share
Equity Share(s)	Fully paid-up equity shares of the face value of Rs. 10/- each of Progressive Finlease Limited
Equity shareholders	Holders of Equity Share(s) or the beneficiaries holding their shares in DEMAT Mode.
EGM	Extra Ordinary General Meeting of the shareholders of the Company
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999
FI	Financial Institutions
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FY / Fiscal	Financial year ending March 31
HUF	Hindu Undivided Family
ID	Independent Director
IM	Information Memorandum
I.T Act	Income Tax Act, 1961 and amendments thereto
IT	Information Technology
Memorandum/MOA	Memorandum of Association
MCX-SX	MCX Stock Exchange
N A or N/A	Not Applicable
NAV	Net Asset Value
NBFC	Non Banking Financial Company
NR	Non Resident
NRI(s)	Non Resident Indian (s)
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Promoters	1. Easy Growth Securities and Credits Private Limited 2. Prem Kumar

RBI	The Reserve Bank of India
Registrar to the Company	Beetal Financial & Computer Services Pvt Ltd
ROC	Registrar of Companies, NCT of Delhi & Haryana
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Act, 1992	Securities and Exchange Board of India Act, 1992 and amendments thereto
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, and as amended to date
Takeover Code	The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and as amended to date
“we”, “us”, “our”, “the Company”, “our company” or “PFL”, unless the context otherwise implies, refer to, Progressive Finlease Limited.	A public limited company incorporated under the provisions of the Companies Act, 1956 under the name ‘Progressive Finlease Limited’
WTD	Whole Time Director

III. CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL AND MARKET DATA**Financial Data**

Unless otherwise stated, the financial data in this Information Memorandum is derived from the audited financial statement prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") and the Companies Act, 1956 ("the Companies Act") as amended from time to time.

The financial statements of PFL are as of and for the year ended March 31, 2014.

The financial year of PFL commenced on April 1 and ended on March 31 of the next year, so all references to a particular financial year of PFL are to the 12 months period ended on March 31 of that year. In this IM, any discrepancies in any table between the total and the sum of the amounts are listed are due to rounding off.

Currency of Presentation

All references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India.

Market Data

Unless otherwise stated, industry data used in this Information Memorandum has been obtained from industry publications. These industry publications generally state that the information contained therein 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 the company believes that industry data used in this Information Memorandum is reliable, such data has not been verified by any independent source.

IV. FORWARD-LOOKING STATEMENTS

This Information Memorandum contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” or other words or phrases of similar import. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- a. Our dependence on key personnel;
- b. Our ability to comply with the financial conditions and other covenants of our borrowings;
- c. General economic and business conditions in India and other countries;
- d. Regulatory changes relating to the business segments in which we operate and our ability to respond to them;
- e. Technological changes;
- f. Our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments; and
- g. Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry.

For further discussion on factors that could cause our actual results to differ, please refer to “Risk Factors” of this Information Memorandum.

Our Company does not have any obligations 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.

V. RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all of the information in this Information Memorandum, including the risks and uncertainties described below. If any of the following risks actually occur, our business, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.

As an NBFC, we face the risk of default and non-payment by borrowers and other counterparties. Any such defaults and non-payments would result in write-offs and/or provisions in our financial statements, which may materially and adversely affect our profitability and asset quality.

Presently, the Company is a Non-Systematically Important NBFC. As soon as our asset size is increased to more than Rs. 100 crores, as a consequence of being regulated as an NBFC, we will have to adhere to certain individual and borrower group exposure limits and periodic reporting and easy growth as specified under the RBI regulations and are subject to periodic RBI inspection and supervision.

In the event that we are unable to comply with the regulatory requirements within the specified time limit, or at all, we may be subject to regulatory actions by the RBI including the levy of fines or penalties and/or the cancellation of registration as an NBFC as the case may be. Any such action may adversely affect our business, prospects, and results of operations, financial condition and the trading price of our Equity Shares.

Major fraud, lapses of internal control or system failures could adversely impact Company's business.

Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

Material changes in the regulations that govern us could cause our business to suffer and the price of our Equity Shares to decline.

We are regulated by the Companies Act and our operational activities are subject to supervision and regulation by statutory and regulatory authorities including the RBI. In addition, we are subject to changes in Indian law, as well as to changes in regulation, government policies and accounting principles. Any material changes in the regulations that govern us could cause our business to suffer and the price of equity shares may decline.

Our success depends in large part upon our management team and skilled personnel and our ability to attract and retain such persons.

We are highly dependent on our senior management, our directors and other key personnel. Our future performance will depend upon the continued services of these persons. The loss of any of the members of our senior management, our directors or other key personnel may adversely affect our results of operations and financial condition. Competition in the financial services industry for senior management and qualified employees is intense. Our continued ability to compete effectively in our businesses depends on our ability to attract new employees and to retain and motivate our existing employees. Our inability to hire and retain such employees could adversely affect our business.

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.

Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors

The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we will have distributable funds in future periods.

We have not entered into related party transactions.

We have not entered into transactions with related parties that include our Promoters and companies forming part of our promoter group.

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

Our Company's Articles of Association, regulations of our Board of Directors and Indian law govern our Company's corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, Directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder in an Indian company than as a shareholder of a corporation in another jurisdiction.

Any future issuance of Equity Shares may dilute your shareholding

Any future equity issuances by us may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances might occur could also affect the trading price of our Equity Shares.

Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. Natural calamities could have a negative impact on the Indian economy and may cause suspension, delays or damage to our current projects and operations, which may adversely affect our business and our results of operations.

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

Our performance and growth are dependent on the health of the Indian economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalisation 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 Indian economy may adversely impact our business and financial performance and the price of our Shares.

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Shares could be adversely affected.

Political instability or changes in the Central Government could adversely affect economic conditions in India and consequently the Company's business

The Company is incorporated in India, derives most of the revenues in India and substantially all its assets are located in India. Consequently, the Company's performance and the market price and liquidity of the Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

The Central Government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. The business of the Company, and the market price and liquidity of the Shares may be affected by interest rates, changes in Central Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

If communal disturbances or riots erupt in India, or if regional hostilities increase, this would adversely affect the Indian economy, the health of which the business of the Company depends on. India has experienced communal disturbances, terrorist attacks and riots during recent years. If such events recur, the Company's operational and marketing activities may be adversely affected, resulting in a decline in its income.

The market value of your investment may fluctuate due to the volatility of the Indian securities markets.

Indian stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities.

Indian stock exchanges have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Shares. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have a negative effect on market sentiment.

Sudden substantial sales by shareholders could cause the price of equity shares to decline.

As there is no lock-in provision on the equity shares after listing, sale of substantial number of equity shares could lead to fall in market prices of the equity shares.

We are subject to extensive regulation by RBI. New laws/rules and changes in any law and application of current laws/rules could affect our manner of operations and profitability.

The prices of the Company's equity shares may be volatile, or an active trading market for the Company's equity shares may not develop.

Prices of the Company's equity shares may fluctuate after this listing. There can be no assurance that an active trading market for the equity shares will develop or be sustained after this listing. The Company's share price could be volatile.

VI. SUMMARY OF OUR BUSINESS

In this section, unless the context requires otherwise, any reference to “we”, “our” and “us” refers to the Company.

The primary business of our company is of finance, hire purchase, leasing, chartering and to finance lease. The company is registered as a Non-deposit taking Non-Banking Finance Company with RBI. Since the asset size of the company is not more than Rs. 100 crores, it is presently a Non Systemically Important Non Deposit taking NBFC.

For details please refer to the “Business of the Company” section of this Information Memorandum.

VII. SUMMARY OF FINANCIALS

The following table provides a summary of financial information derived from the financial statements as of and for the financial year 2014, 2013, 2012, 2011 and 2010. These financial statements have been prepared in accordance with the Indian GAAP and the Companies Act, 1956. The summary of financial information presented below should be read in conjunction with the financial statements, the notes and annexure thereto on page no 50.

Balance Sheet Highlights					
	(In Rupees)				
Particulars/ FY ended	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Sources of funds	-	-	-	-	-
Shareholders' Funds	-	-	-	-	-
Share Capital	32,500,000	32,500,000	32,500,000	32,500,000	32,500,000
Share Application Money	-	-	-	-	-
Reserve & Surplus	(414,182)	(445,227)	(91,302)	86,135.24	245,596.40
Non-Current Liabilities					
Long -Term Borrowings	-	-	-	-	-
Deferred Tax Liabilities	-	-	250,309	294,603	337,162
Current Liabilities					
Short -term Borrowings	-	-	-	-	-
Trade Payables	1,236	1,322,588	-	-	-
Other Current Liabilities	35,708	34,736	-	-	-
Long-Term Provisions	37,124	-	-	-	-
Short-Term Provisions	16,777	10,819	124,104	116,236	116,236
Total	32,175,427	33,399,366	32,783,111	32,996,974.24	331,989,944.4
Application of funds					
Non-Current Assets					
Fixed Assets					
Tangible Assets	-	-	803,551	977,891.24	1,152,231.24
Non-Current	3,500,000	7,753,696	-	-	-

Investments					
Deferred Tax Assets (net)	239	-	-	-	-
Long Term Loans & Advances	-	-	-	-	-
Other Non-Current Assets	-	-	-	-	-
Current Assets					
Current Investments	-	-	28,262,050	29,482,050	29,482,050
Inventories	13,692,468	16,650	16,650	16,650	16,650
Trade Receivables	66,346	934,180	814,000	814,000	814,000
Cash & Cash Equivalents	37,197	74,781	143,910	183,433	211,113.16
Short -Term Loans & Advances	14,849,539	23,390,584	1,522,950	1,522,950	1,552,950
Other Current Assets	29,638	1,229,475	1,220,000	-	-
Total	32,175,427	33,399,366	32,783,111	32,996,974.24	331,989,944

Profit & Loss Highlights

Particulars/ FY ended	(in rupees)				
	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Total Revenue	1,864,055	116,110	0	0	0
Total Expenses	1,780,072	709,576	221,731	202,020.16	191,275
Profit/ (Loss) before tax	83,983	(593,466)	(221,731)	(202,020.16)	(191,275)
Tax Expenses	15,764	239,490	44,294	42,559	40,448
Profit/(Loss) after tax	68,219	353,976	(177,437)	(159,461.16)	(150,827)
Earnings Per Share	0.02	(0.11)	(0.05)	(0.05)	(0.05)

VIII. SYNOPSIS FOR LISTING

The Equity Shares of the Company, which is listed on the DSE are now proposed to be listed and traded on MCX-SX.

- a. The listing of the shares on MCX-SX shall provide nationwide trading platform to the shareholders of the Company. Presently, there is no trading of the Company's scrip on DSE. The shares can be bought or sold only through off market private deals;
- b. Listing on MCX-SX provides a continuing and immediate liquidity to the shareholders and in turn helps broaden the shareholder base;
- c. Trading of shares on MCX-SX shall ensure proper market price determination of the equity shares of the Company and ensure transparency; and
- d. Listing of the Company at MCX-SX shall raise Company's public profile with customers, suppliers, investors, financial institutions and the media.

IX. GENERAL INFORMATION**Brief History**

Incorporated as Public Limited Company in the name and style of "Progressive Finlease Limited" with the Registrar of Companies, NCT of Delhi & Haryana vide certificate of incorporation dated 12th January 1995. The corporate Identification Number (CIN) of the Company is L65910DL1995PLC064310.

Registered Office of our Company

S-2 Ground Floor
Plot No. – A 2/3,
Lusa Tower, Azadpur
Delhi

Email Id:info@progressivefinlease.in **Website:**www.Progressivefinlease.com

Corporate Identification Number: L65910DL1995PLC064310

We are registered with Registrar of Companies, Delhi & Haryana, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019.

Board of Directors

Sl. No.	Name, Designation, and DIN	Category	Age	Residential Address
1.	Samar Gupta (00023288)	Independent Non-Executive	40	H-19/165, 1st Floor,, Sector-7, Rohini, Delhi, 110085,, India
2.	Prem Kumar (01721724)	Promoter, Non-Executive	54	B 2/46, Yamuna Vihar, Delhi, 110053,India
3.	Bhagwat (05279009)	Independent Non-Executive	29	494,F-Block, Mangol Puri, Delhi, 110083, Delhi, India
4.	Mamta Jain (06954806)	Professional, Non-Executive	27	H.No. 2325, Ward No. 15 Partly,, New Housing Board Colony, Panipat, 132103, Haryana, India
5.	Subhash Jain (M.D) (03513693)	Professional, Executive	58	E-4/142, 2 nd Floor, Sector-7, Rohini, Delhi 110085, India

Compliance Officer and Company Secretary

Ankita Kabra
Company Secretary and Compliance Officer
H. NO. 19, Dhobi Muhlla, Gumla,
PS-Gumla, Dist-Gumla,
835207, Jharkhand, India

Tel. No.: 9717794069

Email:ankita@progressivefinlease.in

Equity shareholder(s) can contact the Compliance Officer in case of any share transfer or other related queries.

Statutory Auditors

Santosh Gupta & Co,
Firm's Regn No. 009713N,
SCF-30P, Sector 16A, Part-I,
Market, Faridabad – 121 002(Haryana)

Registrar and Share Transfer Agent

M/s. BEETAL FINENCIAL&COMPUTER SERVICES PVT LTD,

Regd. Off -BEETAL HOUSE, 3rd Floor,99, Madangir,
behind LSC, New Delhi - 110062

Tel.:011-29961281-283

Fax:011-29961284

Email Id.:beetal@beetalfinancial.com

Website:www.beetalfinancial.com

Bankers of the Company

ICICI Bank

H-2, Model Town - III, New Delhi. 110009

Eligibility Criterion

The Company is submitting its Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for direct listing, as applicable, to MCX-SX for making the said Information Memorandum available to public through their website viz. www.mcx-sx.com.

