



## VR FILMS & STUDIOS LIMITED

### V R FILMS & STUDIOS LIMITED

Our Company was incorporated as “V R Films & Studios Private Limited” under the provisions of The Companies Act, 1956 vide Certificate of Incorporation dated December 31, 2007 issued by the Registrar of Companies, Mumbai bearing Registration Number 177175 of 2007. Our Company has taken over the running business of M/s Visual Reality, a proprietorship concern of one of our Promoter vide Business Takeover Agreement dated December 31, 2007. The name of our Company was subsequently changed to “V R Films & Studios Limited” pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on February 22, 2019 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated March 11, 2019 bearing Corporate Identity Number U92100MH2007PLC177175. For further details please refer to chapter titled “History and Certain Corporate Matters” beginning on page 114.

**Corporate Identification Number:** U92100MH2007PLC177175

**Registered and Corporate Office:** 19, Chhadva Apartments, Sion-Trombay Road, Chembur, Mumbai – 400071, India

**Contact Person:** Mr. Prasad Jagannath Sawant, Chief Financial Officer; **Tel:** +91-22-25273841

**Website:** www.vrfilms.in, **E-mail:** smeipo@vrfilms.in

**PROMOTERS OF OUR COMPANY:** Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt

#### THE ISSUE

INITIAL PUBLIC ISSUE OF 3,72,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (THE “EQUITY SHARES”) OF V R FILMS & STUDIOS LIMITED (“OUR COMPANY” OR “VRFSL” OR “THE ISSUER”) FOR CASH AT A PRICE OF RS. 61 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 51 PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING TO RS. 226.92 LAKHS (“THE ISSUE”) OF WHICH 20,000 EQUITY SHARES AGGREGATING TO RS. 12.20 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 3,52,000 EQUITY SHARES OF FACE VALUE OF RS.10 EACH AT AN ISSUE PRICE OF RS. 61 PER EQUITY SHARE AGGREGATING TO RS. 214.72 LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.11% AND 25.66%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER CHAPTER TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 204.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI (ICDR) REGULATIONS”), AS AMENDED. IN TERMS OF RULE 19(2)(b)(i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER CHAPTER TITLED “ISSUE PROCEDURE” BEGINNING ON PAGE 213.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 213. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

#### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled “Issue Procedure” beginning on page 213.

#### RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is Rs.10 and the Issue price of Rs. 61 per Equity Share. The Issue Price (has been determined and justified by our Company in consultation with the Lead Manager, as stated under chapter titled ‘Basis for Issue Price’ beginning on page 80) 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 or 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 Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled ‘Risk Factors’ beginning on page 23.

#### ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Prospectus 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

#### LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time. Our Company has received an approval letter dated March 25, 2019 from BSE Limited (“BSE”) for using its name in the Offer Document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited.

#### LEAD MANAGER TO THE ISSUE



**Hem Securities Ltd.**

#### HEM SECURITIES LIMITED

904, A Wing, 9<sup>th</sup> Floor Naman Midtown,  
Senapati Bapat Marg, Elphinstone Road  
Mumbai-400013, India.

**Tel :** (022) 4906 0000

**Email:** ib@hemsecurities.com

**Investor Grievance Email:** redressal@hemsecurities.com

**Contact Person:** Anil Bhargava

**Website:** www.hemsecurities.com

**SEBI registration number:** INM000010981

#### REGISTRAR TO THE ISSUE

**LINKIntime**

#### LINK INTIME INDIA PRIVATE LIMITED

C – 101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai-400083 Maharashtra, India

**Tel No:** (022) 49186200

**Email:** vrfilms@linkintime.co.in

**Website:** www.linkintime.co.in

**Contact Person:** Shanti Gopalkrishnan

**SEBI Registration Number:** INR000004058

#### ISSUE PROGRAMME

**ISSUE OPENS ON:**

**APRIL 12, 2019**

**ISSUE CLOSES ON:**

**APRIL 18, 2019**

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## SECTION I – GENERAL DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Tax Benefits”, “Financial Information of the Company”, “Main Provisions of Articles of Association”, “Basis for Issue Price”, “History and Certain Corporate Matters”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigation and Material Developments” beginning on pages 83,138,238,80,114,191 and 181 respectively, shall have the meaning ascribed to such terms in the relevant section.*

