

IN THE NATURE OF ABRIDGED PROSPECTUS – MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

This is an abridged prospectus containing salient features of the Prospectus. You are encouraged to read greater details available in the Prospectus available at www.rachanainfra.com.

THIS ABRIDGED PROSPECTUS CONSISTS NINE PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.



RACHANA INFRASTRUCTURE LIMITED

CIN: U45203GJ2001PLC039725, Date of Incorporation: June 29, 2001

(Please scan this QR Code to view the Prospectus)

Registered and Corporate Office	Contact Person	Email and Telephone	Website
404, 405, 4th Floor, Angel Complex, Nr. Income Tax Railway Crossing, Nr. Oassis Hotel, Navrangpura, Ahmedabad - 380009, Gujarat, India	Mr. Smit Shah, Company Secretary and Compliance Officer	Tel No.: 079 - 26560327, Email: info@rachanainfra.com	www.rachanainfra.com

OUR PROMOTERS OF THE COMPANY

MR. GIRISHKUMAR RAVAL AND MRS. BHAMINIBEN MEHTA

Details of Offer to Public

Type of Issue	Fresh Issue Size	OFS Size	Total Issue Size	Issue Under	Share Reservation		
					QIB	NII	RII
Fresh & Offer for Sale	₹ 3898.50 Lakhs	₹ 3898.50 Lakhs	₹ 7797.00 Lakhs	The Issue is being made pursuant to Regulation 229 (2) of SEBI (ICDR) Regulations.	Such number of Equity Shares in multiples of 1,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000 and the Application Size does not exceed 53,66,000 Equity Shares subject to adhere under the relevant laws and regulations as applicable.	Such number of Equity Shares so that the Application Value does not exceed ₹ 2,00,000 and application size is of at least 1,000 Equity Shares.	

THESE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders

Name	Type	No of Shares offered/ Amount in Rs.	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
Girishbhai Raval	Promoter	746050	2.94	Alpaben Dave	Public	157500	7.77
Brijesh Raval	Promoter Group	137000	11.91	Radhikaben Patel	Public	37200	Nil
Rajendrakumar Patel	Public	75000	6.67	Ramesh Patel	Public	249500	Nil
Jitendra Vyas	Public	270000	6.67	Vishnubhai Patel	Public	137250	Nil
Suresh Patel	Public	69000	5.28	Hiren Dave	Public	271000	4.47
Nitinkumar Raval	Public	157500	3.33	Sayyadunnisa Kovadiya	Public	205500	3.51
Sushmaben Patel	Public	106000	Nil	Nitesh Patel	Public	94500	3.33
Sanjay Raval	Public	73000	21.33	Purvash Patel	Public	39000	Nil

PRICE, MINIMUM BID LOT & INDICATIVE TIMELINES

Issue Price	₹ 138/-	Minimum lot size	1000 Equity Shares
Issue Opening Date	May 20, 2022 (Friday)	Initiation of Unblocking of Funds/refunds	On or before May 31, 2022 (Tuesday)
Issue Closing Date	May 25, 2022 (Wednesday)	Credit of Equity Shares to demat accounts of Allotees	On or before June 01, 2022 (Wednesday)
Finalization of basis of allotment with the Designated Stock Exchange	On or before May 30, 2022 (Monday)	Commencement of Trading of Equity Shares on the Stock Exchanges	On or before June 02, 2022 (Thursday)

*For details of Basis of Issue Price, please refer to page 66 of the Prospectus.

Details of WACA of all shares transacted over the trailing eighteen months from the date of Prospectus

Period	Weighted Average Cost of Acquisition (in Rs.)	Issue Price is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in Rs.)
Trailing Eighteen Month from the date of Prospectus	Rs. 75	1.84	Rs. 75

WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of prospectus.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our company, there has been no formal market for the securities of our company. The face value of the shares is ₹ 10.00/- per equity shares and the issue price is 13.80 times of the face value. The issue price (as determined by our company and selling shareholders in consultation with the lead manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page no. 66 of this Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active and/or sustained trading in the equity shares of our company nor regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no. 15 of this Prospectus.

PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the Prospectus from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participants, stock brokers, underwriters, bankers to the issue, investors' associations or Self Certified Syndicate Banks.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the Prospectus and/or the General Information Document (GID) from the Lead Manager or download it from the websites of the Stock Exchanges i.e. www.nseindia.com; and the Lead Manager i.e. www.ifinservices.com.