X. CAPITAL STRUCTURE**Capital Structure as on the date of Information Memorandum**

Share Capital	Aggregate Value (in Rs.)
A. Authorized Capital 3,600,000 Equity Shares of Rs. 10/- each	36,000,000
B. Issued: 3,250,000 Equity Shares of Rs. 10/- each fully paid-up	32,500,000
C. Subscribed and Paid-Up Capital 3,250,000 Equity Shares of Rs. 10/- each fully paid-up	32,500,000

Notes to Capital Structure:**History of Authorized Share Capital of the Company:**

Date	Number of Shares	Cumulative Number of Shares	Face Value (Rs.)*	Authorized Capital (Rs.)
Since Incorporation	1,00,000	100,000	10	10,00,000
30.01.1995	3,500,000	3,600,000	10	36,000,000

History of issued Equity Share Capital of the Company:

Date of Allotment	No. of Equity shares	Face Value (Rs.)*	Issue Price	Consideration	Nature of Allotment	No. of Equity Shares Cumulative	Paid Up Capital (Rs.)
At the time of Incorporation	70	10	10	700	Subscriber to the memorandum	70	700
21.03.1995	95,000	10	10	950000	IPO	95,070	9,50,700
30.03.1995	69,000	10	10	690000	IPO	1,64,070	16,40,700
17.07.1995	3,44,500	10	10	3445000	IPO	5,08,570	50,85,700
18.09.1995	4,45,500	10	10	4455000	IPO	9,54,070	95,40,700
29.09.1995	45,930	10	10	459300	IPO	10,00,000	1,00,00,000
02.02.1996	22,50,000	10	10	22500000	IPO	32,50,000	3,25,00,000

As on the date of this Information Memorandum, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into equity shares of Progressive Finlease Limited.

The face value of the Equity Shares of the Company is Rs. 10/- and there shall be only one denomination for the Equity Shares of Progressive Finlease Limited, subject to applicable regulations and Progressive Finlease Limited shall comply with such disclosure and accounting norms specified by SEBI, from time to time.

Except as disclosed in this Information Memorandum, Progressive Finlease Limited has not issued any Equity Shares out of revaluation reserves or for consideration other than cash.

Further there is no commission, brokerage, discount or other special terms including an option for the issue of any kind of securities granted to any person.

The Company has 564 members as on September 30, 2014

Shareholding Pattern as on September 30, 2014

Partly paid-up shares:-	No. of partly paid-up shares	As a % of total no. of partly paid-up shares	As a % of total no. of shares of the company
Held by promoter/promoters group	Nil	Nil	Nil
Held by public	Nil	Nil	Nil
Total	Nil	Nil	Nil
Outstanding convertible securities:-	No. of outstanding securities	As a % of total No. of outstanding convertible securities	As a % of total no. of shares of the company, assuming full conversion of the convertible securities
Held by promoter/promoter group	Nil	Nil	Nil
Held by public	Nil	Nil	Nil
Total	Nil	Nil	Nil
Warrants:-	No. of warrants	As a % of total no. of warrants	As a % of total no. of shares of the company, assuming full conversion of warrants
Held by promoter/promoter group	Nil	Nil	Nil
Held by public	Nil	Nil	Nil
Total	Nil	Nil	Nil
Total paid-up capital of the company assuming full conversion of warrants and convertible securities	32,500,000	Nil	100%

(I)(a) Statement showing Shareholding Pattern

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B) ¹	As a percentage of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(I V)*100
(A)	Shareholding of Promoter and Promoter Group²							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	1	25000	0	0.77	0.77	0	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	1	881500	0	27.12	27.12	0	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0.00	0	0.00
	Sub Total(A)(1)	2	906500	0	27.89	27.89	0	0.00
2	Foreign							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
b	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
c	Institutions	0	0	0	0.00	0.00	0	0.00
d	Any Others(Specify)	0	0	0	0.00	0.00	0	0.00
	Sub Total(A)(2)	0	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	2	906500	0	27.89	27.89	0	0.00

(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds/ UTI	0	0	0	0.00	0.00	0	0.00
(b)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(h)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00
	Sub-Total (B)(1)	0	0	0	0.00	0.00	0	0.00
B 2	Non-institutions							
(a)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(b)	Individuals							
	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh							
I		470	940500	0	28.94	28.94	0	0.00
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	45	1123400	0	34.57	34.57	0	0.00
(c)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00
(c-i)	HUF	47	279600	0	8.60	8.60	0	0.00
	Sub-Total (B)(2)	562	2343500	0	72.11	72.11	0	0.00
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	562	2343500	0	72.11	72.11	0	0.00
	TOTAL (A)+(B)	564	3250000	0	100.00	100.00	0	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
1	Promoter and Promoter Group	0	0	0	0	0.00	0	0.00

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2	Public	0	0	0	0	0.00	0	0.00
	Sub-Total (C)	0	0	0	0	0	0	0.00
	GRAND TOTAL (A)+(B)+(C)	564	3250000	0	0	100.00	0	0.00

(I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"

Sr. No.	Name of the shareholder	Details of Shares held	En cum bere d sha res (*)	No .	As a perce ntage	As a % of gran d total (A)+ (B)+ (C) of sub-clau se (I)(a)	Detail s of war rant s	As a % of gran d total (A)+ (B)+ (C) of sub-clau se (I)(a)	Detail s of co nv ert ibl e sec uri ties	As a % total num ber of co nv ert ibl e sec uri ties held	As a % total num ber of co nv ert ibl e sec uri ties of the sam e class	Total shares (including underlyin g shares assuming full conversio n of warrants and convertibl e securities) as a % of diluted share capital
		Numbe r of shares held					As a % of grand total (A) +(B) +(C)		Numbe r of war rant s held			
(I)	(II)	(III)	(IV)	(V)	(VI)=(V)/(III)* 100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)	
1	Easy Growth Securities and Credits Private Limited	881500	27.12									
2	Prem Kumar	25000	0.77									
TOTAL		906500	27.89									

(I)(c)(i) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares

Sr. No	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		.		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Anil Jain-HUF	40000	1.23	0	0.00	0	0.00	0
2	Shantanu Prakash	200000	6.15	0	0.00	0	0.00	0
3	Priyanka Mittal	50000	1.54	0	0.00	0	0.00	0
4	Raman Khera	40000	1.23	0	0.00	0	0.00	0
5	Ashish Mittal	40000	1.23	0	0.00	0	0.00	0
6	Kunal Gupta	36000	1.11	0	0.00	0	0.00	0
7	Arun Kumar Gupta-HUF	36000	1.11	0	0.00	0	0.00	0
TOTAL		442000	13.60	0.00	0.00	0.00	0.00	0.00

(I)(c)(ii) Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company

Sr. No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Shantanu Prakash	200000	6.15	0	0.00	0	0.00	0
TOTAL		200000	6.15	0.00	0.00	0.00	0.00	0.00

(I)(d) Statement showing details of locked-in shares

Sl. No.	Name of the Shareholder	Number of locked-in Equity Shares	Locked-in shares as a % of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
	N.A.	N.A.	N.A.
	Total	0	0

(II)(a) Statement showing details of Depository Receipts (DRs)

Sl. No.	Type of outstanding DRs (ADRs, GDRs, SDRs, etc.)	Number of outstanding DRs	Number of Equity Shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in statement at para (I)(a) above}
	N.A.	N.A.	N.A.	N.A.
	Total			

(II)(b) Statement showing details of Depository Receipts (DRs), where underlying shares held by "Promoter and Promoter group" are in excess of 1% of the total number of shares

Sl. No.	Name of the DR Holder	Type of outstanding DRs (ADRs, GDRs, SDRs, etc.)	Number of Equity Shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares (i.e. GrandTotal (A)+(B)+(C) indicated in Statement at para (I)(a) above}
	N.A.	N.A.	N.A.	N.A.
	Total	0	0	0

(III)(a) Statement showing the voting pattern of shareholders, if more than one class of shares/securities is issued by the issuer.

Not Applicable as the company has only one class of equity shares.

(Give description of voting rights for each class of security

Class X:

Class Y:

Class Z :)

Category	Category of shareholder	Number of Voting Rights held in each class of securities			Total Voting Rights (III+IV+V)	Total Voting rights i.e. (VI)	
		Class X	Class Y	Class Z		As a percentage of (A+B)	As a percentage of (A+B+C) (VIII)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	
(A)	Promoter and Promoter Group	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(1)	Indian	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(a)	Individuals/ Hindu Undivided Family	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(b)	Central Government/ State Government(s)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(c)	Bodies Corporate	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(d)	Financial Institutions/ Banks	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(e)	Any Other (specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Sub-Total (A)(1)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(2)	Foreign	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(b)	Bodies Corporate	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(c)	Institutions	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(d)	Qualified Foreign Investor	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(e)	Any Other (specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Sub-Total (A)(2)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(B)	Public shareholding	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(1)	Institutions	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(a)	Mutual Funds/ UTI	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(b)	Financial Institutions/ Banks	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Category	Category of shareholder	Number of Voting Rights held in each class of securities			Total Voting Rights (III+IV+V)	Total Voting rights i.e. (VI)	
		Class X	Class Y	Class Z		As a percentage of (A+B)	As a percentage of (A+B+C)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)
(c)	Central Government/ State Government(s)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(d)	Venture Capital Funds	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(e)	Insurance Companies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(f)	Foreign Institutional Investors	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(g)	Foreign Venture Capital Investors	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(h)	Qualified Foreign Investor	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(i)	Any Other (specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Sub-Total (B)(1)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(2)	Non-institutions	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(a)	Bodies Corporate	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(b)	Individuals - i. Individual shareholders holding nominal share capital up to Rs. 1 lakh. ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(c)	Qualified Foreign Investor	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(d)	Any Other (specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Sub-Total (B)(2)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total Public Shareholding (B)= (B)(1)+(B)(2)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	TOTAL (A)+(B)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(C)	Shares held by Custodians and against which Depository Receipts have been issued	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	GRAND TOTAL (A)+(B)+(C)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

10. Top ten shareholders as on the date of Information memorandum

S. No	Name of the shareholder	No. of shares	% of the total shares
1	Easy Growth Securities and Credits Private Limited	881,500	27.12
2	Shantanu Prakash	200,000	6.15
3	Ashish Mittal	90,000	2.76
4	Priyanka Mittal	50,000	1.54
5	Raman Khera	40,000	1.23
6	Anil Jain-HUF	40,000	1.23
7	Kunal Gupta	36,000	1.11
8	Arun Kumar Gupta - HUF	36,000	1.11
9	Arun Kumar Gupta	30,500	0.94
10	Arun Khera	30,000	0.92

XI. INDUSTRY OVERVIEW

The information in this section is derived from various government publications and other industry sources. Neither we nor any other person connected with the Issue have verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

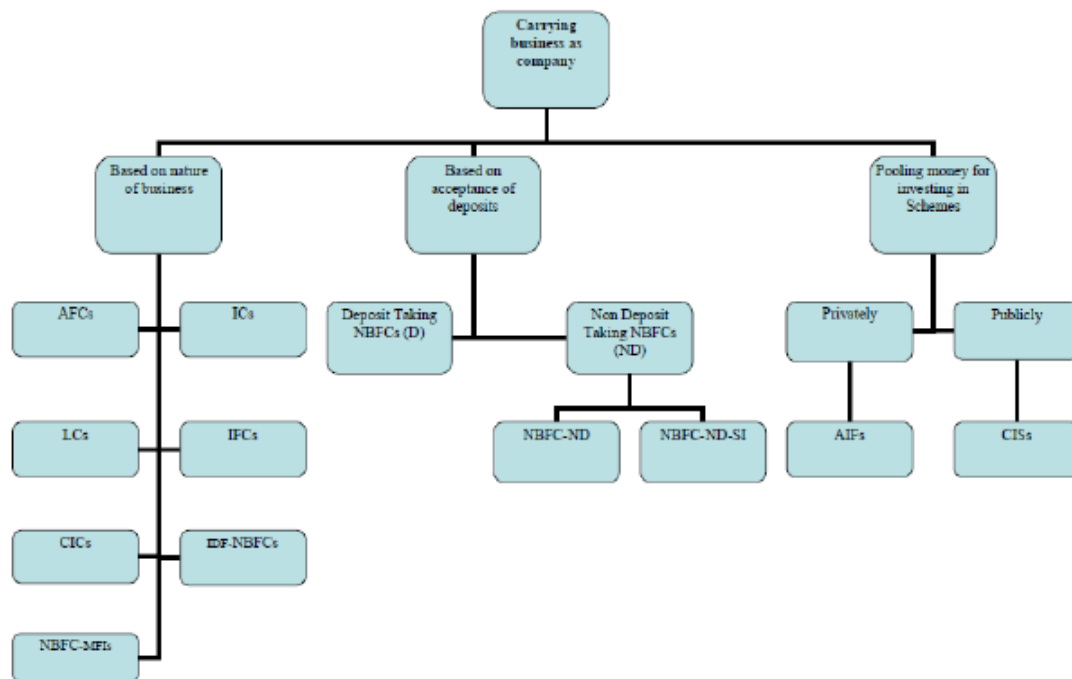
Our Industry Segment:

The primary business of our company is of finance, hire purchase, leasing, chartering and to finance lease. The company is registered as a Non-deposit taking Non-Banking Finance Company with RBI. Since the asset size of the company is not more than Rs. 100 crores it is presently a Non Systemically Important Non Deposit taking NBFC.

