THE NEWSLETTER

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SETTLEMENT OF LOAN LIABILITIES - TAXABILITY UNDER INCOME TAX ACT

BY– CA Manoj Gupta

Special points of interest:

- Loan which is originally taken for capital expenditure, if waived, will not give rise to taxable income
- Benefit arises on remission or cessation of trading liability chargeable to Income Tax under the head PGBP

INTRODUCTION

Business organizations obtain loans for setting up of business and for running the same. These loans are in the form of term loans, working capital loans, bridge loans, export limits, unsecured loans etc. When business is in trouble, not doing well or closed, usually banks and financial institution request for settlement of loan accounts by waiver of certain portion of principal amount of loan and interest which is popularly called as 'one time settlement'. Tax treatment of such settlement is a very important aspect which varies as the terms and conditions and facts of each case differs and the separate tax treatment of waived amount of loan and interest further complicates the process. Taxman makes an effort to hold the amount of loan and interest waived as an income u/s 28(iv) or 41(1) of the IT Act. At the outset, attention is invited to the provision of sec 41(1) which reads as under:

"41(1) *<u>Where an allowance or deduction has been made in the assessment for any year</u> in respect of loss, expenditure or trading liability incurred by the assessee (herein after referred to as the first mentioned person) and subsequently during any previous year—*

the first mentioned person has obtained, whether in cash or in any other manner whatsoever, any amount in respect of such loss or expenditure or <u>some benefit in respect of such trading liability by way of remission or cessation thereof</u>, the amount obtained by such person or value of benefit accruing to him shall be deemed to be the profits and gains of business or profession and accordingly chargeable to income tax as the income of that previous year, whether the business or profession in respect of which the allowance or deduction has been made is in existence in that year or not; or ……….".

I . JUDGEMENTS LAYING DOWN BASIC PRINCIPLES OF TAXATION

1.) Normally waiver of princpal amount of loan cannot be regarded as income when the amount originally received by an Assessee is in the nature of loan which is not in the normal course of trading and no deduction claimed or allowed in the past in respect of the liability that is waived. Hence a receipt which is not in the first instance a trading receipt cannot become trading receipt by any subsequent process. In this regard attention is invited to two **English decisions i.e. Morley vs Tattersall (7 ITR 316)** and British Mexican Petroleum Company Limited vs Jackson (16 TC 570)(HL).

In the case of Morley vs Tattersall the following principles have been laid down:

A) Statute of Limitations does not apply to such liability

B) If Initial receipts are not trading receipts, subsequent operations cannot turn them into a trading receipt and

C) The quality and nature of receipts for tax purposes is fixed once and for all

Indian Courts have time and again followed the above decisions and upheld the law that debt forgiven or waived cannot be held as income.

"The tendency of taxation is to create a class of persons who do not labor, to take from those who do labor the produce of that labor, and to give it to those who do not labor"

2.) The Supreme Court in the case of **Polyflex (India) Pvt. Ltd.vs CIT 257 ITR 343** has examined the constitution of section 41(1). The court has pointed out that section 41(1) consists of two main ingredients, (a) loss or expenditure and (b) trading liability. The Court has held that the two ingredients of section 41(1) have to be read independently. As the first ingredient relates to loss or expenditure and the second ingredient relates to remission or cessation of trading liability, the court has categorically ruled that the words "remission or cessation thereof " shall apply only to a trading liability.

The Delhi High Court in the case of CIT vs Phool Chand Jiwan Ram (1981) 131 ITR 37 and Bombay High Court in the case of Mahindra and Mahindra Ltd vs. CIT 261 ITR 501 have held that section 41(1) would be applied only if the assessee has obtained any deduction or allowance in respect of any expenditure or loss. If the assessee has not obtained any such allowance or deduction, section 41(1) would not be attracted at all.

3.) The High Court of Kerala in the case of CIT v/s Cochin Co. Ltd.– 81 CTR 115 has specially held that payments of loan taken to purchase machinery cannot be reduced from the cost of machinery as remission or loss will not amount to remission of depreciation within the meaning of section41(1). It means remission of capital liability cannot be brought under the purview of section 41(1).