PRICE INFORMATION OF LEAD MANAGER

Issue Name	Name of Merchant Banker	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
Bhatia Colour Chem Limited	Interactive Financial Services Limited	-36.50 (-0.69)	NA	NA
Global Longlife Hospital and Research Limited	Interactive Financial Services Limited	NA	NA	NA

Names of Lead Managers and contact details (telephone and email id) of Lead Manager

Interactive Financial Services Limited
Tel Number: +079-26581240;
Email : mbd@ifinservices.in;
Investor Grievance Email: info@ifinservices.in;
Web Site : www.ifinservices.in;
Contact Person: Ms. Jaini Jain

Names of Syndicate Members	Not Applicable
Names of Market Maker and contact details	NNM Securities Private Limited Tel Number: +91 22 40790011; Email Id: support@nmmsecurities.com ; Investors Grievance Id: support@nmmsecurities.com ; Contact Person: Mr. Nikunj Anilkumar Mittal
Name of Registrar to the Issue and contact details	Bigshare Services Private Limited Tel No.: +022-62638200; Email Id: ipo@bigshareonline.com ; Investor Grievance E-mail: support@beelinebroking.com ; Website: www.bigshareonline.com ; Contact Person: Mr. Swapnil Kate
Name of Statutory Auditor & Peer Review Auditor	M/s Ankit Chokshi & Co., Chartered Accountants
Name of Credit Rating Agency and the rating or grading obtained	Not Applicable
Name of Debenture trustee	Not Applicable
Self Certified Syndicate Banks	The list of banks is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35
Non-Syndicate Registered Brokers	You can submit Bid cum Application Forms in the Issue to Non Syndicate Registered Brokers at the Non Syndicate Broker Centres. For further details, see section titled "Issue Procedure" beginning at page 187 of the Prospectus.
Details regarding website address(es)/link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	The details of the Designated Registrar and Share Transfer Agents Locations and Designated Collecting Depository Participant Locations, along with their names and contact details are available on the websites of the Stock Exchange (www.nseindia.com) and updated from time to time.

PROMOTERS OF THE ISSUER COMPANY

Sr. No.	Name	Individual/Corporate	Experience & Educational Qualification
1.	Mr. Girishkumar Raval	Individual	Experience: He is having more than 40 years of experience in the infrastructure line, with practical insights and understandings of works and projects, company has achieved new milestone and greater heights with every passing year. He is looking after overall business of the company and constantly reviews work progress, financial performance of the company. He is the driving force behind the company. Educational Qualification: Bachelor of Business Administration from The Global Open University.
2.	Mrs. Bhaminiben Mehta	Individual	Experience: She has been associated with our Company since incorporation and one of the Founder member of the Company. She worked as a Government Teacher in Higher Secondary School. She looks after Human Resources Policies of the Company And Ensure Good Governance followed by the Company in Letter And Spirit. Educational Qualification: B.Ed., M.A from Gujarat University, M.Phil. from The Global Open University.

For further details, please refer chapter titled "Our Promoter and Promoter Group" on page no. 119 of the Prospectus.

BUSINESS OVERVIEW AND STRATEGY

Company Overview:

We are one of the mid size private sector company engaged in the business of Construction of Road projects on Bill of Quantities (BOQ) and EPC basis. In the very initial periods, Our Company got the contracts from the Government (Zilla Panchayat) at a very small scale. In addition, we got sub contracts from the infrastructure Companies from Gujarat, Maharashtra and many other states. Over a period of time, Company got expertise in the traditional construction of Buildings, Road Construction, Irrigation, Hydro power Project and Mining. With time and experience, we started expanding our business in the other states of the India like Maharashtra, Madhya Pradesh, Jharkhand and Rajasthan.

We have successfully completed many projects in various departments of Government of India. We believe we benefited significantly from the experience and relationship established by our Promoters. Our Company has an established track record of executing projects with over 02 decades of experience in construction activities. Some of our satisfied clients are Public Works Department of Madhya Pradesh, Road and Building Department of Gujarat State, Madhya Pradesh Road Development Corporation, Power Grid Corporation of India, Gujarat Minerals Development Corporation, Road Construction Department of Jharkhand, ONGC Petro-Additions Limited, Ahmedabad Municipal Corporation, and Ahmedabad Urban Development Corporation etc.