Non Banking Finance Companies Overview

As per the various regulations of the RBI and other competent authorities governing NBFC activities in India; the NBFC companies can be broadly categorized in the following:

Non-Banking Financial Entity	Principal Business
1. Non-Banking Financial Company	In terms of the Section 45-l(f) read with Section 45-i(c) of the RBI Act, 1934, as amended in 1997, their principal business is that of receiving deposits or that of a financial institution, such as lending, investment in securities, hire purchase finance or equipment leasing.
(a) Equipment leasing company (EL)	Equipment leasing or financing of such activity.
(b) Hire purchase finance company (HP)	Hire purchase transactions or financing of such transactions.
(c) Investment company (IC)	Acquisition of securities. These include Primary Dealers (PDs) who deal in underwriting and market making for government securities.
(d) Loan company (LC)	Providing finance by making loans or advances, or otherwise for any activity other than its own; excludes EL/HP/Housing Finance Companies (HFCs).
(e) Residuary non-banking company (RNBC)	Company which receives deposits under any scheme or arrangement by whatever name called, in one lump-sum or in instalments by way of contributions or subscriptions or by sale of units or certificates or other instruments, or in any manner. These companies do not belong to any of the categories as stated above.
II. Mutual Benefit Financial (MBFC) i.e., Nidhi Company	Company Any company which is notified by the Central Government as a Nidhi Company under section 620A of the Companies Act, 1956 (1 of 1956)
IV. Miscellaneous non-banking company (MNBC), Managing, Conducting or supervising as a promoter, foreman or i.e., Chit Fund Company	Managing, conducting or supervising as a promoter, foreman or agent of any transaction or arrangement by which the company enters into an agreement with a specified number of subscribers that every one of them shall subscribe a certain sum in instalments over a definite period and that every one of such subscribers shall in turn, as determined by tender or in such manner as may be provided for in the arrangement, be entitled to the prize amount.



PFL is categorized as a Financing Company.

XII. BUSINESS OF THE COMPANY**Business Overview**

The Company was incorporated with the name and style of Progressive Finlease Limited under the provisions of the Companies Act, 1956, as a public limited company with Registration No.064310, issued by the Registrar of Companies, NCT of Delhi & Haryana.

The corporate Identification Number (CIN) of the Company is L65910DL1995PLC064310

The primary business of our company is financing. The company is registered as a Non-deposit taking Non-Banking Finance Company with RBI. As the asset size of the company is not more than Rs. 100 crores, so presently it is termed as Non Systemically Important Non Deposit taking NBFC.

PFL is categorized as a **Financing Company**.

We have been running on a modest operating scale with an asset size of Rs. 3.22 cr. as per the last audited Balance sheet of the Company for the financial year ended on 31st March, 2014. We propose to increase our operating efficiencies and scale and plan to become a notable player in the sector.

Our Company operates from its registered office located at **S-2, Ground Floor, Lusa Tower, Plot No. A-2/3, Azadpur, Delhi- 110033**. Currently, there are no branch offices of our company.

Shareholders Agreements

At present, there are no shareholders agreements between the Company and any other person.

Strategic/Financial Partners

The Company, as on date, has no strategic or financial Partners.

Material contracts

There is no material contracts, agreements (including agreements for technical advice and collaboration), concessions and similar other documents (except those entered into in the ordinary course of business carried on or intended to be carried on by the company), executed or entered into by the Company.

XIII. PROPERTIES

The registered office of the Company is situated at **S-2, Ground Floor, Lusa Tower, Plot No. A-2/3, Azadpur, Delhi- 110033.**

The details of immovable properties of the Company are as follows:

Properties Owned by Company

There is no immovable property owned by the Company.

Immovable Properties on Lease/ rent

SN	Details of the Properties	
1.	Lessor, Date & Tenure	Lessor - M/S LUSA BUILDERS PRIVATE LIMITED Date - 01.04.2014 Tenure - 11 months
	Details of Property	S-2, Ground Floor, Lusa Tower, Plot No. A-2/3, Azadpur, Delhi- 110033

Details of charge on the property

There is no charge on any of the properties of the Company.

XIV. INTELLECTUAL PROPERTY

Trade Mark

There are no trademarks and services marks, which have been registered in the name of the Company.

Other IPRs

The Company does not have any intellectual property rights in the nature of trademarks, copyrights, designs or patents.

There are no actual or threatened litigation or opposition proceedings relating to any intellectual property rights used by the Company.

XV. HISTORY AND OTHER CORPORATE AFFAIRS

The Company was incorporated with the name and style of Progressive Finlease Limited under the provisions of the Companies Act, 1956, as a public limited company with Registration No.064310, issued by the Registrar of Companies, NCT of Delhi & Haryana.

The corporate Identification Number (CIN) of the Company is L65910DL1995PLC064310

I. Milestones:

Year	Particulars
1995	Company incorporated under the provisions of the Companies Act, 1956 with the name and style of Progressive Finlease Limited on 12 th January, 1995.
1996	The Company came with an IPO
1998	The Company availed license of NBFC in exercise of the powers conferred on the Reserve Bank of India by Section 45 IA of the Reserve Bank of India Act, 1934

II. Main Objects:

The main objects of Progressive Finlease Limited, as set out in its Memorandum of Association, are as follows:

- 1. To establish, carry on and undertake the business of finance, hire, purchase, leasing, chartering, renting repairing and to finance lease operations of all kinds, purchasing, selling hiring or letting on hire all kinds of plant, machinery, including pollution control equipments and systems, cooling towers, chimneys, silos, automobile wheels, rims, alternative energy systems, electronics and electronic equipments, pharmaceuticals and Medical equipments, diagnostic equipments, instrumentation equipments, control valves, all types of on shore and off shore services for Oil and Gas Industry or otherwise, ships, scaffolding equipments, corrosion protection, Insulation and anti-fouling activities, equipments used for manufacture of all kinds of Laminates, DG Sets, Motor Cars and buses, computers, data processing equipments and components.**
- 2. To establish, carry on and undertake the business of finance, hire purchase, leasing, chartering and to finance lease operations of all kinds of land building, factory, sheds, godowns, storage houses, shops, display centres an other similar properties.**
- 3. To invest in and acquire and hold and otherwise deal in shares, stocks, Debentures, Debenture Stocks, Bonds, Govt. Securities and any other securities, financiers of industrial, commercial and other enterprises and to act as general financiers.**
- 4. To provide advisory/counseling service in the field of leasing and financing to other entities and/or get the services from the leasing, financing and other entities.**

XVI. OUR MANAGEMENT & CORPORATE GOVERNANCE

We currently have five Directors on our Board. The following table sets forth details regarding the Board of Directors as on the date of this Information Memorandum

Details of Board of Directors			
Name & Designation	Age (years)	Address	Directorship in other Companies
Samar Gupta	40	H-19/165, 1st Floor,, Sector-7, Rohini, Delhi, 110085,, India	TORRENS ELECTROTECH PRIVATE LIMITED
Prem Gupta	54	B 2/46, Yamuna Vihar, Delhi, 110053,India	1. Sunita wsp exim limited 2. Diamond forging limited 3. Hob nob mall ltd. 4. G d mishardhatu limited 5. Skyway ventures limited 6. Lani merchandise private limited 7. Easy growth securities and credits private limited
Bhagwat	29	494,F-Block, Mangol Puri, Delhi, 110083, Delhi, India	1. Lusa builders private limited
Mamta Jain	27	H. No. 2325, Ward No. 15 Partly,, New Housing Board Colony, Panipat, 132103, Haryana, India	-
Subhash Jain	58	E-4/142, 2 nd Floor, Sector-7, Rohini, Delhi 110085, India	1. Aashee Infotech Limited

Change in our Board of Directors in the last three years

S.No.	Name of Director	Designation	Date of Appointment	Date of Cessation
1	Dalip Singh Songara	Director	13.05.2010	16.04.2012
2	Somesh Kumar Sharma	Director	13.04.2012	11.12.2014
3	Gobind Gupta	Director	Since incorporation	16.04.2012
4	Ashwani Jindal	Director	31.01.1995	16.04.2012
5	Manish Gupta	Director	15.05.1999	16.04.2012
6	Mahesh Kumar Rathi	Director	15.05.2012	11.12.2014
7	Hemant Jindal	Director	14.04.1999	15.05.2013
8	Bhagwat	Director	15.05.2013	-
9	Samar Gupta	Director	09.09.2012	-
10	Subhash Jain	MD	02.08.2014	-
11	Mamta Jain	Director	29.09.2014	-

Brief profile of Directors [other than Promoter Director]:**1. Mr. Samar Gupta: Director (00023288)**

He is Commerce Graduate from Delhi University. He is post graduated from MBA Finance from Sikkim Manipal University. He has more than 16 years of experience in the Corporate Sector. He is associated with Manufacturing and Trading Company. Mr. Gupta's Positive attitude and leadership quality stands very fruitful for organization. His competency in co-ordination, handling and interacting brings out a positive outcome for the benefit of organization as well as his employee and colleagues.

He was associated with Thakar Industries which is a manufacturing units of Hand pump Tools and other component as an Accountant and after that he was designated as Manager of Accounts and Finance in Rational Business Corporation Pvt. Ltd.

2. Subhash Jain: Managing Director (03513693)

He is Post Graduate from the Science stream with Agriculture from Hissar University. He is having more than 35 years of experience in the field of Metal & Stainless Industry.

He is an ambitious, optimistic & resourceful business executive with proven abilities of sourcing and managing large businesses and team to carry out organizational goals.

3. Bhagwat: Director (05279009)

Mr. Bhagwat has done his Academic education from Bhiwani Board. He has an experience of more than 7 years in the field of commodities and securities Market.

His sound knowledge in the field of securities market helps the company to attain sustainability growth. He is an ambitious, optimistic, sincere and hardworking man. His presence in the organization is worth for the progress of the company.

4. Mamta Jain: Director

Ms. Mamta Jain is a Commerce Graduate from Kurkushetra University and Associate Member of the Institute of Chartered Accountants of India (ICAI). She is Chartered Accountant by profession.

She is having three years of experience in handling Statutory Audit, Internal Audit and Tax Audit. She has a vast knowledge of Direct Taxation.

For details on our Promoter Director, please refer to the section "Promoters" in this Information Memorandum.

Remuneration of Directors

The Company has a policy of non-payment of remuneration to the Directors of the Company. Non-Executive Directors of the Company are not being paid sitting fees to attend the meeting of the Board of Directors. Directors' Remuneration as on the date of Information Memorandum is as follows:

Name of the Director	Sitting Fees Per Meeting (In Rs.)	Gross Salary Per Month (In Rs.)
Samar Gupta	Nil	Nil
Prem Kumar	Nil	Nil
Bhagwat	Nil	Nil
Mamta Jain	Nil	Nil
Subhash Jain (M.D)	Nil	Nil

Directors' Shareholding

Name of the Director	No. of Shares	%
Prem Kumar	25000	0.77

Corporate Governance

Our Board of Directors has been constituted in compliance with the Companies Act and Listing Agreements with the Stock Exchanges. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

The Board has 5 (five) Directors. The Board comprises of 1 Executive Director and 4 Non-Executive Directors. The Chairman of the Board is a non-executive independent director. Further, in compliance with Clause 49 of the Listing Agreement to the extent applicable to a company seeking listing, the following committees have been formed:

Committees of the Board

Audit Committee

(a) Terms of Reference

The Audit Committee has been constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Audit Committee reviews the financial accounting policies, adequacy of internal control systems and interacts with the statutory auditors. Besides, the Committee reviews the observations of the management and internal/ external auditors, interim and annual financial results, Management discussion and analysis of financial condition and results of operations, and related party transactions. The other roles of Audit Committee, inter-alia includes the following:

- Review of Quarterly/Half Yearly Unaudited Results.

- Review of quarterly Internal Audit Report and Internal Control System.
- Review of adequacy of internal audit function and discuss any significant finding with them, assessing and evaluating the risk and taking measures for mitigating the same.
- Review with Internal Auditors on significant findings and follow up thereon.
- Recommending the appointment/re-appointment of Auditors, fixation of Audit Fees and approval of payment of fees for any other services rendered by them.
- Review of Audited Annual Financial Statements.
- Reviewing the findings of any internal investigations by the internal auditors and the executive.
- Management's response on matters where is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Reviewing the Company's financial and risk management policies.
- Considering such other matters as may be required by the Board.
- Reviewing any other areas which may be specified as role of the Audit Committee under the Listing Agreement, Companies Act and other statutes, as amended from time to time.

(b) Composition

The Audit Committee comprises of the following Directors:

1. Mr. Samar Gupta (Chairman)
2. Prem Kumar
3. Mr. Bhagwat

Stakeholders Relationship Committee**(a) Terms of Reference**

The Stakeholders Relationship Committee has been re-constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange, the Company has constituted an "Shareholders' Grievance and Share Transfer Committee" to specifically look into shareholder issues including share transfer, transmission, re-materialization, issue of duplicate share certificates and redressing of shareholder complaints like non receipt of balance sheet, other related activities in physical mode besides taking note of beneficial owner position under demat mode, declared dividend etc.

Earlier it was constituted in compliance with the requirements of the Corporate Governance under the Listing Agreement with the Stock Exchange, named as "Shareholders' Grievance and Share Transfer Committee." The Company has reconstituted the committee as per Companies Act, 2013. In compliance with the Listing Agreement requirements and provisions of the Companies Act, 2013, the Company has a Stakeholders' Relationship Committee (formerly known as Shareholders Grievance Committee).

(b) Composition

The Shareholders' Grievance and Share Transfer Committee comprises of the following Directors:

1. Ms. Mamta Jain (Chairman)
2. Mr. Prem Kumar

3. Mr. Samar Gupta
4. Bhagwat

Nomination and Remuneration Committee

(a) Terms of Reference

The Nomination and Remuneration Committee has been constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchange, the Company has constituted an "Nomination and Remuneration Committee" to

- identify persons who are qualified to be directors of Company & who can be appointed in senior management.
- recommend to Board a policy relating to remuneration of directors, Key Managerial Personnel & any other employee.
- evaluate performance of every director of Board of Directors

(b) Composition

The Nomination and Remuneration Committee comprises of the following Directors:

1. Mr. Samar Gupta (Chairman)
2. Mr. Mamta Jain
3. Mr. Bhagwat

Borrowing Powers of our Board

As per the Articles of Association of the Company reproduced herein below, the Company has the following borrowing powers:

Article 101: Subject to the provisions of sections 58A, 292 and 293 of the Act, and Regulations made thereunder and directions issued by the R.B.I the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property (both present and future) and uncalled capital, or any part thereof and to issue debentures, debenture-stock and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.