4.) In the case of **Accelerated Freeze & Drying Co. Ltd** v/s **DCIT (2009) 31 SOT 442 (Cochin)** where Waiver of loan under a scheme formulated by Reserve Bank of India known as "One time Settlement Scheme", assessee credited said waiver amount in general reserve account, the Tribunal held that loan amount waived could not be treated as its income either under section 28(iv) or under section 41(1). Loans availed by assessee from Banks were not in the nature of trading liability but were in nature of capital liability and, therefore waiver, of loan liability was not waiver of any trading liability hence the provision of section 41(1) was not applicable.

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5.) In the case of Mahindra and Mahindra v/s CIT (261 ITR 501) it is held by the Bombay High Court that the loan which is originally taken for capital expenditure, if waived, will not give rise to taxable income. The relevant extract of the said decision read as under:

> *"The income which can be taxed under Section 28(iv) must not only be **referable to a benefit or perquisite, but** it must be arising from business. Secondly, Section 28(iv) does not apply to benefits in cash or money. Secondly, in this case we are concerned with the purchase co**nsideration relating to capital asset. The** toolings were in the nature of dies. The assessee was a manufacturer of heavy vehicles and jeeps. It required these dies for expansion. Therefore, the import was that of plant and machinery. The consideration paid was for such import. In the circumstances, Section 28(iv) is not attracted. In our case, the most fundamental fact which is required to be borne in mind is that there was no deduction given to the assessee in earlier years and, therefore, Rs. 57,74,064 could not be included as income under Section 41(1) of the Act. Lastly, it is important to bear in mind that the toolings constituted capital asset and not stock-in-trade. Therefore, taking into account all the above facts, Section 41(1) of the Act is not applicable".*

Further the above issue as regards non taxability of waiver of a loan used for capital purpose was carried by the tax department to Supreme Court in the case of Tosha International v/s CIT and the apex court has dismissed the department S.L.P reported in 319 ITR(ST)7.

"The nation should have a tax system that looks like someone designed it on purpose"

- William Simon

6.) In an appeal filed by revenue, Hon'ble MP High Court in the matter of **CIT** vs **Dholgiri Industries (P) Ltd (2014) 99 DTR 359/266 CTR 111/125 (MP)(HC)** has categorically held that as the assessee never claimed the principal amount as deduction, AO was not justified assessing the said amount as income .The Court affirmed the view of Tribunal.

7.) In case where the loan had been utilized for trading purpose (Working Capital Loan), the said loan would be regarded as a trading liability of the assessee and therefore the cessation of such trading liability by any waiver would attract the provision of section 28(iv) discussed above to the effect that the entire of the principal liability so waived would become chargeable to tax as income. The precedents on this issue are as under:

Solid Containers Limited (308 ITR 407)(Bom HC)

Logitronics (P.)(Ltd)(333 ITR 386)(Del HC)

Hindustan Fibres Ltd vs DCIT (ITA NO 5263/Del/2011)

Section 28 (iv) of the IT Act is applied in all the above cases, this section reads out as under:

The value of any benefit or perquisites, whether convertible into money or not, arising from business or the exercise of a profession.

The courts have applied Supreme Court Judgment in the matter of CIT vs T.V. Sundaram Iyengar & Sons Ltd. (222 ITR 344) while taxing the waiver of trading loan/working capital loans and held categorically as under

"If an amount is received in course of trading transaction, even though it is not taxable in the year of receipt as being of revenue character, the amount changes it character when the amount becomes the assessee's own money because of limitation or by any other statutory or contractual rights. When such a thing happens, common sense demands the amount should be treated as income of the assessee."

"When a new source of taxation is found it never means, in practice, that the old source is abandoned . It merely means that the government has two ways of milking the taxpayer where they has one before"

8.) Therefore while dealing with the waiver of principal liability one needs to further decipher the utilization pattern of the loan so waived. In other words, the implications of the waiver of the principal loan liability would depend on whether the loan had been utilized for capital purpose or for trading purpose by the assessee. In case of general purpose loan, only final use of the loan amount would show that whether it was for capital or trading purpose.