With good credential and qualification criteria, we have been awarded and have undertaken Major Projects, Financed by State Government, Central Government and also International Banks like Asian Development Bank.

Over the years, we have acquired resources with vertical integration like we have our own stone mines and stone crushers for basic excavation of stone aggregate which is the core and basic material for all road infrastructure construction.

Product/Service Offering:

Revenue segmentation by product/service offering

The business verticals of the company are:

- | | |
|----------------------|-----------------------|
| • Roads and Highways | • Pipelines |
| • Bridges | • Buildings |
| • Mining | • Hydro Power project |
| • Irrigation | • Rental Income |

Revenue segmentation by product/service offering:

REVENUE FROM OPERATIONS	As at 31.12.2021	As at 31.03.2021	As at 31.03.2020	As at 31.03.2019
Contract Receipt	2,856.90	8,792.38	13,248.07	9,526.05
Sale of Products (Black Trap Stone Aggregate)	1,163.16	1,586.68	2,189.68	1,684.24
Total	4,020.05	10,379.06	15,437.75	11,210.29

Geographies Served:

Revenue segmentation by geographies

We have started the construction in the state of Gujarat and expand in other states. We plan to continue our strategy of diversifying across states and increase orders from other states apart from the existing five states. Through an increasingly diversified portfolio, we hope to hedge against risks in specific areas or projects and protect us from fluctuations resulting from business concentration in limited geographical areas. With our increased experience and success, however, our rate of expansion may increase in terms of increases in the number of new states and projects we undertake.

Key Performance Indicators:

- 1) Leading Road-focused BOQ and EPC Contractor;
- 2) Management and an integrated in-house project team with strong execution capabilities and extensive Industry experience;
- 3) Visible growth through a robust order book;
- 4) Improve performance and enhance returns from our core business;
- 5) Increase the order book by getting the order in HAM, BOT, EPC and PPP mode projects;
- 6) Expand our geographical footprint;

Client Profile or Industries Served:

Revenue segmentation in terms of top 5/10 clients or Industries:

Our Company is leading road focused BOQ and EPC contractor. We construct the Road on BOQ and EPC basis for Government and Private Clients. We are also getting the sub contact work for road construction from the leading infrastructure of the India. The quality of the Construction and completion of the project in time which is very crucial for the infrastructure projects, it is the key factor for the growth of the Company. The road infrastructure contributes major revenue of the Company.

Intellectual Property, if any:

As on date of the prospectus our company has not get any Intellectual Property Rights.

Market Share:

Not Ascertainable.

Manufacturing plant, if any:

Being Service Sector, we do not own any Manufacturing Plant.

Employee Strength:

As on February 28, 2022, we have the total strength of 160 permanent employees (Excluding workmen) in various departments.

For further details, please refer chapter titled 'Business Overview' on page 78 of the Prospectus.

BOARD OF DIRECTORS				
Sr. No.	Name	Designation	Experience & Educational Qualification	Other Directorships
1.	Girishkumar Raval	Managing Director	For details refer to “Promoters of Our Company” on page no. 5 of this Abridged Prospectus.	-
2.	Ashokkumar Raval	Non Executive & Non Independent Director	Experience: He is retired Class 2 Government Servant, having total Experience of more than 40 years. Educational Qualification: Doctor of Philosophy, M.Com and B.com.	-
3.	Bhaminiben Mehta	Non Executive & Non Independent Director	For details refer to “Promoters of Our Company” on page no. 5 of this Abridged Prospectus.	-
4.	Kalpita Dave	Independent Director	Experience: He is having 9 years of experience in the Automotive Industry. He is having wide experience in Production System, Line Balancing, Monitoring Production MIS, Quality Systems, Monitoring & Quality MIS. Educational Qualification: Diploma in Mechanical Engineering	-
5.	Saureen Patel	Independent Director	Experience: He is having 10 years of experience in the Infrastructure line. Currently he is working as Engineer in Trio Infra since April 2020. Educational Qualification: Bachelor of Mechanical Engineering	-
6.	Bharatkumar Chaudhary	Independent Director	Experience: He is having 8 year work experience in the Corporate Restructuring. He is having wide experience in Company law, Stock exchange compliance, FEMA, Depository participant Audit work, Merger and Amalgamation, Takeover, Intellectual property law. Educational Qualification: Bachelor of Law (Special)	-