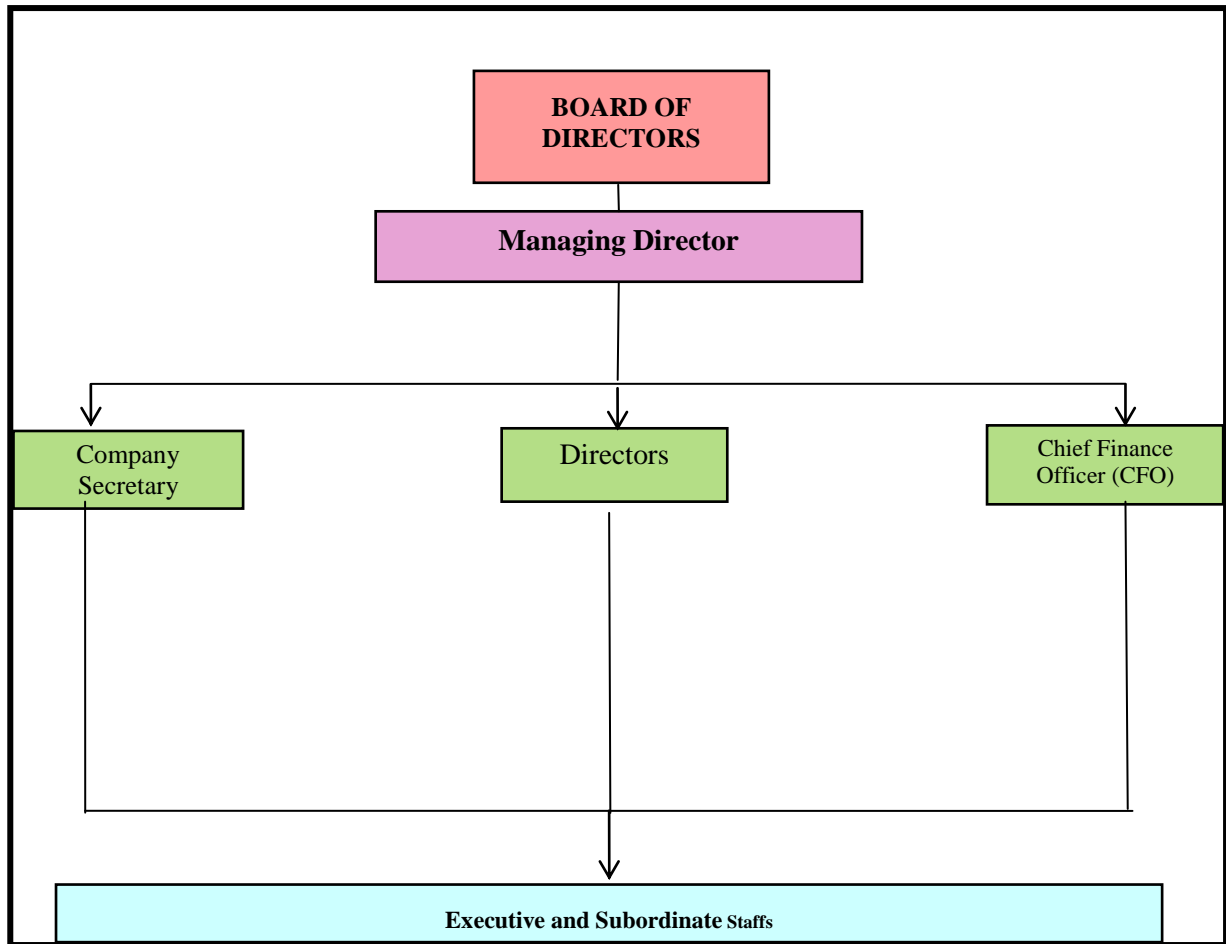
Article 102: The Payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by a resolution passed at a meeting of the Board (and not by circulation) by the issue of debenture or debenture stock of the Company charges upon all or any of the property of the company (both present and future) including its uncalled capital for the time being.

Article 103: Any debentures, debenture-stock or other securities may be issued at a discount premium or otherwise, may be made assignable free from any equities between the company and person to whom the same may be issued and may be issued on the condition that they shall be convertible into shares of any authorized denomination, and with privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at general meetings, appointment of Directors and otherwise, Provided that debentures with the rights to allotment of or conversion into shares shall not be issued except with the sanction of the company in General meeting.

Article 104: All cheques, promissory notes, draft, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the company, shall be signed drawn, accepted, endorsed or otherwise executed as the case may be, by such person and in such manner as the Board may, from time to time, by resolution determine.

The borrowings made by the Company as per the audited account of the Company for the financial year ended March 31, 2014 are within the limits prescribed under the Companies Act, if any.

XVII. ORGANIZATION CHART



Bonus or Profit Sharing Plan for key managerial personnel

Presently, there is no bonus or profit sharing plan for key managerial personnel in the Company.

Employees Stock Option

Presently there is no Employees Stock Option Scheme or Employees Stock Purchase Scheme in the Company.

XVIII. PROMOTERS

Following are the Promoters of the company:

Promoters' Name	Shareholding	Percentage
Easy Growth Securities and Credits Private Limited	881,500	27.12
Prem Kumar	25,000	0.77

Background of Promoters and their particulars:

<p>Mr. Prem Kumar PAN: ALYPK8899C DIN: 01721724 Date of Birth:02/05/1960 Address: B 2/46, Yamuna Vihar, Delhi – 110 053</p>	<p>Mr. Prem Kumar is Commerce Graduate from Delhi University. He is post graduated from M.Com from Rajasthan University. He has more than 30 years of experience in the Accounts & Taxation in Corporate Sector.</p>
<p>Easy Growth Securities and Credits Private Limited PAN: AAACE3817C Date of Incorporation: 23/11/1994 Address:B-7, H-7, Aggarwal Plaza, Netaji Subhash Place, Pitampura, Delhi – 110 034</p>	<p>Easy Growth Securities And Credits Private Limited was set up in 23rd November, 1994. The company is engaged in the business of investment and to underwrite, sub-underwrite, acquire and hold, sell, buy, transfer or deal in shares, debentures stocks, bonds, units, obligations and securities, advance money on interest, syndicate financial arrangements domestically or internationally by way of loans, guarantees, export and yard credits, undertake the work of factoring of bills and other Commercial papers, discounting of bills etc.</p>

Interest of the Promoters

The Promoters may be deemed to be interested to the extent of shares held by them, their friends or relatives, and benefits arriving from their holding Directorship in the Company. The Promoters are not interested in any property, acquired by Progressive Finlease Limited within two years prior the date of the Information Memorandum. The Promoters are neither interested in any loan or advance given by the Company, nor are they beneficiary of any such loans or advances.

Payment or benefit to Promoters of the Company

No payments or benefits other than mentioned in this document are being made to the Promoters of the Company.

Related Party Transaction

The details of related party transactions have been mentioned under the notes to Accounts for the Audited Annual Accounts of the Company for the year ended 31st March, 2014, if any.

XIX. DIVIDEND POLICY

Dividends, other than interim dividends, if any, will be declared at the Annual General Meetings of the shareholders of the Company based on the recommendation of the Board of Directors. The Board may, at its discretion, recommend dividend to be paid to the shareholders. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividend include, but not limited to, the future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions. The Board of Directors may also, from time to time, pay interim dividends to the shareholders of the Company.

However, the Company has not declared any dividend or cash bonus during the past ten years.

The policy of not having declared any dividend in the past is not necessarily indicative of the dividend policy, for the future.

XX. SUBSIDIARIES AND GROUP COMPANIES

The Company does not have any subsidiaries and company is not subsidiary of any company as on the date of this Information Memorandum.

None of the Group Company is listed on any stock exchange.

We confirm that none of the aforesaid group companies is under liquidation or winding-up.

Further none of the Group Company is a Sick Company or referred to BIFR.

Group Companies

The details and key financial information of the group company is as below:

EASY GROWTH SECURITIES AND CREDITS PRIVATE (Promoter Company)

Date of Incorporation	23/11/1994
Registered office	B-7, H-7, AGGARWAL PLAZA,, NETAJI SUBHASH PLACE, PITAMPURA, DELHI - 110 034
Nature of business	The company is engaged in the business of investment and to underwrite, sub-underwrite, acquire and hold, sell, buy, transfer or deal in shares, debentures stocks, bonds, units, obligations and securities, advance money on interest, syndicate financial arrangements domestically or internationally by way of loans, guarantees, export and yard credits, undertake the work of factoring of bills and other Commercial papers, discounting of bills etc.

The Board of Directors of the Company is as follows:

Sl. No.	DIN	Name	Designation
1.	01721724	Mr. Prem Kumar	Director
2.	06670528	Mr. Divyansh Kumar	Additional Director

The Financial Information of the Company as per its audited Balance Sheets, are as below:

SN	Particulars	For the Financial Year ended		
		31 st March, 2014	31 st March, 2013	31 st March, 2012
1	Equity Share Capital (Rs.)	14,525,00.00	14,525,00.00	1,452,500.00
2	Reserves & Surplus* (Rs.)	(29,406.25)	(34,837.25)	(39,794.25)
3	Total Income (Rs.)	24,379.00	22,182.00	20,184.00
4	Profit after Tax	5,431.00	4,957.00	(6,657.00)
5	No. of Equity Shares (Rs. 10 each)	145,250	145,250	145,250
6	Earning per share (Rs.)	0.04	0.03	(0.05)
7	Net Asset value per share (Rs.)	9.80	9.76	9.73

* Excluding revaluation reserves.

XXI. FINANCIAL INFORMATION

- ✓ **Audited Annual Accounts of the Company for the financial year Ended 31st March, 2014**

AUDITORS' REPORT

TO THE MEMBERS,
M/s PROGRESSIVE FINLEASE LIMITED
DELHI.

Report on the Financial Statements

We have audited the accompanying financial statements of **PROGRESSIVE FINLEASE LIMITED** ("the Company") which comprise the balance sheet as at 31st March 2014, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the balance sheet, of the state of affairs of the Company as at 31st March 2014;
- (ii) In the case of the statement of profit and loss, of the Profit for the year ended on that date; and
- (iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
 - e. On the basis of written representations received from the directors as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

3. As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 2008, We observe that:-
 - a) The company is engaged in the business of non-banking financial company financial and is registered under section 45-IA of the Reserve Bank of India, 1934 and certificates of registration as NBFC company has been issued on 20th May, 1998.
 - b) As company is not accepting/holding public deposits, hence this clause 'B' of paragraph 3 of the NBFC Auditor's Report (Reserve Bank) Directions, 2008 not applicable to this company.
 - c)
 - i) The board of directors has passed a resolution for the non-acceptance of any public deposits.
 - i) The Company has not accepted any public deposits during relevant year.
 - ii) The Company has complied with the prudential norms relating to income recognition accounting standards, assets classification and provision for bad & doubtful debts as applicable to it.
 - iii) Clause C (iv) of paragraph 3 of NBFC Auditor's Report (Reserve Bank) Direction, 2008 applicable to this company.

- d) Clause 'D' of the paragraph 3 of NBFC Auditor's Report (Reserve Bank) Direction, 2008 not applicable to this company.

For Santosh Gupta & Co.
Chartered Accountants
FRN : 009713N

Sd/-

Place: Faridabad
Date: 30/05/2014

(Manoj Kumar Nijhawan)
Partner
Membership No: - 512659

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF PROGRESSIVE FINLEASE LIMITED FOR THE PERIOD ENDED ON 31st MARCH 2014.

1. The company does not have any Fixed Assets as such clause I (a), (b) & (c) of the order are not applicable.
2. As explained to us Company is finance Company, Inventories are not in physical form so this clause is not applicable.
3. a) In our opinion and according to explanation given to us by the Company, no loans secured or unsecured have been granted to Companies/Firm/Parties covered in the register maintained U/S 301 of the Companies Act , 1956 and hence clause (a) , (b) , (c) & (d) are not attracted to the company.
b) In our opinion and according to explanation given to us by the Company, no loans secured or unsecured have been taken to Companies/Firm/Parties covered in the register maintained u/s 301 of the Companies Act , 1956 and hence clause (e) , (f) , & (g) are not attracted to the company.
4. a) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of shares.
b) In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control.
5. In our opinion and according to information and explanation given to us, the particular of transactions that are need to be entered in the register maintained u/s 301 of the Companies Act have been so entered.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public and consequently, the provision of section 58A and 58AA of the Companies Act 1956 and the companies (Acceptance of deposits) rules, 1975 are not applicable.
7. It has been observed that company has an in-built internal audit system commensurate to the size of the company & the nature of the business.
8. As Company is a finance company, therefore requirements of maintaining of cost records under Section 209 (1) (d) of the Companies Act, 1956 does not arise.
9. a. According to the records of the company, generally the company is regular in depositing with appropriate authorities undisputed statutory dues applicable to it.
b. According to the information and explanations given to us, no undisputed statutory dues payable in respect of provident fund, investor education and protection fund, employee state insurance, income tax, sales tax, customs duty, excise duty, service tax were outstanding, as at 31st March, 2014 for a period of more than six months from the date they became payable.
10. The accumulated losses of the company are not more than 50% of its Net Worth of the company. The Company has not incurred cash loss in financial year 2013-2014 but in the financial year 2012-2013 company has incurred cash loss incurred Rs. 482631.
11. As per information and explanations provided to us the company has not defaulted in repayment of dues to financial institutions, banks or debentures holders.