To be Continued...

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He was appointed as an Independent Director on the Board in State Bank of Indore for a period of 3 Years w.e.f. February 2005.

He encouraged new business policies and his passionate approach marked changes in the functioning of the organization. With the active support from competent team of professionals, he endow effective services to firm's valued clients. He is a Speaker in Seminars & Meetings organized by the Institute of Chartered Accountants of India & other professional bodies and contributed Articles on Taxation in the Tax Magazines & Journals.

Equity Trends in Indian Stock Market:

Indian stock markets are continuously breaking and making fresh record highs day after day since the beginning of 2018. Indian equities broke into all-new levels with the headlines indices Sensex and Nifty breaching their respective psychological marks of 36,000 and 11,000. Nifty had extended the gains very quickly surpassing the 11,000-mark for the first time ever .

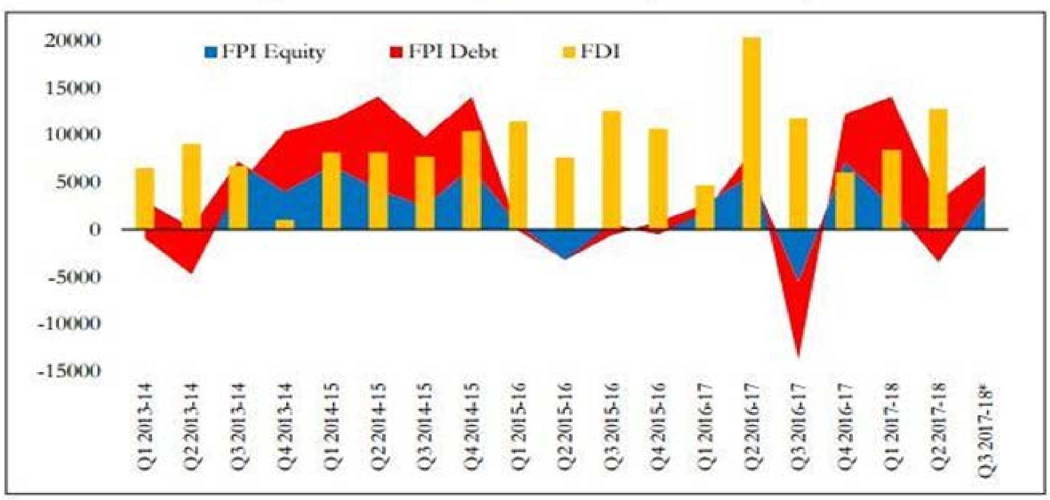
Broadly, Indian equities are on a perpetual upsurge for the last 13 months with Sensex and Nifty rising about 39%. Following the record-breaking run in India's stock market, Sensex and Nifty have managed a year to date return of 6-8%. The Sensex has increased from 19,286 mark in 26 April 2013 to 34,192 mark in 13 April 2018, similarly Nifty 50 has risen from 5,871 mark in 26 April 2013 to 10,481 mark in 13 April 2018.

This below image shows the foreign investment in India since the beginning of the financial year 2013-14.

"I will tell you how to become rich. Close the doors. Be fearful when others are greedy. Be greedy when others are fearful."

- Warren Buffett

Figure 10. Net Capital Inflows (US$ million)



Source: RBI, Survey calculations.*-Data for FDI is not available for Q3.

RBI's decision to reduce the repo rate, and the government policy of demonetization and GST has helped the India to become Fastest growing economy again. India's GDP jumped to 7.2% in Q3 2017-18, while GDP for china was 6.8% for Q3 2017-18. This effect can be easily noticed in the prices of stocks. The 150 year old Bombay Burmah NSE, has rallied 665% in the last five years. HPCL has successfully returned 485% in the last five years, and would become part of the index again once it gets merged with ONGC. Arvind, Aditya Birla Nuvo, Voltas and Bharat Forge have rallied between 300% to 400% during this period. Among Sensex constituents Maruti Suzuki has been an exception rising over 550% during this period

Calendar 2017 saw a flurry of IPOs supported by liquidity, which pushed the benchmark indices to record highs. The surging stock market on the back of return of foreign institutional investors, and strong investor sentiment, creating a bullish investment climate and historically low volatility as the government's economic reform initiatives have led to a rush of new issues and stellar performance by the newly-listed stocks. With various government policies going in favour of facilitating businesses, many companies have been successful in capitalising the opportunity to garner funds from the capital market by issuing shares. Also, a surge in the secondary market has encouraged many companies to go to public in search of better valuations. Actually, weak performance of gold, real estate, or bank fixed deposits has forced investors to shift to equities as the preferred source of investment. A total of 36 companies has raised 75,475.37 Crores in 2017 making a new record high in the last 10 years.