For further details, please refer chapter titled “Our Management” on page no. 109 of the Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds from the issue towards the following objects:

1. Repayment of Secured Loans
2. Working capital requirement
3. General Corporate Purposes
4. Meeting Public Issue Expenses

Details of means of finance –

In the event of a shortfall in raising the requisite capital from the Net Proceeds, towards meeting the objects of the Issue, the extent of the shortfall will be met by internal accruals or debt. In case of any surplus of monies received in relation to the Fresh Issue, we may use such surplus towards general corporate purposes.

The fund requirements for each of the objects of the Issue are stated as follows: (₹ in Lakhs)

Sr. No.	Objects of the Issue	Total estimated costs	Amount already deployed	Estimated utilization of net proceeds in FY 2022-2023
1.	Repayment of Secured Loans	750	-	750
2.	Working capital requirement	2150	-	2150
3.	General Corporate Purposes ¹	938.50	-	938.50
4.	Issue related expenses	60	1.11	58.89
	Total	3898.50	1.11	3897.39

¹The amount utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable

Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security, if any: Not Applicable

SHAREHOLDING PATTERN			
Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter and Promoter Group	1,31,67,579	83.44
2.	Public	26,12,421	16.56
	Total	1,57,80,000	100.00

Number/amount of equity shares proposed to be sold by selling shareholders, if any: Offer for sale of 28,25,000 equity shares by selling shareholders of ₹ 138 per equity shares aggregating to ₹ 3898.50 Lakhs.

RESTATED AUDITED FINANCIALS				
(₹ In Lakhs, except per share data)				
Particulars	For the year ended			
	31 st December 2021	31 st March 2021	31 st March 2020	31 st March 2019
Total income from operations (net)	4171.07	10,705.67	15,840.55	11,393.32
Net Profit / (Loss) before tax and extraordinary items	172.31	531.84	822.03	618.35
Net Profit / (Loss) after tax and extraordinary items	139.85	455.31	597.13	466.45
Equity Share Capital	526.00	526.00	526.00	526.00
Reserves and Surplus	3544.59	3390.05	2928.948	2318.37
Net worth	4070.59	3916.05	3454.95	2844.37
Basic & diluted earnings per share (Rs.)*	0.89	2.89	3.78	2.96
Return on net worth (%)	3.44	11.63	17.28	16.40
Net Asset Value Per Share (Rs.)*	25.80	24.82	21.89	18.03

*post bonus issue

INTERNAL RISK FACTORS

The below mentioned risks are top 5 risk factors as per the Prospectus.

- Our Company is subject to high working capital requirements and our inability to fund these requirements in a timely manner may adversely impact our financial performance.**

Our Company is engaged in Construction activity and majority of the constituent of the current assets are not eligible for the bank finance. The Company had to provide performance bank guarantee for the work awarded to the Company and for that the company had to provide cash margin. Apart from that the clients are keeping certain percentage of the contract value after the completion of the Project as Retention Money. All this require huge working capital requirement. The last three years working capital requirement of the Company is given on page no. 15 in the prospectus.

If we are not able to manage the working capital requirement properly then the growth, profitability and business will be adversely affected.

- We have made certain issuances and allotments of our Equity Shares which are not in compliance with section 67(3) of the Companies Act, 1956.**

We have, issued and allotted equity shares to more than 49 persons (pursuant to private placements). The details of the allotment made in the Financial years is given below.

Sr. No.	Date of Allotment	Type of Allotment	No. of Shares allotted	No. of Allottees	Price of Allotment (In ₹)	Amount Raised (In ₹)
FY 2005-06						
1.	November 23, 2005	Preferential Allotment	5,00,000	29	12.50	62,50,000

2.	February 16, 2006	Preferential Allotment	5,00,000	40	20.00	1,00,00,000
Total Allottees				69		
FY 2007-08						
3.	December 27, 2007	Preferential Allotment	6,77,500	70	20.00	1,35,50,000
FY 2008-09						
4.	February 12, 2010	Preferential Allotment	4,84,100	40	20.00	96,82,000
5.	March 02, 2010	Preferential Allotment	3,68,500	45	20.00	73,70,000
Total Allottees				85		