12. As per information and explanations provided to us the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. As explained to us the company is not a chit fund or a nidhi mutual benefit fund/ society. Hence this clause is not applicable to the company.
14. In our opinion the company in respect of shares and other securities company has maintained proper records of the transactions, timely entries have been made therein, all the shares have been held in the name of company.
15. As per information and explanations provided to us the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. As per information and explanations provided to us, No term loans has been taken by the company.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short- term basis have been used for long-term investment.
18. As per the information and explanation given to us the preferential allotment of shares has not been made by the company to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
19. During the period covered by our audit report, the company has not issued any debentures.
20. According to the information provided to us, the company has not made any public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Santosh Gupta & Co.
Chartered Accountants
FRN : 009713N

Sd/-

Place: Faridabad
Date: 30/05/2014

(Manoj Kumar Nijhawan)
Partner
Membership No: - 512659

PROGRESSIVE FINLEASE LIMITED			
Balance Sheet as at 31st Mar 2014			
Particulars	Note No.	31.03.2014	31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	32,500,000	32,500,000
(b) Reserves and Surplus	2.2	(414,182)	(445,277)
(2) Non-Current Liabilities			
Long term Provisions	2.3	37,124	-
(3) Current Liabilities			
(a) Trade Payables	2.4	-	1,299,088
(b) Short-term provisions	2.5	16,777	10,819
(c) Other Current Liabilities	2.6	35,708	34,736
Total		32,175,427	33,399,366
II.Assets			
(1) Non-current assets			
(a) Investments	2.7	3,500,000	7,753,696
(c) Deferred tax assets (Net)	2.8	239	-
(2) Current assets			
(a) Inventories		13,692,468	16,650
(b) Trade Receivable	2.9	66,346	934,180
(c) Cash and cash equivalents	2.10	37,197	74,781
(d) Short-term loans and advances	2.11	14,849,539	23,390,584
(e) Other Current Assets	2.12	29,638	1,229,475
Total		2,175,427	33,399,366
Significant Accounting Policies and Notes to Accounts	1 & 2		
As per our report of even date attached			
For Santosh Gupta & Co		For and on behalf of the Board	
Chartered Accountants		Progressive Finlease Ltd	
Firm's Regn No. 009713N			
Sd/-	Sd/-	Sd/-	
Manoj Kumar Nijhawan	Samar Gupta	Bhagwat	
Partner	Director	Director	
Membership No.512659			
	Sd/-		
	Prem Kumar		
	Director		
Place: Faridabad			
Date: 30/05/2014			

PROGRESSIVE FINLEASE LIMITED			
Statement of Profit and Loss statement for the period ended 31st Mar 2014			
Particulars	Note No	31.03.2014	31.03.2013
I. Revenue from operations	2.13	1,855,254	116,110
II. Other Income	2.14	8,801	-
III. Total Revenue (I +II)	(I + II)	1,864,055	116,110
IV. Expenses:			
Purchase of Stock in Trade		15,145,020	
Change in Inventories	2.15	(13,675,818)	-
Employee Benefit Expenses	2.16	161,654	-
Financial costs	2.17	1,920	1,541
Depreciation and amortization expense		-	110,835
Other expenses	2.18	147,296	597,200
IV. Total Expenses		1,780,072	709,576
V. Profit/(Loss) before tax	(III - IV)	83,983	(593,466)
VI. Tax expense:			
(1) Current tax		16,003	10,819
(2) Deferred tax		(239)	(250,309)
VII. Profit/(Loss) for the period	(V-VI)	68,219	(353,976)
VIII. Earning per equity share:	2.19		
(1) Basic		0.02	(0.11)
(2) Diluted		0.02	(0.11)
Significant Accounting Policies and Notes to Accounts	1 & 2		
As per our report of even date attached			
For Santosh Gupta & Co Chartered Accountants Firm's Regn No. 009713N		For and on behalf of the Board Progressive Finlease Ltd	
Sd/- Manoj Kumar Nijhawan Partner Membership No.512659	Sd/- Samar Gupta Director	Sd/- Bhagwat Director	
Place: Faridabad Date: 30/05/2014	Sd/- Prem Kumar Director		

PROGRESSIVE FINLEASE LIMITED				
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014				
				(Rs. in '000)
Particulars	31.03.2014		31.03.2013	
<u>A. CASH FLOW FROM OPERATING ACTIVITIES</u>				
Net Profit/ (Loss) before tax & Extraordinary items		83.98		(593.47)
Adjustments for:				
(Profit) Loss on sale of Fixed Assets	-		467.54	
(Profit) Loss on sale of Investments	(8.66)			
Depreciation	-	(8.66)	110.84	578.38
Operating profit/ (loss) before working capital changes.		75.32		(15.09)
<u>Adjustments for Current Assets & Liabilities:</u>				
(Increase) Decrease in Short Term Loan & Advances	8,541.05		(21,867.63)	
(Increase) Decrease in Closing Stock	(13,675.82)		-	
(Increase) Decrease in trade Receivable	867.83		(120.18)	
(Increase)Decrease in Other Current Assets	1,199.84		(9.48)	
Increase (Decrease) in other current liabilities	0.97			
Increase (Decrease) in trade Payables	(1,299.09)		1,209.72	
Increase (Decrease) in Short Term Provisions	5.96		10.82	
		(4,359.26)		(20,776.75)
Cash generated from operations		(4,283.94)		(20,791.84)
Less: Direct Taxes Paid		(16.00)		(10.82)
Less: Prior Period Expenses Paid during the year				
Cash Flow before extraordinary items.		(4,299.94)		(20,802.66)
-- Extraordinary Items.				
Net cash from operating activities.		(4,299.94)		(20,802.66)
<u>B. CASH FROM INVESTING ACTIVITIES</u>				
Purchase Of Investment	(3,500.00)			

Investment sold	7,762.36		20,508.35	
Proceeds from sale of Fixed Assets	-		225.18	
		4,262.36		20,733.53
Net Cash From Investing activities		4,262.36		20,733.53
<u>C. CASH FLOW FROM FINANCING ACTIVITIES</u>				
-				
Net Cash from Financing Activity				
-				
Net increase/ (Decrease) in cash & cash equivalents		(37.58)		(69.13)
Opening Cash and Cash Equivalents		74.78		143.91
Closing Cash and Cash Equivalents		37.20		74.78
<u>Cash & cash equivalents includes</u>				
Cash in hand				
<u>With Scheduled Bank</u>				
In Current Accounts		37.20		74.78
In Fixed Deposit Account				-
		37.20		74.78
Cash flow statement has been prepared under the Indirect Method as set out in AS-3 " Cash Flow Statement".				
As per our report attached				
For Santosh Gupta & Co		For and on behalf of the		
Chartered Accountants		Board		
Firm's Regn No. 009713N		Progressive Finlease Ltd		
Sd/-		Sd/-		
Manoj Kumar Nijhawan		Samar	Sd/-	
Partner		Gupta	Bhagwat	
Membership No.512659		Director	Director	
		Sd/-		
Place: Faridabad		Prem		
Date: 30/05/2014		Kumar		
		Director		

1. SIGNIFICANT ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and comply with the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The Company follows accrual basis of accounting. The accounting policies applied are consistent with those used in previous year.

1.2 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported accounts of revenue and expenses for the years presented. Actual results could differ from these estimates.

1.3 REVENUE RECOGNITION

- i. Revenue from operations is recognized on accrual basis.
- ii. Dividend income is recognized when the Company's right to receive dividend is established.
- iii. Interest income is recognized period basis according to Accounting Standard-9 issued by Institute of Chartered Accountant of India.

1.4 FIXED ASSETS

There is no fixed assets in current year.

1.5 INVENTORIES

Inventories are valued at lower of cost of Net Realizable Value.

1.6 INVESTMENTS

Investments are being classified as long term Investments & Current Investments. Investment intended to be held not more than one year is termed Current Investments. The current investments are accounted at cost plus expenses identical thereto or Market Value whichever is less. Long Term Quoted and Unquoted Investments are taken at cost.

1.7 PROVISION FOR RETIREMENT BENEFITS

The provisions of the Employees provident Fund are not applicable to the company, hence not provided for.

Provisions of Payment of Gratuity Act 1972 are not applicable to the Company.

1.8 TAXES ON INCOME**Current Tax**

Provision for current tax is made in accordance with the provision of Income Tax Act, 1961.

Deferred Tax

In accordance with the Accounting Standard -22 "Accounting for Taxes on income" Issued by the ICAI of India, Deferred Tax Liability/Asset arising from timing difference between

book and income tax profit is accounted for at the current rate of tax to the extent these differences are expected to crystallize in the later years. However, in case of brought forward losses or unabsorbed depreciation Deferred Tax Assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

The carrying amount of deferred tax assets/liabilities are reviewed at each balance sheet date. The company writes down the carrying amount of deferred tax assets/liability to the extent that it is no longer reasonably certain, that sufficient future taxable profit will be available against which deferred tax assets can be realized.

1.9 EARNING PER SHARE

Basic earnings per share is calculated by dividing the net Profit & Loss for the period attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders: Share split: and reverse share split (consolidation of shares).

1.10 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is made at 0.25% of the outstanding standard assets in accordance with the RBI guidelines.

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Notes to accounts

	Share Capital		
		31.03.2014	31.03.2013
		Rs.	Rs.
	Authorised		
	3600000 Equity Shares of Rs. 10 each	36,000,000.00	36,000,000.00
		36,000,000.00	36,000,000.00
	Issued		
	3250000 Equity Shares of Rs. 10 each	32,500,000.00	32,500,000.00
		32,500,000.00	32,500,000.00
	Subscribed & Fully Paid Up		
	3250000 Equity Shares of Rs. 10 each	32,500,000.00	32,500,000.00
		32,500,000.00	32,500,000.00
2.1.1	Change in Share Capital during the year		
	Particulars	31.03.2014	31.03.2013

	No. of Shares	Rs.	No. of Shares	Rs.
Shares outstanding at the begning of the year	3,250,000	32,500,000	3,250,000	32,500,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other Movement(please specify)	-	-	-	-
Shares outstanding at the end of the year	3,250,000	32,500,000	3,250,000	32,500,000

2.1.2 Share holding more than 5%					
Name of Shareholder	Equity Shares				
	31.03.2014		31.03.2013		
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Pawan Kumar Jain	250,000	7.69	250,000	7.69	

2.2 Reserve & Surplus		
	31.03.2014	31.03.2013
Surplus (Deficit)		
Opening Balance	(445,277)	(91,302)
Profit after tax for the year	68,219	(353,976)
Less: Contingent Provision Against Standard Assets*	37,124	-
Less: Amount transfer to Special Reserve u/s 45-IC of the RBI Act, 1934	6,219	-
Closing Balance	(420,401)	(445,277)
Particulars	31.03.2014	31.03.2013
Special Reserve u/s 45-IC of the RBI Act, 1934		
Opening Balance	-	-
Add: Transfer from Profit & Loss A/c	6,219	-
Closing Balance	6,219	-
Total	(414,182)	(445,277)

2.3 Long term provisions			
	Particulars	31.03.2014	31.03.2013
	Contingent Provision Against Standard Assets*	37,124	-
	Total	37,124	-
*A Contingent Provision against standard Assets has been created at 0.25% of the outstanding standards assets in terms of RBI circular Ref. no. DNBS(PD) CC No.225/03.02.001/2011-12 dated July 1,2011			

2.4 Trade Payables			
	Particulars	31.03.2014	31.03.2013
	Trade Payables		
	Sundry Creditors	-	1,299,088
	Total	-	1,299,088

2.5 Short term provisions			
	Particulars	31.03.2014	31.03.2013
	(b) Others (Specify Natures)	-	-
	Provision for Income Tax F.Y. 2012-13	-	-
	Provision for Taxation	16,003	10,819
	Leave Encashment Payable	774	-
	Total	16,777	10,819

2.6 Other Current Liabilities			
	Particulars	31.03.2014	31.03.2013
	Salary Payable	12,000	-
	Audit Fees Payable	22,472	11,236
	Creditors for Expenses	1,236	23,500
	Total	35,708	34,736

2.7 Long Term Investment			
	Particulars	31.03.2014	31.03.2013
	Share-Quoted	-	3,954,696
	Share-Unquoted	3,500,000	3,799,000
	Total	3,500,000	7,753,696

2.8 Deferred Tax Liability / Assets			

	Deferred Tax Liability has been created pursuant to AS-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. The Net Deferred Tax Assets/ Liability arising during the year have been taken to the current year's Profit & Loss Account. The Net Deferred Tax Liability for the year is as under:		
	Particulars	31.03.2014	31.03.2013
	Timing Difference		
	Depreciation effect on sale of Assets	-	(810,061)
	Provision for Leave encashment	(774)	-
	Net Deferred Tax Liability (Assets)	(239)	(250,309)

2.9	Trade Receivable		
	Particulars	31.03.2014	31.03.2013
	Debts outstanding for a period exceeding six months		
	Unsecured		
	Considered good	-	814,000
		-	814,000
	Other Debts		
	Unsecured		
	Considered good	66,346	120,180.00
		66,346	120,180.00
	Total	66,346	934,180.00

2.10	Cash & Cash Equivalents		
	Particulars	31.03.2014	31.03.2013
	Balances with banks:		
	In current accounts		
	Bank of India	13,792	-
	HDFC Bank	11,000	-
	ICICI Bank	12,405	74,781
	Total	37,197	74,781

2.11	Short Term Loans & Advances		
	Particulars	31.03.2014	31.03.2013
	(a) Others		
	Unsecured, considered good	14,849,539	23,390,584
	Total	14,849,539	23,390,584

2.12	Other Current Assets		
	Particulars	31.03.2014	31.03.2013
	Share Application Money(Pending Allotment)	-	1,220,000
	TDS (A. Y. 2012-13)	160	9,475
	TDS (A. Y. 2014-15)	29,478	-