Top 5 in Fund Raising Via IPO

Sector	Size (₹ b)	No. of Cos	Subscription (₹ b)	Times Over Subscribed
Insurance	434.3	5	1,031	2.4
NBFC	66.8	8	3,936	58.9
Construction	63.2	9	782	12.4
Misc	30	26	1,193	39.7
Consumer	23.9	9	980	41

Small & Medium Enterprises are backbone of India's growing economy. BSE and NSE launched Exchange for listing and trading of SME companies (SME Exchange) in 2012. Since then many companies took this opportunity to get listed (386 companies from 2012 to till date). An SME listing opens the gates for small companies to move to the main board of the BSE and the NSE depending on their track record, by attracting serious investors from across the globe. Experts believe that of the existing funding options available, including debt, private equity, venture capital (PE/VC) investments, and the SME IPO route is probably the one that works best for them. SMEs look at this as an efficient way to unlock value for the next level of growth.

Year wise SME IPO performance in India Share Market

Year	No. of IPOs	Amount Raised (In Rs Cr)	Issue Succeeded	Issue Failed
2012	14	95.78	14	0
2013	34	361.92	34	0
2014	40	278.74	40	0
2015	43	260.21	43	0
2016	67	536.68	67	0
2017	135	1,752.88	133	2
2018 *	55	973.66	55	0

Fault Lines in Indian Banking Industry:

BY– CA Mohnish Jain

Of late, the Reserve Bank of India's (RBI's) attempt to purge the banking system of bad loans has begun to resemble the spring-cleaning of a long-neglected kitchen cupboard. After demolishing the first few cockroaches with glee, one is dismayed to find dozens more sauntering out of the woodwork.

So, given that non-performing assets (NPAs) have been making headlines for nearly three years now, how far have we come in identifying the extent of these bad loans? And given the big hits that banks have been taking lately, how close are we to the endgame on NPAs?

Gross NPAs of Indian banks, after staying below the 1 lakh-crore mark between FY06 and FY11, began to gallop from FY12. Jumping to 1.4 lakh crore in March 2012, gross NPAs proceeded to rise almost six fold over the next five years to 7.9 lakh crore by March 2017. The situation has been going worse in the FY18 as the Gross Non-Performing Assets of Public Sector and Private Sector Banks as on September 30, 2017 stood at Rs 7,33,974 Crore and Rs 1,02,808 Crore, respectively, as per the statistics issued by the Reserve Bank of India, making the tally to Rs. 8.37 Lakh Crore in H1FY18.

The picture is equally dire if one considers gross NPAs as a proportion of total loans. After hovering below 3% till March 2012, it soared to 10.2% by September 2017, data from RBI's financial stability reports show. In effect, for every 100 in loans advanced by Indian banks over the years, 10 is already in default. Indian banks recognize a loan as an NPA if its interest or principal repayments are overdue for more than 90 days.

The increase was much more pronounced for Nationalized Banks — from 2.9 per cent in 2013 to 13.8 per cent in 2016 — compared to privately-owned banks where the NPAs rose from 2 per cent of gross advances in 2013 to 3.1 per cent in 2016.

'I sincerely believe... that banking establishments are more dangerous than standing armies. "

_Thomas Jefferson

"The modern banking system manufactures money out of nothing."

_Josiah Stamp

The outbreak..!

As per the report published, the month of February and March 2018 saw a string of frauds and scams being exposed across the country, translating to a loss of nearly Rs. 20,500 Crore to the system.