### **General Terms**

<b>Terms</b>	<b>Description</b>
“VFSL” “the Company”, “our Company” and V R Films & Studios Limited	V R Films & Studios Limited, a Company incorporated in India under the Companies Act, 1956 having its registered office at 19, Chhadva Apartments, Sion - Trombay Road, Chembur, Mumbai – 400071
“we”, “us”, “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Issue

### **Company related terms**

<b>Terms</b>	<b>Description</b>
AOA / Articles / Articles of Association	Articles of Association of V R Films & Studios Limited as amended from time to time.
Auditors/ Statutory Auditors	The Statutory Auditors of V R Films & Studios Limited being M/s B. L. Dasharda & Associates (Firm Registration No.: 112615W) having office at 301, Vastubh Apartment, Near Hanuman Temple, Datta Pada Cross Road No. 1, Borivali (E), Mumbai – 400066.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013. For further details, please refer chapter titled “Our Management” beginning on page 118.
Bankers to the Company	Standard Chartered Bank and IDBI Bank Limited
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to chapter titled “Our Management” beginning on page 118.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Mr. Prasad Jagannath Sawant.
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.

Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Ms. Nidhi Natani.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	The Equity Shares of our Company of face value of Rs. 10/- each unless otherwise specified in the context thereof.
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Executive Director(s)	An Executive Director of our Company.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
Group Companies	The word “Group Companies”, wherever it occurs, shall include such Companies as (other than promoter(s)) with whom there are related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material and are included in the chapter titled “ <i>Our Group Company</i> ” beginning on page 190.
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations.
Key Managerial Personnel/ KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI (ICDR) Regulations 2018. For details, see section entitled “ <i>Our Management</i> ” beginning on page 118.
IT Act	The Income Tax Act, 1961 as amended till date
Indian GAAP	Generally Accepted Accounting Principles in India
MD or Managing Director	The Managing Director of our Company, Mr. Manish Satprakash Dutt
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on March 13, 2019, in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of V R Films & Studios Limited as amended from time to time.
Non-Executive Director	A Director not being an Executive Director.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with section 178 of Companies Act, 2013. For further details, please refer chapter titled “ <i>Our Management</i> ” beginning on page 118.
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act, 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Promoters or our Promoters	Shall mean promoters of our Company i.e. Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt. For further details, please refer to section titled “ <i>Our Promoters &amp; Promoter Group</i> ” beginning on page 132.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section “ <i>Our Promoters and Promoters Group</i> ” beginning on page 132.

RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	Registered Office of our Company is located at 19, Chhadva Apartments, Sion - Trombay Road, Chembur, Mumbai – 400071.
Restated Financial Statements	The restated financial statements of our Company’s assets and liabilities for the period ended October 31, 2018 and as at March 31, 2018, 2017 and 2016, and the restated statements of profit and loss and cash flows for the period ended October 31, 2018 and the financial years ended March 31, 2018, 2017 and 2016 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the revised guidance note on reports in Company Prospectuses (Revised) issued by the ICAI, together with the schedules, notes and annexure thereto.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
RoC/ Registrar of Companies	Registrar of Companies, Maharashtra
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as repealed by the SEBI AIF Regulations
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/SEBI Listing Regulations/Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscribers to MOA	Initial Subscribers to MOA & AOA being Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt.
Stakeholder’s Relationship Committee	Stakeholder’s Relationship Committee of our Company constituted in accordance with Section 178 of Companies Act, 2013. For further details, please refer chapter titled “ <i>Our Management</i> ” beginning on page 118.
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
WTD or Whole-time Director	It includes a Director in the whole-time employment of the Company and in our case Mr. Krishi Satprakash Dutt

**Issue Related Terms**

<b>Terms</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.
Allotment/Allot/Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of allotment sent to the applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	Successful Applicants to whom Equity Shares are being/have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
Application Supported by Block Amount (ASBA)	The application (whether physical or electronic) used by an ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified bank account maintained with such SCSB.
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the appropriate Application Amount in relation to an Application by an Applicant.
ASBA Investor/ ASBA Applicant	Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA process in terms of this Prospectus.
Bankers to the Issue/Public Issue Bank/Sponsor Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being HDFC Bank Limited.
Banker to the Issue Agreement	Agreement entered into amongst the Company, LM, the Registrar, Sponsor Bank and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “ <i>Issue Procedure – Basis of Allotment</i> ” beginning on page 213.
Broker Centers	Broker Centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centre’s, along with the name and contact details of the Registered Brokers, are available on the websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue.
BSE SME	The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI (ICDR) Regulations, 2018.
CAN or Confirmation of Allocation Note	The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.

Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate applications under this Issue by the ASBA Applicants with the Lead Manager, Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Application Form from the applicants and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated RTA Locations	Such locations of the RTA where Applicants can submit the Application Forms to RTA. The details of such Designated RTA Locations, along with names and contact details of the RTA eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of the Prospectus.
Designated Intermediaries/Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and Share Transfer Agent (RTA) (whose names is mentioned on website of the Stock Exchange as eligible for this activity)
Designated Stock Exchange	SME Platform of BSE Limited
DP ID	Depository Participant's Identity number
Draft Prospectus	Draft Prospectus dated March 14, 2019 issued in accordance with the SEBI (ICDR) Regulations, 2018.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constituted an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs. 10/- each
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.

Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Share Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
First / Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
FII/ Foreign Institutional Investor	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable law in India.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018.
HSL	Hem Securities Limited
IPO	Initial Public Offering
Issue Agreement	The Agreement dated March 13, 2019 between our Company and Lead Manager and addendum to the Issue Agreement dated March 22, 2019.
Issue/Public size/Initial Issue/Initial Offer/Initial Offering/ IPO	The Public Issue of 3,72,000 Equity shares of Rs. 10/- each at issue price of Rs. 61 per Equity share including share premium of Rs. 51 per Equity share aggregating to Rs. 226.92 Lakhs.
Issue Opening Date	The date on which Issue opens for subscription. In this case being, April 12, 2019.
Issue Closing Date	The date on which Issue closes for subscription. In this case being, April 18, 2019.
Issue Price	The price at which the Equity Shares are being issued by our Company under the Prospectus being Rs. 61 per Equity Share of face value of Rs. 10 each fully paid up.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application.



Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, for further details please refer chapter titled " <i>Objects of the Issue</i> " beginning on page 74.
Listing Agreement/ Equity Listing Agreement	The Listing Agreement to be signed between our Company and BSE Limited (BSE).
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with BSE SME Platform. In our case Hem Securities Limited is the sole Market Maker.
Market Making Agreement	The Market Making Agreement dated March 13, 2019 between our Company, LM and Market Maker, Hem Securities Limited and addendum to the Market Making Agreement dated March 22, 2019.
Market Maker Reservation Portion	The reserved portion of 20,000 Equity Shares of face value of Rs. 10 each at an issue price of Rs. 61 each aggregating to Rs. 12.20 Lakhs subscribed by Market Maker in this issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 3,52,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 61 per Equity Share (the "Issue Price") aggregating to Rs. 214.72 Lakhs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled " <i>Objects of the Issue</i> " beginning on page 74.
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than Rs. 2,00,000.
Overseas Corporate Body/ OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Prospectus	The Prospectus filed with RoC containing, inter-alia, the issue opening and closing dates and other information in accordance with Section 26 of the Companies Act, 2013
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank to receive monies from the SCSBs from the bank account of the Bidders, on the Designated Date.
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations, 2018.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Link Intime India Private Limited
Registrar Agreement	The Agreement dated March 13, 2019 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.

Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to Rs. 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
Registrar and Share Transfers Agent or RTA	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Location in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 Issued by SEBI.
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Transaction Registration Slip/ TRS	The slip or document issued by the member(s) of the Syndicate to the Applicant as proof of registration of the Application.
Underwriters	Underwriters in this case being Hem Securities Limited and Altina Securities Private Limited
Underwriting Agreement	The Agreement dated March 13, 2019 entered into between the Underwriters and our Company and addendum to the Underwriting Agreement dated March 22, 2019.
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request / Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended from time to time
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

**Technical and Industry Related Terms**

Term	Description
ADR	Automated Dialogue Replacement
AV	Audio Visual
DCI	Digital Cinema Initiative
DTH	Direct-to-Home
FCP	Final Cut Pro
FM	Frequency Modulation
IMDB	Internet Movie Data Base
MRP	Maximum Retail Price
OOH	Out of Home
TRAI	Telecom Regulatory Authority of India
VFX	Visual Effects
VOD	Video on Demand