	Total	29,638	1,229,475
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2.13 Revenue From Operation			
	Particulars	31.03.2014	31.03.2013
	Sales	1,345,314	-
	Interest Received	509,940	116,110
	Total	1,855,254	116,110

2.14 Other Income			
	Particulars	31.03.2014	31.03.2013
	MISC Income	8,801	-
	Total	8,801.00	-

2.15 Change in Inventories			
	Particulars	31.03.2014	31.03.2013
	Opening Stock	16,650	16,650
	Closing Stock	13,692,468	16,650
	Total	(13,675,818.35)	-

2.16 Employee Benefit Expenses			
	Particulars	31.03.2014	31.03.2013
	Salary	160,880	-
	Leave Encashment	774	-
	Total	161,654	-

2.17 Finance Cost			
	Particulars	31.03.2014	31.03.2013
	Interest & Finance Charges	1,920	1,541
	Total	1,920	1,541

2.18 Other Expenses			
	Particulars	31.03.2014	31.03.2013
	Audit Fees	11,236	11,236
	Postage, Courier & Stamp Duty	10,060	-
	Legal & Professional Charges	6,578	9,782
	Listing Fees	8,427	8,427
	Rent	30,000	-
	ROC Filing Fees	3,579	3,500
	Conveyance Expense	8,290	-
	General Expense	41,498	50,706
	Printng & Stationery	18,182	-
	Office Maintainence	9,446	-
	Loss on sale of fixed Assets	-	467,537
	Loss on Future Share/Commodity	-	46,012
	Total	147,296	597,200

2.19	Earning Per Share		
	Particulars	31.03.2014	31.03.2013
	Net Profit (Loss) after Tax	68,219.02	(353,976.15)
	Weight Average No. of Equity Shares	3,250,000.00	3,250,000.00
	Basic Earnings per share	0.02	(0.11)
	Diluted Earnings per share	0.02	(0.11)

2.20	Payment to Auditors		
	Particulars	31.03.2014	31.03.2013
	Statutory Audit	11,236	11,236
	Total	11,236	11,236

2.21 Related Party Transactions

No Transactions has been entered with related parties of the Company for the year ended 31st March, 2014 as per AS 18 – “Related Party Disclosure” issued by the Institute of Chartered Accountants of India.

2.22 No Dividend on Preference Shares and Equity Shares proposed by Directors due to accumulated losses.

2.23 In the opinion of the Board of Directors, current assets, Loans & advances are of the value at least equal to the amounts at which they are stated, if realized in the ordinary course of the business and provisions for all known liabilities have been made in the accounts.

2.24 Previous year’s figures have been regrouped and rearranged wherever considered necessary.

2.25 All figures are in Indian rupees except number of shares and as stated otherwise.

As per our report of even date attached

For Santosh Gupta & Co
Chartered Accountants
Firm's Regn No. 009713N

For and on behalf of the Board
Progressive Finlease Ltd

Sd/-
Manoj Kumar Nijhawan
Partner
Membership No.512659

Sd/-
Samar Gupta
Director

Sd/-
Bhagwat
Director

Place: Faridabad
Date: 30/05/2014

Sd/-
Prem Kumar
Director

XXII. OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

- There are no outstanding litigation suits, criminal or civil or economic or tax litigation/ disputed tax liability or any other litigation against our company, our Directors, our promoter and promoters and group companies, which may affect the operation and finances of the Company or that would have material adverse effect on our business.
- There are no outstanding litigation, defaults etc., or any criminal prosecution launched against the Company, its Directors, Promoters and Group Companies for alleged offences under any enactment in respect of Paragraph 1 of Part – I of Schedule XIII to the Companies Act, 1956.
- Except as mentioned under Auditors Report of our Company, and our Group Company, there is no default, in meeting statutory dues, institutional dues and towards instruments holder like debenture and fixed deposit; made by the Company, its Directors, its Promoters and Group Companies.
- The Company, its Directors, its promoters, and group companies have neither been suspended by SEBI/ stock exchange nor has any disciplinary action been taken by SEBI.

Material changes and development:

There was no material changes in the affairs of the Company after the close of the last financial year ended 31st March, 2014.

XXIII. GOVERNMENT APPROVALS, SANCTIONS AND REGISTRATIONS

Details of registrations, approvals, sanctions etc. obtained by the Company are as below:

Sl. No.	Particulars of License / Registration / Approval	Name of Issuing Authority	Date of Issue and approval No./ Registration No.
1.	Certificate of Incorporation issued under the Companies Act, 1956	Registrar of Companies, NCT of Delhi & Haryana	DOI : 12.01.1995 REGN. NO. : 55 - 64310
2.	Permanent Account Number (PAN)	Income Tax Department	PAN : AAACP1321L
3.	TDS Account Number (TAN)	Income Tax Department	TAN: N.A
4.	NBFC Registration under Section 45IA of the Reserve Bank of India Act, 1934	Reserve Bank of India	DOI : 20 th May, 1998 REGN. NO. : 14.00835

XXIV. OTHER REGULATORY AND STATUTORY DISCLOSURES**Authority for Listing**

Presently, the equity shares of the Company are listed on Delhi Stock Exchange.

The Board of Directors of the Company has approved for making application to MCX-SX for listing of its equity shares on MCX-SX under direct listing route.

Prohibition by SEBI

The Company, its Directors, its Promoters, other companies promoted by the Promoters and companies with which the Company's Directors are associated as Directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Caution

The Company accepts no responsibility for statements made otherwise than the documents or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

Disclaimer

A copy of this Information Memorandum has been submitted to MCX-SX. The MCX-SX does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- warrant that this Company's securities will be listed or will continue to be listed on the MCX-SX; or
- take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed to mean that this Information Memorandum has been cleared or approved by the MCX-SX. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the MCX-SX 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.

Listing

Application is being made to MCX-SX for permission to deal in and for an official quotation of the Equity Shares of the Company under their direct listing route. Our Company shall ensure that all

steps for the completion of necessary formalities for listing and commencement of trading at MCX-SX will be taken.

Demat

The Equity shares of the Company are under the process of admission with both the Depositories viz., NSDL and CDSL.

Share Transfer Agent

M/s. BEETAL FINANCIAL&COMPUTER SERVICES PVT LTD,
Regd. Off -BEETAL HOUSE, 3rd Floor,99,Madangir,
behind LSC, New Delhi - 110062

Tel.:011-29961281-283

Fax:011-29961284

Email Id.:beetal@beetalfinancial.com

Website:www.beetalfinancial.com

Corporate Office:S-2 Ground Floor

Plot no.- a-2/3, Lusa Tower Azadpur

Tel.: 011- 40424242 Fax: 011- 4042400

Email Id.: info@progressivefinlease.in , Website: www.progressivefinlease.in

Compliance Officer and Company Secretary

Ankita Kabra

H. NO. 19, Dhobi Muhlla, Gumla,

PS-Gumla, Dist-Gumla,

835207, Jharkhand, India

Ph. No :9717794069

Email :ankita@progressivefinlease.in

Investors can contact the Compliance Officer in case of any share transfer and other related queries.

Stock Market Data for Equity Shares of Progressive Finlease Limited.

There is no trading in the shares of the Company on the stock exchange on which it is presently listed.

Particulars Regarding Previous Public or Rights Issues during the Last Five Years

Progressive Finlease Limited or any of its group company has not made any previous public or rights issue during the last five years.

Disclosure on negative net worth / winding up / sick / BIFR / disassociation / strike off from ROC

Unless stated otherwise in this Information Memorandum, none of the companies constituting our Promoter Group have become sick companies within the meaning of SICA or / are under winding up.

Further, none of Group Companies have applied for striking off their name from the ROC.

Revaluation during last five years

There is no revaluation of any assets of the Company during the last five years.

XXV. PROVISIONS OF THE ARTICLES OF ASSOCIATION**ARTICLES OF ASSOCIATION
OF
PROGRESSIVE FINLEASE LIMITED**

1. In these Regulations unless the context otherwise require:
 - (a) “The Company” or “This Company” means PROGRESSIVE FINLEASE LIMITED.
 - (b) “The Act” means the “Companies Act, 1956” and every statutory modification or re-enactment thereof and references to Sections of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.
 - (c) “These Regulations” means these Articles of Association as originally framed or as altered, from time to time.
 - (d) “The Office” means the Registered Office for the time being of the Company.
 - (e) “The Seal” means the common seal of the Company.
 - (f) Words Imparting the singular shall include the plural and vice versa, words Imparting the masculine gender shall include the feminine gender and words imparting persons shall include bodies corporate and all other persons recognized by law as such.
 - (g) “month” and “ year” means a calendar month and a calendar year respectively.
 - (h) Expressions referring to writing shall be constructed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.
 - (i) Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.
2. The Regulations contained in Table A in Schedule I to the Companies Act, 1956 shall not apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the Company and its members as if they are the terms of an agreement between them.

SHARE CAPITAL

3. The Authorised Share Capital of the company is Rs.3,60,00,000(Rupees Three Crores Sixty Lacs Only) divided into 36,00,000(Thirty Six Lacs) Equity Shares of Rs 10/- (Rupees Ten) each.
4. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board of Directors, who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such time as they think fit and with full power to give any person the option to call or be allotted shares of the company of any class, either at a premium or at par or at a discount and for such time and for such consideration as the Board of Directors think fit (subject to the provisions of Sections 78 and 79 of the Act), provided that option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting. The Board shall cause to be made the returns as to allotment provided for in section 75 of the Act.
5. 5. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the register shall, for the purposes of the Articles, be a member.
6. (1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act and whether or not the company is being wound up be varied with the consent in writing of the holders of three fourths of the issued shares of that class or with a sanction of a resolution passed at a separate meeting of the holders of the shares of that class.
(2) Subject to the provisions of section 170 (2) (a) and (b) of the Act, to every such separate meeting, the provisions of these regulations relating to meetings shall mutatis mutandis apply, but so that the necessary quorum shall be five persons at least holding or representing by proxy or one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
8. (1) The company may exercise the powers of paying commissions conferred by section 76 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the section.
(2) The rate of commission shall not exceed the rate of 5% (five percent) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 5% (five percent) of such price, as the case may be and in the case of debentures 2 ½ (two and a half percent) of the price at which the debentures in respect whereof the same is paid

are issued or an amount equal to 2 ½ (two and a half per cent) of such price as the case may be.

(3) the commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

(4) the company may also, on any issue of shares, pay such brokerage as may be lawful.

9. Subject to section 187-C of the Act, no person shall be recognized by the Company as holding any shares upon any trust and the Company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent future or partial interest in any share or any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
10. (1) Every Person whose name is entered as a member in the register of members shall be entitled to receive within three months after allotment (or within such other period as the conditions of issue shall provide) or within one month after the application for the registration of transfer is received by the company.
 - (a) One certificate for all his shares without payment, or
 - (b) Several certificates, each for one or more of his shares, provided that any sub-division, consolidation or splitting of certificates required in marketable lots shall be done by the company free of any charges.
 - (c) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.
 - (d) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
11. The Company agrees, that it will not charge any fees exceeding those which may be agreed upon with the Stock Exchange.
 - I. For issue of new certificates in replacement of those that are torn, defaced, lost or destroyed:-
 - II. For sub-division and consolidation of shares and debenture certificates and for sub-division of Letters of Allotment and Split, Consolidation, Renewal and pukka Transfer Receipts into denominations other than those fixed for the market units of trading”.
12. The Company may issue such fractional certificates as the Board may approve in respect of any of the shares of the company on such terms as the board thinks fit as to the period within which the Fractional certificates are to be converted into share certificates.
13. If any share stands in the names of two or more persons, the person first named in the register of members shall, as regards receipt of dividends, the service of notices and

subject to the provisions of these articles, all or any other matter connected with the company except the issue of share certificates, voting at meeting and the transfer of the share, be deemed the sole holder thereof.

LIEN

14. (1) The company shall have a first and paramount lien upon every shares (not being a fully paid up share), for all money (whether presently payable or not) called or payable at a fixed time in respect of that share. Unless otherwise agreed the registration of a transfer of a share shall operate as a waiver of the company's lien if any, on such shares. The Board of Directors may at any time declare any shares to be wholly or in part to be exempt from the provisions of this article.
(2) The Company's lien , if any, on a share shall extend to all dividends payable thereon, subject to section 205A of the Act.
15. The company may sell, in such manner as the Board thinks fit, any share on which the company has a lien provided that no sale shall be made:-
 - (a) unless a sum in respect of which the lien exists is presently payable : or
 - (b) until the expiration of thirty days after a notice in writing demanding payment of such part of the amount, in respect of which the lien exists as is presently payable, have been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency and stating that amount so demanded if not paid within the period specified at the registered office of the company, the said shares shall be sold.
16. (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
(2) The purchaser shall be registered as the shareholder of the shares comprised in any such transfer.
(3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.
17. (1) The proceeds of the sale shall be received by the Company and applied in payment of the whole or a part of the amount in respect of which the lien exist as is presently payable.
(2) The residue, if any, shall subject to a like lien for sums not presently payable as existed upon the shares at the date of sale, be paid to the person entitled to the shares at the date of the sale.