These included Diamantaires, who allegedly managed to perpetrate the biggest scam in Indian banking history. Punjab National Bank on February 14 revealed the amount involved could be nearly Rs. 12,500 Crore.

In collusion with some PNB employees, companies managed to fraudulently get Letters of Undertaking issued from PNB. These LoUs were then encashed at overseas branches of other banks. Incredibly enough, these lapses went unnoticed for over seven years. The Central Bureau of investigation, India's apex probe agency, has taken several PNB employees in custody, besides pursuing the firms.

The list of frauds included some notable corporates of India who have caused crores of losses to the Banks and are undergoing enquiries.

It is worth mentioning that Red flags were either ignored by the bankers or the system alerts themselves failed, further eroding the faith in the country's financial system.

Capital Market Standing:

The combined market value of all listed public sector banks has plummeted below that of one private lender – HDFC Bank – in a development that raises questions over the efficacy of reform measures like the Indra dhanush scheme and the Insolvency and Bankruptcy Code (IBC) unveiled by the NDA government.

Since the Modi government took charge in May 2014, the Nifty PSU Bank index has fallen from 3776 to 2900 (23% down) even as the broader market index, Nifty 50, has risen to 10,138 from the level of 7318, registering a nearly 38.53% gain.

Provisions kill profits:

As soon as a bank recognizes a loan as an NPA, RBI rules require it to set aside a percentage of its current profits towards the likely loss, ranging from 15% to 100% of the loan amount.

Therefore, as banks' NPAs soared in the last five years, bad loan provisions rose in tandem. This has directly dented their reported profits. Aggregate net profits of Indian banks have slumped from about 91,000 crore in FY13 to 43,900 crore by FY17. That there is still a profit, is thanks to private sector banks. Public sector banks in aggregate, have reported losses since FY16.

Persisting losses pose a threat to continued operations for a bank because they eat into its capital buffers. Basel III norms require banks to maintain a minimum 9% of owned capital to its total assets (CRAR).

RBI's FSR reports, which keep a close watch on the capital adequacy ratios of Indian banks, have shown that Indian banks have consistently maintained a CRAR above regulatory norms in the last four years. Though private sector banks (16%) were far more comfortably placed than public sector ones (12.2%), none of the banks fell short of 9% in March 2017.The most recent assessment of RBI showed that if the system GNPA ratio were to spike to an extreme 16.6%, 19 banks would fall short of 9%, with PNB on the verge already. While the gross NPA ratios of banks were at 10.2% as of September 2017, their 'stressed assets' were higher at 12.2%.

Basically, after indiscriminate lending during the boom times of 2003 to 2010, banks found that many large corporate couldn't service their loans. *In 2014, as it became increasingly clear that 'restructured' was euphemism for 'doubtful', RBI cracked the whip on banks to estimate and account for these NPAs.* This is the key reason for the sharp spike in both the stressed advances and gross NPA ratios between March 2015 and September 2017.

While banks have reluctantly identified stressed assets, their bad loan provisions haven't kept pace with the sprinting NPAs. As a result, as of September 2017, the average provision coverage ratio for all banks stood at about 44%. In effect, for every 100 worth of disclosed NPAs, banks had provided for losses of just 44.

"Banking is a very treacherous business because you don't realize it is risky until it is too late. It is like calm waters that deliver huge storms."

Private Killing:

In contrast, most private banks have seen impressive increase in their market cap during the period. For example, HDFC Bank's market value has jumped by 13% to Rs 4,90,861 Crore. The market cap of Axis Bank and ICICI Bank has risen by 35% and 5.85% respectively.

PSBs' bad loans continue to rise inexorably despite Prime Minister Narendra Modi sparing no opportunity to tom-tom his government's policy measures to streamline their functioning.

But the ground reality has hardly changed. For example, the much-hyped seven-point scheme, "Indradhanush scheme" launched by the government in 2015, which promised to revamp the functioning of PSBs has failed to live up to expectations.