**Abbreviations**

Abbreviations	Full Form
₹ / Rs./ Rupees/ INR	Indian Rupees
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AMT	Amount
AOA	Articles of Association
Approx	Approximately
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
B.Sc	Bachelor of Science
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
Bn	Billion
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number

CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CSR	Corporate Social Responsibility
CST	Central Sales Tax
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
EGM /EOGM	Extra-Ordinary General Meeting
EMI	Equated Monthly Instalment
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee's State Insurance Corporation
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.
FIPB	Foreign Investment Promotion Board
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.

FV	Face Value
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods and Services Tax
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IIP	Index of Industrial Production
INR / Rs./ Rupees/₹	Indian Rupees, the legal currency of the Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IPO	Initial Public Offer
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
IST	Indian Standard Time
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
KMP	Key Managerial Personnel
LLB	Bachelor of Legislative Law
LLP	Limited Liability Partnership
LM	Lead Manager
Ltd.	Limited
M.A	Master of Arts
MAT	Minimum Alternate Tax
MAPIN	Market Participants and Investors Database
M. B. A	Master of Business Administration
MCA	Ministry of Corporate Affairs, Government of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
Mn	Million
MSME	Micro, Small and Medium Enterprises
NA	Not Applicable
NAV	Net Asset Value
NACH	National Automated Clearing House
NCLT	National Company Law Tribunal

Net worth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NOC	No Objection Certificate
NPV	Net Present Value
NRI	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
OEM	Original Equipment Manufacturer
P.A.	Per Annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price/Earnings Ratio
PF	Provident Fund
PG	Post Graduate
P.O.	Purchase Order
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
RoC	Registrar of Companies
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified syndicate Banks
SEBI/Board	Securities and Exchange Board of India
Sec.	Section
SICA	Sick Industrial Companies Act (SICA)
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number

US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WDV	Written Down Value
w.e.f.	With effect from
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
-, ()	Represent Outflow

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Key Regulations and Policies in India”, “Financial Information of the Company”, “Outstanding Litigation and Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.

## CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

### Certain Conventions

All references in this Prospectus to “India” are to the Republic of India. All references in this Prospectus to the “U.S.,” “USA” or “United States” are to the United States of America.

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “V R Films & Studios Limited”, “VRFSL”, and, unless the context otherwise indicates or implies, refers to V R Films & Studios Limited. In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### Use of Financial Data

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and Lakhs. Unless stated otherwise, the Financial data in this Prospectus is derived from our financial statements prepared and restated for the period ended October 31, 2018 and financial year ended March 2018, 2017 and 2016 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, included under Section titled “*Financial Information of the Company*” beginning on page 138. Our fiscal year commences on April 01 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI ICDR Regulations, as stated in the report of our Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 138.

For additional definitions used in this Prospectus, see the section “*Definitions and Abbreviations*” beginning on page 1. In the section titled “*Main Provisions of Articles of Association*”, beginning on page 238, defined terms have the meaning given to such terms in the Articles of Association of our Company.



### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout this Prospectus was obtained from internal Company reports, data, website, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in this Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled “*Basis for Issue Price*” beginning on page 80 includes information relating to our peer group company. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

### **Currency of Financial Presentation**

All references to “₹” or “Rupees” or “INR” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled “Industry Overview” throughout this Prospectus all figures have been expressed in thousands, Lakhs/Lacs, Million and Crore.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management's Discussion and Analysis of Financial Conditions and Results of Operation*” beginning on page 23,97 and 173, respectively unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

This Prospectus contains conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## FORWARD LOOKING STATEMENTS

This Prospectus includes certain “forward-looking statements”. We have included statements in this Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to:

1. Company’s ability to successfully implement our strategy, our growth and expansion, technological changes;
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Audiences taste and behavior;
4. Inability to successfully obtain registrations in a timely manner or at all;
5. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
6. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
7. Our failure to keep pace with rapid changes in entertainment sector;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Intensified competition in industries/sector in which we operate;
11. Our ability to attract, retain and manage qualified personnel;
12. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
13. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
14. Our ability to expand our geographical area of operation.