CALLS OF SHARES

18. (1) The board of Directors, may, from time to time, make calls upon the members in respect of money unpaid on their shares (whether on account of the nominal value of

- the shares or by way of premium) and not by the condition of allotment thereof made payable at fixed times.
- (2) Each member shall, subject to receiving at least thirty days notice specifying the time or time or times and place of payment of the call money pay to the company at the time or times and place so specified, the amount called on his shares.
- (3) A call may be revoked or postponed at the discretion of the Board.
19. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed. Call money may be required to be paid by instalments.
20. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
21. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate of interest as the board may determine.
- (2) The Board shall be at liberty to waive payment of any such interest wholly or in part.
22. (1) Any sum which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum become payable.
- (2) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
23. Subject to the provisions of Section 92 and 292 of the Act, the Board.
- (a) may, if it think fit, receive from any member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him ; and
- (b) if it thinks for, may pay interest upon all or any of the moneys advanced on uncalled and unpaid shares (until the same would but for such advance become presently payable) at such rate not exceeding, unless the company in general meeting shall otherwise direct 9% (nine percent)per annum as may be agreed upon between the Board and the members paying the sums or advances, money so paid in advance shall not confer a right to dividend or to participate in profits.
24. On the trial or hearing of any suit or proceedings brought by the company against any member or his representative to recover any debt or money claimed to be due to the company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the register of members of the company as a holder or one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the company and it shall not be necessary to prove the appointment of the Directors who resolved to make

any call, nor that a quorum of Directors was present at the Board Meeting at which any call was resolved to be made, nor that the meeting at which any call was resolved to be made was duly convened or constituted nor any other matter, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

25. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the company in respect of the payment of any such money, shall, preclude the company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

TRANSFER AND TRANSMISSION OF SHARES

26. The company shall keep a "Register of Transfers", and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share.
27. (1) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and the transferee.
(2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
28. The Instrument of transfer shall be in writing and all the provisions of section 108 of the companies Act, 1956 and of any modification thereof for the time being shall be complied with in respect of all transfers of shares and registration thereof.
29. Unless the Directors decide otherwise, when an instrument of transfer is tendered by the transferee, before registering any such transfer, the Directors shall give notice by letter sent by registered acknowledgement due post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within ten days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer, where no notice is received by the registered holder, the directors shall be deemed to have decided not to give notice and in any event the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the company or the directors in respect of such non-receipt.

TRANSFER OF SHARES

30. The Board of Directors may, subject to the right of appeal conferred by section 111 of the companies Act 1956, decline to register:-
- (a) the transfer of a share not being a fully paid up share, to a person of whom they do not approve or
- (b) any transfer of the share on which the company has a lien, provided that the registration of transfer shall not be refused on the ground of transferor being either

- alone or jointly with any person or persons indebted to the company on any account except a lien.
- (c) Notice of refusal to transfer shares to transferor or transferee shall be sent within 30 days.
31. The Board may also decline to recognize any instrument of transfer unless-
- (a) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (b) the instrument is in respect of only one class of shares.
32. All instruments of transfer which shall be registered shall be retained by the company, but may be destroyed upon the expiration of such period as the Board may from time to time determine. Any instrument of transfer which the Board declines to register shall (except in any case of fraud) be returned to the person depositing the same.
33. (a) the registration of transfers may be suspended at such times and for such periods as the Board may, from time to time, determine; provided that such registration shall not be suspended for more than forty-five days in the aggregate in any year or for more than thirty days at any one time.
- (b) There shall be no charge for:
- (i) Registration of shares or debentures;
- (ii) sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit of trading;
- (c) sub-division of renounceable Letters of Right;
- (d) issue of new certificates in replacement of those which are decrepit or worn out or where the cages on the reverse for recording transfer have been fully utilized;
- (e) Registration of any Powers of attorney, Letter of Administration and similar other documents.

TRANSMISSION OF SHARES

1. (1) On the death of a member, the survivor or survivors where the member was a joint holder and his legal representative where he was a sole holder shall be the only person recognize by the Company as having any title to his interest in the shares.
- (2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
2. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided effect, either-

- (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the shares as the deceased or insolvent member could have made.
- (2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had himself transferred the share before his death or insolvency.
3.
 - (1) If the person so becoming entitled, shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
 - (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
 - (3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.
4. On the transfer : of the share being registered in his name a person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he was the registered holder of the share and that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the company;

Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 (ninety) days, the board may thereafter with hold payment of all dividends, bonus or other moneys payable in respect of the share until the requirements of the notice have been complied with.
38. Where the company has knowledge through any of its principal officers within the meaning of section 2 of the Estate Duty Act, 1953 of the death of any member or of debenture holder in the company, it shall furnish to the controller within the meaning of such section, the prescribed particulars in accordance with that Act and the rules made there under and it shall not be lawful for the Company to register the transfer of any shares or debentures standing in the name of the deceased, unless the transferor has acquired such shares for valuable consideration or a certificate from the Controller is produced before the Company to the effect that the Estate Duty in respect of such shares or debentures has been paid or will be paid or that none is due, as the case may be.
39. The Company shall incur liability whatever in consequence of its registering or giving effect, to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the company may have had notice of such equitable right, title or

interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability for refusing or neglecting so to do; though it may have been entered or referred to in some book of the company but the company though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

FORFEITURE OF SHARES

40. If a member fails to pay any call or instalment of a call, on the day appointed for payment thereof, the board may at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and all expenses that may have been incurred by the company by reason of such non-payment.
41. The notice aforesaid shall :-
- (a) name a further day (not earlier than the expiry of 30 (thirty) days from the date of service of notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named. The shares in respect of which the call was made, will be liable to be forfeited.
42. If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may, at any time, thereafter before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the date of forfeiture, which shall be the date on which the resolution of the Board is passed forfeiting the shares.
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- (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
 - (2) At any time before a sale or disposal, as aforesaid, the Board may annul the forfeiture on such terms as it thinks fit.
- 44.
- (1) A Person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all moneys which, at date of forfeiture, were presently payable by him to the company in respect of the shares to gather with interest thereon from the time of forfeiture until payment at the rate of 9% (nine percent) per annum.
 - (2) The liability of such person shall cease if and when the company shall have received payment in full of all such money in respect of the shares.

45. (1) A duly verified declaration in writing that the declarant is a director or the secretary of the company and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts stated therein stated as against all persons claiming to be entitled to the share.
- (2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of .
- (3) The transferee shall thereupon be registered as the holder of the share.
- (4) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings
In reference to the forfeiture, sale or disposal of the share.
46. The provisions of these regulations as to forfeiture shall apply, in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same has been payable by virtue of a call duly made and notified.
47. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the company in respect of the share, and all other rights incidental thereto except only such of those rights as by these Articles are expressly saved.
48. Upon any sale, after forfeiture or for enforcing a lien in purported exercise of powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity, of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
49. Upon any sale, re-allotment or other disposal under the provisions of these articles relating to lien or to forfeiture, the certificate or certificates originally issued in respect of the shares shall (unless the same shall on demand by the company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect. When any shares under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered up to the company by the former holder of such shares, the Board may issue a new certificate for such shares distinguishing it in such manner as it may think fit from the certificate not so delivered.
50. The directors may, subject to the provisions of the Act, accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof.

CONVERSION OF SHARES INTO STOCK

51. The Company may, by an ordinary resolution:-
- (a) convert any paid-up shares into stock : and
 - (b) reconvert any stock into paid-up shares of any denomination authorized by these regulations.
52. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit:-
- Provided the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
53. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regard dividends voting and meeting of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege of advantage.
54. Such of the regulations of the company (other than those relating to share warrants), as are applicable to paid-up shares, shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.

SHARE WARRANTS

55. The Company may issue share warrant, subject to and in accordance with, the provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion , with respect to any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may , from time to time, require as to the identity of the person signing the application and on receiving the certificate (if any) of the share; and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
56. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the company and of attending and voting and exercising, the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.
- (2) Not more than one person shall be recognized as depositor of the share warrant.

- (3) The company shall, on two days written notice, return the deposited share warrant to the depositor.
57. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling meeting of the company or attend or vote or exercise any other privilege of a member at a meeting of the company or be entitled to receive any notice from the company.
- (2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the register of member as the holder of the shares included in the warrant and he shall be deemed to be a member of the company in respect thereof.
58. The Board may, from time to time , make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case defacement, loss or destruction of the original.

ALTERATION OF CAPITAL

59. The Company may, from time to time, by ordinary resolution increase its share capital by such sum , to be divided into shares of such amount as the resolution shall specify.
60. The Company may, by ordinary resolution in general meeting:-
- (a) consolidate and divide all or any of its capital into shares of larger amounts than its existing shares;
 - (b) sub- divide its shares or any of them, into shares of smaller amounts than is fixed by the Memorandum of Association, so however, than in the Sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which he reduced share is derived;
 - (c) cancel any share which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
61. The company may, from time to time, by special resolution and on compliance with the provisions of section 100 to 105 of the Act, reduce its share capital and any capital reserve fund or share premium account.
62. The Company shall have power to establish Branch Offices, subject to the provisions of Section 8 of the Act or any statutory modification thereof.
63. The Company shall have power to pay interest out of its capital on so much of shares which were issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provisions of any plant for the company in accordance with the provisions of section 208 of the Act.

64. The Company, if authorised by a special resolution passed at a General Meeting may amalgamate or cause itself to be amalgamated with any other person, or body corporate, subject however, to the provision of Section 391 to 394 of the Act.

GENERAL MEETINGS

65. All General Meeting other than the Annual General Meetings of the Company shall be called Extraordinary General Meetings.
- 66 (1) The Board may, whenever it thinks fit call an Extra Ordinary General Meeting.
- (2) If at any time there are not within India Directors Capable of acting who are sufficient in number to form a quorum, any Director or any two members of the company may call an extraordinary general meeting in the same manners, as nearly as possible, to that in which such a meeting may be called by the Board.

CONDUCT OF GENERAL MEETINGS

67. No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business which has not been stated in the notice by which it was convened or called.
68. (1) No business shall be transacted at any general meeting, unless a quorum of members is present at the time when the meeting proceeds to business.
- (2) Save as otherwise provided in section 174 of the Act, a minimum of five members present in person shall be the quorum. A body corporate, being a member, shall be deemed to be personally present if it is represented in accordance with section 187 of the Act.

CONDUCT OF MEETINGS

69. The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the company.
70. If there is no such Chairman or if he is not present within fifteen minutes of the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their members to be the Chairman of the meeting.
71. If at any meeting no Director is willing to act as Chairman or if no Director is present within 15 (fifteen) minutes of the time appointed for holding the meeting , the members present shall choose one of their members to be the chairman of the meeting.
72. No business shall be discussed at any general meeting except the election of a chairman, whilst the chair is vacant.

73. (1) The Chairman may with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting, from time to time and place to place.
- (2) No business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place.
- (3) When a meeting is adjourned for thirty days or more, fresh notice of the adjourned meeting shall be given as in the case of an original meeting.
- (4) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.
74. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
75. Any business other than that upon which a poll has been demanded, may be proceeded with, pending the taking of the poll.

VOTES OF MEMBERS

76. Subject to any rights or restrictions for the time being attached to any class or classes of shares:-
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be as laid down in section 87 of the Act.
77. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, for this purpose, seniority shall be determined by the order in which the names of joint holders stand in the Register of members.
78. A members of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian, and any such committee or guardian and any such committee or guardian may on a poll, vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the office not less than 24 hours before the time of holding the meeting or adjourned meeting at which such person claims to vote on poll.
79. No member shall be entitled to vote at any general meeting unless all calls and other sums presently payable by him in respect of shares in the company or in respect of shares on which the company has exercised any right of lien have been paid.

80. (1) No objection shall be raised to the qualification of any voter, except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.
- (2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.
81. The Instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated valid.
82. An instrument appointing a proxy shall be in either of the forms in schedule IX to the Act or in a form as near thereto as circumstances admit.
83. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given, if no intimation in writing of such death insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

84. The number of Directors of the Company shall not be less than three and not more than twelve.
85. The following shall be the first directors of the company.
1. Gobind Gupta
 2. Vijay Seth
 3. Roop Kishore Tuli
86. At every Annual General Meeting of the Company one third of such of the Directors for the time being as are liable to retire by rotation in accordance with the provisions of section 255 of the Act or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office in accordance with the provisions of section 256 of the Act.
87. (1) Subject to the provisions of the Companies Act, 1956 and Rules made thereunder, each Director including a Managing Directors shall be paid sitting fees for each

meeting of the Board or a committee thereof, attended by him a sum not exceeding Rs. 1000/- (Rupees One thousand).

- (2) Subject to the provisions of the Sections 309,310 and 314 of the Act,the Directors shall be paid such further remuneration ,whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in general meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Boad may ,from time to time ,determine and in default of such determination,shall be divided among the Directors equally or if so determined paid on a monthly basis.
 - (3) The remuneration of the Directors shall,in so far as it consists of a monthly payment, be deemed to accrue from day to day.
 - (4) Subject to the provisions of Section 198,309,310 and 314 o the Act,if any Director be called upon to perform any extra services or make special exertions or efforts (which expression shall include work done by a Director as a member of any committee formed by the Directors)the Board may pay such Director special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or by percentage of profit or otherwise and may allow such Director at the cost and expense of the Company such facilities or amenities (such as rent ree house, free medical aid and free conveyance) as the Board may determine from time to time.
 - (5) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid in accordance with Company's rules to be made by the Board all travelling, hotel and other expenses properly incurred by them:-
 - (a) In attending and returning from meetings or adjourned meeting of the Board of Directors or any committee thereof; or
 - (b) in connection with the business of the Company.
88. The Directors shall not be required to hold any qualification shares in the company.
89. The Board of Directors shall have power to appoint additional Directors in accordance with the provisions of Section 260 of the Act.
90. If it is provided by any trust deed securing or otherwise in connection with any issue of debentures of the company that any person or persons shall have power to nominate a Director of the Company then in the case of any every such issue of debentures, the persons having such power may exercise such power, from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at any time by the person of persons in whom for the time being is vested the power under which he was appointed and

another Director may be appointed in his place. A Debenture Director shall not be liable to retire by rotation, but he shall be counted in determining the number of retiring Director.