As per section 67(3) of the Companies Act, 1956 any allotment to persons in excess of 49 to be deemed to be a public offering. The above Allotments did not comply with such provisions governing public offerings, including, inter alia, issuance and registration of a prospectus. Pursuant to a press release dated November 30, 2015 and circulars no. CIR/CFD/DIL3/18/2015 dated December 31, 2015 and May 3, 2016 (collectively, the —SEBI Circular), SEBI has provided that companies involved in issuance of securities to more than 49 persons but up to 200 persons in a Fiscal Year may avoid penal action if they provide the investors with an option to surrender the securities and get the refund amount at a price not less than the amount of subscription money paid along with 15% interest p.a. thereon or such higher return as promised to investors. The Company had violated the provisions of Section 67(3) of the Companies Act, 1956 and on February 01, 2022 had given exit offer to all the shareholders who are holding shares in Public. The shareholders have not exercised the option to surrender the shares up to the offer closing period which is February 13, 2022.

3. There are outstanding litigations against our Company and by our company which if determined against us, could adversely impact financial conditions.

There are outstanding litigations filed against and by our Company. The details of this legal proceeding are given below in the following table:

Particulars	Nature of cases	No of outstanding cases	Amount involved (₹ in lacs)
Litigation against Company	Civil case	1	20.09
	Direct and Indirect Taxes	7	846.74
Litigation filed by the Company	Civil cases	3	8978.63

4. Our Company has several Contingent Liability and Commitments which if materialize could affect our financial position.

As on December 31, 2021, we had Contingent Liability of ₹ 2554.55 Lakhs for which no provision had been made. In the event that any of these contingent liabilities materialize, our results of operation and financial condition may be adversely affected. Details of Contingent Liabilities and commitments are as follows:-

Particulars	Amount Disputed (₹ in Lakhs)
Guarantees to Bank and other financial institutions against credit facilities extended to third parties and other guarantees	1803.47
Gujarat VAT Assessment Order for FY 2014-15	609.21
Goods and Service Tax Act FY 19-20 & 2020-21	175.08
TOTAL	2587.75

5. Projects included in our order book and our future projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.

As of December 31, 2021, our order book was ₹ 18442.91 lacs. Our order book sets forth our expected revenues from uncompleted portions of the construction contracts received. However, project delays, modifications in the scope or cancellations may occur from time to time due to either a client's or our default, incidents of force majeure or legal impediments. For example, in some of our projects, we or our clients are obliged to take certain actions, such as acquiring land, making advance payments or opening of letters of credit or moving existing utilities, which may be delayed due to our client's non-performance, our own breaches or force majeure factors. In an EPC project, we may incur significant additional costs due to project delays and our counterparties may seek liquidated damages due to our failure to complete the required milestones or even terminate the construction contract totally or refuse to grant us any extension. The schedule of completion

may need to be reset and we may not be able to recognize revenue if the required percentage of completion is not achieved in the specified timeframe.

For further details, please refer chapter titled ‘Risk Factors’ on page 15 of the Prospectus.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total Number of Outstanding Litigations Against the Company, Director, Promoters, Subsidiaries and the Amount Involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in lakhs)
Company						
By the Company	NIL	NIL	NIL	NIL	3	8978.63*
Against the Company	NIL	7	NIL	NIL	1	866.74
Directors						
By our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	NIL	NIL	NIL	NIL	NIL
Promoters						
By Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Against Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Subsidiaries						
By Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL
Against Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL

* Subject to the interest amount.

B. Brief details of top 5 material outstanding litigations against the company and amount involved

Sr. No.	Particulars	Regulatory Authority	Litigation Filed by	Current Status	Amount Involved (Rs. In Lakhs)
1	Continuous default in making payment as per stipulated time period	Court of Jt. Civil Judge Sr. Dn, And ACJM, Nagpur	JSK Corporation Private Limited (JSK)	The case is pending.	20.09

C. There is no outstanding Regulatory action taken by SEBI or Stock Exchange against the promoters in last five Financial years including Outstanding Action.

D. There is no outstanding criminal proceedings against Promoters

For further details, please refer chapter titled ‘Outstanding Litigation and Material Developments’ on page 160 of the Prospectus.

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Prospectus are true and correct.