For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”; “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 23, 97 and 173 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Neither our Company, our Directors, our Officers, LM and Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the LM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II: SUMMARY OF PROSPECTUS

### SUMMARY OF BUSINESS

We are engaged in the business of providing complete localization services for television, film and digital industry, which consists of dubbing, mixing, subtitling, content editing and content localization services for movies, documentaries, audio books, games and TV programmes in regional and international languages. We also acquire foreign language films mainly from Hollywood and Chinese film industry and dub them in Indian Local language (Hindi, Tamil, Telugu etc.) and then distribute them theatrically or sub license to sub distributors across all licensed territories in all licensed languages including English.

### SUMMARY OF INDUSTRY

In FY18, television market generated revenue of Rs. 651.90 billion. The Indian film industry is expected to grow at a rate of 11.9% by 2020. Digitalisation has played the major role in the growth of the industry. Animation and VFX industry in India reached Rs.73.90 billion in FY18 from Rs. 62.30 billion in FY17, growing at a CAGR of 18.60%. During 2018-2023, the segment is expected to grow at a higher CAGR of 15.50%, largely led by the continued growth in outsourced services and the swelling use of animation and VFX services in the domestic television and film space, respectively.

For more details please refer chapter titled “*Industry Overview*” beginning on page 86.

### NAME OF PROMOTERS

The Promoters of our Company are Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt.

### SIZE OF THE ISSUE

The Issue comprises of an Initial Public Issue of 3,72,000 Equity Shares of face value of Rs.10 each (The “Equity Shares”) for cash at a price of Rs. 61 per Equity Shares (including a premium of Rs. 51 per equity share) aggregating to Rs. 226.92 Lakhs ( “the Issue”) by our Company of which 20,000 Equity Shares of Rs. 10 each aggregating to Rs. 12.20 Lakhs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and a Net Issue to public of 3,52,000 Equity Shares of Rs. 10 each aggregating to Rs. 214.72 Lakhs. The Issue and the Net Issue will constitute 27.11 % and 25.66 % respectively of the post issue paid up Equity Share Capital of the Company.

### OBJECTS OF THE ISSUE

The Issue Proceeds are proposed to be used in accordance with the details as set forth below:

Sr. No.	Particulars	Amount (Rs. in Lakhs)
1.	To meet working capital requirement	136.62
2.	General Corporate Purposes	50.14
3.	To meet Issue Expenses	40.16
	<b>Total</b>	<b>226.92</b>

**PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP**

The aggregate pre-issue shareholding of the promoters and promoter group as a percentage of the paid-up capital of the issuer is as below:

Name	No. of Equity Shares	% of Pre Issue paid up Equity Shares
<b>Promoters</b>		
Manish Satprakash Dutt	7,99,996	79.99
Krishi Satprakash Dutt	1,00,000	10.00
Pawan Kumar Dutt	1,00,000	10.00
<b>Total (A)</b>	<b>9,99,996</b>	<b>99.99</b>
<b>Promoter Group</b>		
Sat Prakash Dutt	1	Negligible
Nirmal Dutt	1	Negligible
<b>Total (B)</b>	<b>2</b>	<b>Negligible</b>
<b>Grand Total(A+B)</b>	<b>999,998</b>	<b>99.99</b>

**SUMMARY OF FINANCIAL INFORMATION**

Following are details as per the restated financial statements for past three years and stub period in tabular format:

(Rs. in Lakhs except EPS and NAV per Share)

Sr. No.	Particulars	For the period ended on October 31, 2018	Financial Year ended		
			2018	2017	2016
1.	Paid up Share Capital	1.00	1.00	1.00	1.00
2.	Net worth	332.54	298.44	200.99	173.69
3.	Total Revenue	367.04	1283.03	611.00	627.99
4.	Profit After Tax	34.09	97.57	27.43	3.26
5.	Earnings Per Share – Basic & Diluted (in Rs.)	340.94	975.70	274.26	32.64
6.	NAV per Equity Shares (in Rs.)	3325.41	2984.43	2009.93	1736.87
7.	Total Borrowings (As per Restated Balance Sheet)	232.82	126.90	64.23	84.20
<b>Earnings Per Share and NAV as adjusted for change in Capital (i.e. after bonus issue):</b>					
1.	Earnings Per Share – Basic & Diluted (in Rs.)	3.41	9.76	2.74	0.33
2.	NAV per Equity Shares (in Rs.)	33.25	29.86	20.10	17.37

**QUALIFICATIONS OF AUDITORS**

The Restated Financial Statements do not contain any qualification requiring adjustments by the Auditors.

## SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding litigation proceedings involving our Company, our Promoters and our Directors as on the date of this Prospectus is provided below:

(Rs. in Lakhs)

Sr. No.	Nature of proceedings	Number of outstanding cases	Amount involved
<b>Cases filed against our Company</b>			
1.	<b>Tax Liabilities</b>		-
	Direct Tax Liabilities	1	Uncertain
<b>Cases filed by our Company</b>			
1.	Criminal	1	77.00
<b>Cases filed against our Promoter</b>			
1.	<b>Tax Liabilities</b>		-
	Direct Tax Liabilities	1	Uncertain

For further details of the outstanding litigation proceedings, please refer chapter titled "Outstanding Litigation and Material Developments" beginning on page 181.

## RISK FACTORS

For details relating to risk factors, please refer section titled "Risk Factors" beginning on page 23.

## SUMMARY OF CONTINGENT LIABILITIES OF THE COMPANY

There are no the Contingent Liabilities of the Company for the period ended on October 31, 2018 and financial years ended on March 31, 2018, 2017 and 2016.

For detailed information on the Contingent Liabilities on our Company, please refer "Annexure – Z" appearing under chapter titled "Restated Financial Information" beginning on page 138.

## SUMMARY OF RELATED PARTY TRANSACTIONS

(Rs. in Lakhs)

<b>1. Transaction with Subsidiary and Associates</b>					
A. Mikimedia Entertainment LLP (Enterprise that is controlled by the Directors )					
Sr. No.	Nature of transaction	31-10-2018	31-03-2018	31-03-2017	31-03-2016
1	Supply of Services	3.78	6.60	7.20	7.20
2	Current Liabilities- Closing Balance (Cr)/Dr	(3.09)	(0.84)	(1.82)	(1.50)
<b>2. Transaction with KMP</b>					
A. Mr. Manish Satprakash Dutt (Promoter and Shareholder)					
1	Director Remuneration for the Year	28.88	43.51	33.22	33.16
2	Loans and Advances given				
	Rate of Interest	NIL	NIL	NIL	NIL
	Opening Balance (Cr)/Dr	-	-	-	-
	Loan given	-			
	Loan Repaid	-	-		
	Closing Balance (Cr)/Dr	-	-	-	-

B. Mr. Krishi Satprakash Dutt (Promoter and Shareholder)					
1	Director Remuneration for the Year	27.13	40.29	30.00	15.00
C. Mr. Pawan Kumar Dutt (Promoter and Shareholder)					
1	Professional Fees / Remuneration	-	12.13	9.15	8.92

For detailed information on the related party transactions executed by our Company, please refer “Annexure – Y” appearing under chapter titled “Restated Financial Information” beginning on page 138.

### FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our promoters, members of our promoter group, our directors and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of this Prospectus.

### WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES

Weighted average price at which the Equity Shares were acquired by our Promoters in last one year:\*

Sr. No.	Name of Promoters	Total no. of Equity Shares	Weighted Average Price** (in Rs. per equity share)
1.	Manish Satprakash Dutt	7,92,000	Nil
2.	Krishi Satprakash Dutt	99,000	Nil
3.	Pawan Kumar Dutt	99,000	Nil

\*As certified by our Statutory Auditor vide their certificate dated March 12, 2019.

\*\*The Weighted Average Price for Equity Shares acquired during last one year has been calculated by taking into account the amount paid by the Promoters to acquire, by way of fresh issuance or transfer, the Equity Shares and the net cost of acquisition has been divided by total number of shares acquired during last one year. During the preceding one year from the date of this Prospectus, our Promoters Manish Satprakash Dutt, Krishi Satprakash Dutt and Pawan Kumar Dutt were allotted 7,92,000, 99,000 and 99,000 Equity Shares respectively, pursuant to bonus issue of Equity Shares made by the Company on February 20, 2019. Since the bonus allotment did not involve any consideration, the weighted average price of such Equity Shares is Nil.

### AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS\*

Sr. No.	Name of Promoters	Total no. of Equity Shares	Average Cost of Acquisition per equity share (in Rs.)**
1.	Manish Satprakash Dutt	799,996	6.10
2.	Krishi Satprakash Dutt	1,00,000	0.10
3.	Pawan Kumar Dutt	1,00,000	0.10

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of this Prospectus.

\*\*As certified by our Statutory Auditor vide their certificate dated March 12, 2019.

### DETAILS OF PRE-ISSUE PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus till the listing of the Equity Shares.

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

Except as set out below, we have not issued Equity Shares for consideration other than cash in the preceding one year:

<b>Date of Allotment</b>	<b>Number of Equity Shares</b>	<b>Face Value (Rs.)</b>	<b>Issue Price (Rs.)</b>	<b>Reasons for Allotment</b>	<b>Benefits Accrued to our Company</b>
February 20, 2019	9,90,000	10	-	Bonus in the ratio of 99:1 i.e. 99 Equity Shares for every 1 Equity Share held	Capitalization of Reserves & Surplus

**SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.



### SECTION III: RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. prospective investors should carefully consider all the information in this Prospectus, particularly the “Financial Information of the Company” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 138 ,97 and 173 respectively and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

*The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved.*

#### **Materiality**

*The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.*

- 1. Some events may not be material individually but may be found material collectively.*
- 2. Some events may have material impact qualitatively instead of quantitatively.*
- 3. Some events may not be material at present but may be having material impact in future.*

#### **Note:**

*The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.*

*In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” beginning on page 23 and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 173 unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Audited Financial Statements, as restated" prepared in accordance with the Indian Accounting Standards.*

- 1. The Entertainment Industry is subject to shifts in tastes and preferences of audiences. Changing consumer tastes and preferences may compromise our ability to predict which films will be popular with audiences.***

The entertainment industry is prone to unforeseen shifts in tastes and preferences of audiences, which could have an impact on the operations of our Company. Distribution of movies to various Indian and Indian subcontinent TV Channels and digital platforms, demand for which depends substantially on consumer tastes or preferences that often change in unpredictable ways. The success of our business depends on our ability to consistently distribute filmed entertainment that meets the changing preferences of the broad consumer market within India and Indian subcontinent. The popularity and economic success of our films depends on many factors including general public tastes, key talent involved, the promotion and marketing of the film, the quality and acceptance of other competing programmes released into, general economic conditions, the genre and specific subject matter of the film and other tangible & intangible factors all of which can change, are factors that we cannot predict with certainty and which may be beyond our control. If we are unable to acquire and distribute films that appeal to audiences or to accurately judge audience acceptance of film content, the commercial success of such films will be in doubt, which could result in costs exceeding revenues generated or anticipated profits not being realised, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

- 2. Our business is dependent on the contractual arrangements entered into by us. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties.***

We enter into contracts with our clients which impose several contractual obligations upon us. If we are unable to meet these contractual obligations and / or our clients perceive any deficiency in our services, we may face legal liabilities and consequent damage to our reputation which may in-turn adversely impact our business, financial condition and results of operations. There are also some contracts, which terminable by our clients in writing upon committing any breach or non-observance of any conditions of the Agreements entered into viz. fraud by our Company or any misconduct of our associate employees which could adversely affect the reputation of our clients.

While, we consider all factors internally prior to entering into such contractual agreements, we cannot assure you that such clients may choose to terminate their agreements with our Company based on the terms stated above. Further, the non-compliance or breach of the terms of the contractual arrangements by either party to the agreements may lead to, among other things, damages, penalties or termination of the agreements, which may consequently result in our inability to attract further business in the future.

- 3. The success of providing dubbing services depends on our scriptwriters, artists and technicians and their loss or unavailability could adversely affect our business.***

The dubbing activity and its success is largely depend upon creativity and individual skills of few people like the scriptwriter, artists and other technicians, which are not readily replaceable. Thus the entire success of our dubbing activities depends upon the creativity of these few peoples. Unavailability of dates of scriptwriters, artists and other technicians could also delay our projects. Further, in case of any dispute with, or loss of any of these people for any reason in the course of rendering services, may adversely affect the project, which in turn could materially adversely affect results of our operations.