91. In the course of its business and for its benefit the company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation, government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Articles shall be called Special Directors. Special Directors shall be entitled to hold office until requested to retire by the government, authority, person , firm institution or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government, authority, person, firm, institution or corporation how appointed such special Director may if the agreement so provide, appoint another Director in his place. But he shall be counted in determining the number of retiring Directors.
92. Subject to the provisions of Section 313 of the Act, the Board of Directors shall, have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held.
93. A Director may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or shareholder of such company. Such Director before receiving or enjoying such benefits in cases in which the provisions of section 314 of the Act are attracted will ensure that the same have been complied with.
94. Every nomination, appointment or removal of a special Director shall be in writing and accordance with the rules and regulations of the government, corporation or any other institution. A special Director shall be entitled to the same rights and privileges and be subject to same obligations as any other Director of the Company.
95. The office of a Director shall become vacant:-
 - (i) On the happening of any of the events provided for in Section 283 of the Act:
 - (ii) On contravention of the provisions of Section 314 of the Act, or any statutory modifications thereof;
 - (iii) If a person is a Director of more than twenty companies at a time;

- (iv) In the case of alternate Director on return of the original Director to the State, in terms of section 313 of the Act; or
 - (v) In resignation of his office by notice in writing and is accepted by the Board.
In terms of Section 313 of the Act; or
 - (vi) On resignation of his office by notice in writing and is accepted by the Board.
96. Every Director Present at any meeting of the Board or a committee thereof shall sign his name in a book to be kept for that purpose, to show his attendance thereat.

POWERS OF BOARD OF DIRECTORS

97. The Board of directors may pay all expenses incurred in the formation, promotion and registration of the company.
98. The Company may exercise the powers conferred by Section 50 of the Act, with regard to having an official seal for use abroad and such powers shall be vested in the Board.
99. The Company may exercise the powers conferred on it by section 157 and 158 of the Act with regard to the keeping of a foreign register; and the Board may (subject the provisions of those sections) make and vary such regulations as it may think fit with respect to the keeping of any such register.
100. The Directors may enter into contracts of arrangements on behalf of the company subject to the necessary disclosures required by the Act being made wherever any Director is in any way, whether directly or indirectly concerned or interested in the contract or arrangement.

BORROWING POWER

101. Subject to the provisions of sections 58A, 292 and 293 of the Act, and Regulations made thereunder and directions issued by the R.B.I the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property (both present and future) and uncalled capital, or any part thereof and to issue debentures, debenture-stock and other securities whether outright or as security for any debt, liability or obligation of the company or of any third party.
102. The Payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by a resolution passed at a meeting of the Board (and not by circulation) by the issue of debenture or debenture stock of the Company charges upon all or any of the

property of the company (both present and future). including its uncalled capital for the time being.

103. Any debentures, debenture-stock or other securities may be issued at a discount premium or otherwise, may be made assignable free from any equities between the company and person to whom the same may be issued and may be issued on the condition that they shall be convertible into shares of any authorized denomination, and with privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at general meetings, appointment of Directors and otherwise, Provided that debentures with the rights to allotment of or conversion into shares shall not be issued except with the sanction of the company in General meeting.
104. All cheques, promissory notes, draft, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the company, shall be signed drawn, accepted, endorsed or otherwise executed as the case may be, by such person and in such manner as the Board may, from time to time, by resolution determine.

PROCEEDINGS OF THE BOARD

105. Subject to Section 287 of the Act, the Quorum for a meeting of the Board of Directors shall be one third of its total strength (any fraction contained in the one third being rounded off as one) or two Director, whichever ever is higher; provided that where at any time the number of interested directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors, who are not interested, present at the meeting, being not less than two, shall be the quorum during such time.
106. If a meeting of the Board could not be held for want of quorum, whatever number of Directors, not being less than two, shall be present at the adjourned meeting notice whereof shall be given to all the Directors, shall form a quorum.
107. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of vote.
(2) In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.
108. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Director or may act for the purpose of increasing the number of

Directors to that fixed for the quorum or for summoning a General Meeting of the Company, but for no other purpose.

- (1) Save as provided in Article 93, the Board may elect one of its members as Chairman of its meeting and determine the period for which he is to hold office as such.
 - (2) If no such Chairman is elected or it at any meeting the Chairman is not present within Fifteen minutes after the time appointed for holding the meeting the Directors present may choose one of their members to be Chairman of the meeting.
109. Subject to the restrictions contained in Section 292 and 293 of the Act, the Board may delegate any of its body as it thinks fit and it may, from time to time, revoke such delegation and discharge any such committee of the Board either wholly or in part, and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
110. The meetings and proceedings of any such committee of the Board, consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
111. (1) A committee may elect a chairman of its meetings.
- (2) If no such chairman is elected or if at any meeting the chairman is not present within five minutes of the time appointed for holding the meeting, the members present may choose one of their members to be chairman of the meeting.
112. (1) A committee may meet and adjourn as it thinks proper.
- (2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of any equality of votes, the chairman shall have a second or casting vote.
113. All acts done by any meeting of the Board or by a committee thereof or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment or continuance in office of any such Director or persons acting as aforesaid; or that they or any of them were disqualified or had vacated office or were not entitled to act as such, or that the appointment of any of them had been terminated by virtue of any provisions contained In the Act or in these Articles, be as valid as if every such person had been duly appointed, had duly continued in office, was qualified, had continued to be a Director, his appointment has not been terminated and he had been entitled to be a director provided that nothing in this Article shall be deemed to

give validity to any act done by a Director after his appointment has been shown to the company to be invalid or to have terminated.

114. Subject to section 289 of the Act and except a resolution which the Act requires specifically to be passed in any board meeting, a resolution in writing, signed by the majority members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

MANAGING DIRECTORS (S) AND WHOLE TIME DIRECTOS (S)

115. Subject to provisions of Sections 197A, 269, 198 and 309 of the Act, the Board of Directors may, from time to time, appoint one or more of their body to the office of Managing Director/s or whole time Director/s for a period not exceeding 5 (five) years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment, and in making such appointments the Board shall ensure compliance with the requirements of the Companies Act,1956 and shall seek and obtain such approvals as are prescribed by the Act, provided that a Director so appointed, shall not be whilst holding such office, be subject to retirement by rotation but his appointment shall be automatically determined if he ceases to be a Director, however, he shall be counted in determining the number of retiring Directors.
116. The Board may entrust and confer upon Managing Director/s or whole time Director/s any of the powers of management which would not otherwise be exercisable by him upon such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and direction of the Board and the Board may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

SECRETARY

117. (1) Subject to section 383A of the Act, a Secretary of the Company may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit, and any secretary so appointment may be removed by the Board.
- (2) A Director may be appointed as a Secretary.
118. Any provision in the Act or these regulations requiring or authorizing a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of the Secretary.

THE SEAL

119. (1) The Board shall provide a common seal for the purposes of the Company and shall have power, from time to time, to vary or cancel the same and substitute a new seal in lieu thereof. The Board shall provide for the safe custody of the seal for the time being.
- (2) Subject to any statutory requirements as to share certificates or otherwise, the seal of the company shall not be affixed to any instrument except by authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf and except in the presence of at least one Director and of the Secretary or of two Directors who shall sign every instrument to which the seal of the company is so affixed in their presence. This is, however, subject to Rule 5 of the Companies (Issue of Share Certificates) Rules, 1960.
- (3) The Board shall also be at liberty to have an official seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India. The Company shall, however, comply with Rule 6 of the Companies (Issue of Shares Certificates) Rules, 1960.

DIVIDENDS AND RESERVES

120. The company in General meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
121. The Board may, from time to time, pay to the members such interim dividends as appear to be justified by the profits earned by the Company.
122. (1) The Board may, before recommending any dividend, set aside out of the profits of the Company, such sums, as it may think proper, as reserve or reserves which shall at the discretion of the Board, be applicable for any of the purposes to which the profits of the company may be properly applied, including provision of meeting contingencies or for equalising dividends and pending such applications may at the like discretion either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (2) The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.
123. (1) Subject to the rights of the persons, if any, holding shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.

- (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as having been paid on the share.
- (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
124. The Board may deduct from any dividend payable to any member all sums of money, if any presently payable by him to the company on account of calls or otherwise in relation to the shares of the company subject to section 205A of the Act.
125. (1) Any dividend, Interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post direct to the registered address of the holder or, In case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the first named holder or joint holders may in writing direct.
- (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
126. Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonus or other moneys payable in respect of such share.
127. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
128. No dividend shall bear interest against the company, irrespective of the reason for which it has remained unpaid.

ACCOUNTS

129. (1) The Board shall cause proper books of accounts to be maintained under section 209 of the Act.
- (2) The Board shall from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company or any or them, shall be open to the inspection of members not being Directors.
- (3) Subject to provisions of section 209A of the Act, no member (not being a Director) shall have any right of inspection to any account or book or document of the

company, except as conferred by law or authorized by the Board or by the company in General Meeting.

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

130. Balance sheet and profit and Loss Account of the Company will be audited once In a year by a qualified auditor For Correctness as per provisions of the Act.

AUDIT

131. (1) The first Auditor of the Company shall be appointed by the Board of Directors within one month after its incorporation who shall hold office till the conclusion of the First Annual General Meeting.
- (2) The Board of Directors may fill up any Casual Vacancy in the office of the Auditors.
- (3) The remuneration of the auditors shall be fixed by the company in the annual general meeting except that remuneration of the first or any auditors appointed by the directors may be fixed by the directors.

CAPITALISATION OF PROFITS

132. (1) The company in General Meeting may, upon the recommendation of the Board resolve:-
- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Profit and Loss Account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clauses (2) amount the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3) either in or towards:-
- (i) Paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (ii) Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid;or
- (iii) Partly in the way specified in sub-clause (i) and partly in that is specified in sub-clause (ii)
- (3) Any share premium account and any capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued share to be issued to members of the company as fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

134. (1) whenever such a resolution as aforesaid shall have been passed, the Board shall :
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and allotment and issue of fully paid shares, if any; and
 - (b) do all acts and things required to give effect thereto.
- (2) The Board shall have full power :-
- (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions: and also
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to him respectively, credited as fully paid up, of any further shares to which that may be entitled upon such capitalization or (as the case may require) for the payment by the company on their behalf, by the application thereto of their respective proportions of the profit resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.

SECRECY

133. Subjects to the provisions of law of land and the Act, no member or other person (not being a Director) shall be entitled to visit or inspect the Company's works without the permission of the Board of Directors or the Managing Director to require discovery of any information respecting any details of the Company's business, trading or customers of any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or any other matter which may relates to the conduct of the business of the Company or which in the opinion of the Directors, it will be inexpedient in the interest of the Company to disclose.

WINDING UP

136. (1) If the company shall be would up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (2) For the purpose aforesaid, the liquidator may set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

134. Subject to the provisions of Section 201 of the Act, every Director, auditor, secretary and other officer or servant of the Company (all of whom are hereinafter referred to as officer or servant) shall be indemnified by the Company and it shall be the duty of the Directors out of the funds of the Company to pay, all bonafide costs, lsses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or act or thing done or omitted by him as such officer or servant or in any ways in the discharge of his duties; and in particular and so as not to limit the generality of the foregoing provisions, against any liability incurred by such officer or servant in defending any bonafide proceedings whether civil or criminal in which a judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under section 633 of the Act in which

Relief is granted to him by the Court. The amount for which such indemnity is provided shall immediately attach as a charge on the property of the company.

Sl. No.	Name, Description, occupation and address of subscribers	Signature of Subscribers	Signature of witness with address description and occupation
1.	Vjay Seth S/o Sh. C. L. Seth C-53, defence Colony, New Delhi Business	Sd/-	<p style="text-align: center;">WITNESS FOR ALL THE SUBSCRIBERS WHO HAVE SIGNED IN MY PRESENCE AT NEW DELHI</p> <p style="text-align: center;">Sd/- (RAJEEV KUMAR WALIA) S/O SHRI M. C. AHLUWALIA CHARTERED ACCOUNTANT M. NO. 86195 WZ-125, RAVI NAGAR, NEW DELHI - 110 018</p>
2.	Rajkumar S/o Sh. S. L. Kashyap DA - 84D LIG Flats, Hari Nagar, New Delhi Service	Sd/-	
3.	Rajbir Singh S/o Sh. Himanchal Singh C-12, Kartar Nagar, Delhi - 53 Service	Sd/-	
4.	Roop Kishore Tuli S/o Sh. D C Tuli 11-B Pocket 'A' Phase III Ashok vihar, Delhi - 52 Chartered Accountant	Sd/-	
5.	Gita Seth D/o Mr. Vijay Seth C-53, Defence Colony, New Delhi Business	Sd/-	
6.	Sunita Tuli W/o R K Tuli 11-B Pocket 'A' Phase III Ashok vihar, Delhi - 52 Business	Sd/-	
7.	Sunil Khandelwal S/o Shri S C Khandelwal 896, Kacha Pati Ram, Delhi - 110 006 Business	Sd/-	

Place : New Delhi

Dated the 3rd January 1995

XXVI. DOCUMENTS FOR INSPECTION

The certified copies of following documents have been delivered to the MCX-SX along with this Information Memorandum and also available for inspection at the registered office of the Company:

1. Memorandum and Articles of Association of Progressive Finlease Limited
2. Copy of Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana.
3. Copy of Certificate of Registration issued by the Reserve Bank of India for registering the Company as an NBFC;
4. Copy of Audited Annual Accounts of the Company for the last financial years ended on 31st March, 2014.

XXVII. DECLARATION

No statement made in this Information Memorandum contravenes any of the provisions of the Companies Act and the rules made thereunder. All the legal requirements connected with proposed listing of PFL on MCX-SX have been duly complied with.

All the information contained in this Information Memorandum is true and correct.

**SIGNED ON BEHALF OF THE BOARD OF DIRECTORS OF
PROGRESSIVE FINLEASE LIMITED**

**Subhash Jain
Managing Director
DIN: 03513693
R/o: E-4/142, 2ND FLOOR,
SECTOR-7, ROHINI,
DELHI, 110085**

**Place: New Delhi
Date: January 20, 2015**