Comparative stock market performance of select PSBs and Private Banks

Name of Bank	Market cap as on Mar 28, 2018 (Rs. in Crores)	Market cap as on May 26, 2014 (Rs. in Crores)	% change	Share price as on March 28, 2018 (Rs/share)	Share price as on May 26, 2014 (Rs/share)	% change
HDFC Bank	490861.00	207012.00	137.00	1891.50	798.30	137.00
ICICI Bank	179561.00	169625.00	5.85	279.35	264.10	5.85
Axis Bank	129892.00	96099.00	35.00	506.10	374.76	35.00
SBI	217700.00	233048.00	-6.50	251.20	269.98	-6.50
Bank of Baroda	32900.00	42086.00	(-21.80)	142.40	182.16	(-21.80)
PNB	23528.00	49593.00	(-52.50)	97.00	204.46	(-52.50)
IDBI Bank	19488.00	25804.00	(-24.50)	73.75	97.65	(-24.50)
Canara Bank	15936.00	26050.00	(-38.80)	266.80	436.15	(-38.80)
Indian Bank	14454.00	8393.00	72.20	300.95	174.75	72.20
Bank of India	12390.00	38913.00	(-68.00)	104.60	328.50	(-68.00)
Union Bank	8112.00	18005.00	(-54.90)	94.80	212.05	(-54.90)
Allahabad Bank	4119.00	10522.00	-60.80	48.80	131.50	-60.80
Andhra Bank	3670.00	8326.00	(-56.00)	42.05	94.55	(-56.00)
Oriental Bank	3228.00	11573.00	-72.00	93.25	334.30	-72.00
Dena Bank	2137.00	9658.00	-77.80	18.90	85.40	-77.80

Source: NSE

The Indradhanush scheme also failed to properly assess the PSBs' additional capital requirement. It pegged the capital requirement of state-owned banks at Rs 70,000 crore over 2015-19. Under the scheme, PSBs are required to raise Rs 1.10 lakh crore from markets, including follow-on public offer, to meet Basel III requirements, which would kick in from March 2019.

What illustrates the shortcomings of the Indradhanush scheme is the fact that the government was forced to announce another Rs 2.11 lakh crore recapitalization plan for PSBs last October.

In the wake of recent scams, recent changes introduced by the RBI are as follows –

- Implementation of a new resolution plan within 180 days for loan accounts above Rs. 2000 Crores.
- Disbanded Scheme for Sustainable Structuring of Stressed Assets (S4A) and Corporate Debt Restructuring.
- Reporting of all the stressed assets to the centralized database of RBI after 30 days of its default.
- Full disclosure of the borrower to all the lenders.
- Discontinuance of quasi bank guarantee instruments such as the Letter of Undertaking and Letter of Comfort and improve banks' due diligence in trade credit.
- Reporting defaults of borrowers for loans above Rs 5 Crores on a weekly basis.

Is It Over ?

The spring-cleaning has been on for three years now, but there's a long way to go. As per the Economic Survey 2018, the resurrection of Indian Banks requires four Rs — recognition, resolution, recapitalization and reforms.

We're still on the first one — 'Recognition'. One can presume that the first R is over and done with when the key indicators of bad loan stock — the stressed advances ratio, gross NPA ratio and the net NPA ratio — stop escalating.

On this, FSR data for the period between September 2016 and September 2017 does offer hope. *The stressed advances ratio for the banking system, after peaking at 12.3% in September 2016, has dipped a bit this year to 12.2%. The gross NPA ratio has risen by 1 percentage point to 10.2%, but the pace of increase is far slower than the 4-percentage point spike last year. Net NPAs have also just inched up from 5.4% to 5.7% over 2016-17.*

But still, stability in these ratios is contingent on no new cockroaches, such as the PNB fraud, emerging from the woodwork.

Yes, depositors can take comfort from the fact that the Capital Adequacy problem has been addressed by the Centre's mega recapitalization package for public sector banks.

"Banking, I would argue, is the most heavily regulated industry in the world. Regulations don't solve things. Supervision solves things."

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Budget 2018 - An Overview:

In this globally competitive era , where the world might be considered as a hub and the activities of each and every citizen has an impact on the economy, either direct or indirect and whether large or small , the action plan of the financial activities is utterly reliant upon the Budget of the year. The scenario holds true not only for those driving their income from salary, but also for corporates , especially in the recent time ,bearing in mind the start ups and ventures by small units.

The declared budget for 2018 , however , will act as a tranquil tool for some, but will be toiling for others. Under mentioned are some of the key glimpse of the same.

"The budget is not just a collection of numbers, but an expression of our values and aspirations."

_Jacob Lew

1. Individuals and Salaried Class

The budget does not seem to be soothing for those falling under this category, despite the fact that this segment majorly consist of those belonging to middle class of the society and contribute fundamentally towards the economy, the Present government seems to have paid less attention towards relaxing them in a major manner. ***Following are the declarations.***

- The personal income tax slab rates remain the same, disappointing many individuals.
- A piece of relaxation however is extended in terms of introduction of Standard deduction of Rs.40,000 for salaried class employees . It is to state that the earlier transport allowance and miscellaneous medical reimbursement have been done away with.
- I hike in the education cess by 1% raising it to 4% from the erstwhile 3 % is another major issue of the budget. The cess would now be termed as Health and education cess.
- Introduction of tax on Long Term capital Gains above Rs. 1 Lakh on sale of equity shares @10% without giving benefit of indexation.

2. Senior Citizens:

The Current Budget seems to be alluring for this segment of society, converting creating HEYDAY for Grey days. Following are the declarations:

- The exemption limit on income from interest raised by five times to Rs. 50,000 per year.
- No TDS will be deducted from the interest income of senior citizens.
- The limit of deduction for health insurance premium and medical expenditure also increased to Rs 50,000 from Rs 30,000 under Section 80D.
- This additional deduction of Rs 20,000 will help a taxpayer save up to Rs 6,000 per annum.

For senior and very senior citizens, the tax deduction for critical illness will be Rs 1 lakh from April 1, as against the existing limit of Rs 60,000 for senior citizens and Rs 80,000 for very senior citizens.

"A budget tells us what we can't afford, but it doesn't keep us from buying it."

_William Feather

3. Others:

- Corporate tax on business with turnover upto Rs. 250 Crores has been reduced to 25% from 30 %.
- Equity oriented Mutual Funds to face a Dividend Distribution Tax @ 10 %.
- Short Term Capital Gains to be taxed @ 15%.
- Crypto currencies continued to be considered as not " Legal Tender". Government to consider exploring the block chain technology.
- There have been revisions in the rate of custom duty on several products
- Several schemes and benefits have also been announced for agricultural sectors.
- Also schemes like universal health coverage have been expanded to provide health and medication related benefits to those belonging to specific class of family.

Compiled and Edited by Shubham Yadav

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ANNOUNCEMENT

SME IPO - SSIDCL - *A Grand Success*

S.S. infrastructure Development Consultants Limited (SSIDCL)*, came out with a maiden IPO of Rs. 42.00 Lacs Equity Shares of Rs. 10 each via book building route with a price band of Rs. 37—Rs. 40 to mobilize Rs. 15.84 Crores to Rs. 17.11 Crores (Based on lower and upper price bands). The Lead Manager of this IPO is Pantomath Capital Advisors Pvt. Ltd. Issue opened for subscription on March 28th 2018 and closed on April 5th 2018. Minimum application is to be made for 3000 shares and in multiples thereon, thereafter. Further the listing in NSE is on 12th April 2018.*

We are delighted that the response to IPO of SSIDC was overwhelming. ASCO Capital Pvt. Ltd. were advisor to the issue. It was over subscribed by HNI 24.33 Retail-10.70 Overall 10.98 times.

***S.S. infrastructure Development Consultants Limited** is currently one of the top most structural engineering consulting firms in Southern India. The Company has a robust Human Resource of 120 Employees, skills and experience in undertaking, and successfully completing projects comprising of multi-disciplinary activities along with innovation and new developments. Long stats of carrying out wide range of projects for defense sector and private sector forwarding with a robust technical intelligence pose the firm as a remarkable precedent. After leaving a profound footprints in Domestic Market the Company is planning to expand internationally. To begin with it will penetrate markets in UAE and is optimistic about it's expansion in other countries as well.*