**4. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business may have a material adverse effect on our business & operations.**

We require various statutory and regulatory licenses, permits and approvals to operate our business. We need to make compliance and applications at appropriate stages of our business to continue our operations.

Our Company has changed the name from V R Films & Studios Pvt Ltd to V R Films & Studios Ltd w.e.f. March 11, 2019 and we are in process of getting our name changed with various government approvals and registrations. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

We believe that we have complied considerably with such laws and regulations, as are applicable to us however, statutory/regulatory authorities may allege non-compliance and we cannot assure you that we will not be subjected to any such regulatory action in the future, including penalties, and other civil or criminal proceedings.

For further details, please refer to section titled “Government and Other Approvals” beginning on page 186.

**5. Our Company in the past has not complied with certain statutory provisions under the Companies Act. Such Non-Compliances may attract penalties.**

- i. Our Company has failed to file various e-forms under the provisions of Companies Act, 2013. Illustrative list of non - compliances is as under:
  - E-form MGT-14 under Section 117 read with Section 179 of the Companies Act, 2013 for the approval of Financial Statement, Board Report, borrowing of monies, investing funds of the Company, granting loans, etc.
  - E-form MGT-14 under Section 117 of the Companies Act, 2013 for the Special Resolution passed by the Members of the Company under Section 180(1)(a), 180(1)(c) and 186 of the Companies Act, 2013.
  - E-form CHG-1 under Section 77 of the Companies Act, 2013 for creation of Charge on the secured loan availed.
- ii. Our Company has defaulted in complying with the provision of Section 123 of the Companies Act, 2013 while declaring dividend to the Members of the Company in the past years in respect of opening of separate bank account and timely payment of dividend to the members
- iii. In terms of Section 129(1) of the Companies Act, 2013, Our Company has not complied with Accounting Standard 15 in respect of recording of provision for gratuity of employees in the past. However, the Company has made necessary Compliance in the Restated Financial Statements of the Company.
- iv. There have been instances of discrepancies/non-compliance by our Company in relation to certain filings and disclosures made to the RoC such as incorrect/ incomplete attachments to the forms, clerical errors such as number of Directors on the Board of the Company, meetings entitled to attend by the Director with the details of the Meeting attended by such Directors, applicability of CARO, tenure of appointment of the Statutory Auditor, use of designation as Managing Director for Mr. Manish Satprakash Dutt and Joint Managing Director for Mr. Krishi Satprakash Dutt, Articles of Association of the Company attached in the incorporation Form states “the Company means Cabana Hotels Management Private Limited, etc.

- v. In addition, certain Roc Filings are not available in the records of the Company such as Annual Return form for the financial year 2014-15.
- vi. Our Company failed to conduct first Board Meeting within 30 days of its Incorporation.
- vii. Our Company failed to maintain Secretarial records such as Minutes, Notices, Declaration, etc. as per the applicable provisions of the Companies Act and Secretarial Standards issued by Institute of Company Secretaries of India.

While, we have not received any show cause notice from the concerned authorities for the same, we cannot assure that no penalty will be imposed on the Company for the said lapse in future.

**6. *We do not own the premises at which our registered office and dubbing studios are situated, from which we carry out our business activities. We have taken the premises on Leave and License basis which are not duly stamped and registered. Such non-compliances may attract penalty.***

We do not own the premises at which our registered office and dubbing studios are situated, from which we carry out our business activities. As per the leave and license agreements, any breach of the terms / non-renewal of the lease deeds may require us to vacate the said premises which may cause serious disruption in our operations, corporate affairs and business and impede our effective operations and thus adversely affect our business and profitability.

Further, the Agreements entered into by the Company on Leave and Licence basis with the Licensor are not duly stamped under Maharashtra Stamp Act, 1958. Also the premise availed by our Company is situated in the State of Maharashtra, the Maharashtra Rent Control Act, 1999 has mandated to register the agreement entered for leave and license under Registration Act, 1908. However, our Company failed to register the said agreement which may affect the evidentiary value of the relevant agreements in specific performance or other injunctive procedures in a court of law, and could impair our operations. Further, it may result in levy of penal charges, in case cognizance being taken by concerned Authorities. For details on the duration of existing rent agreements for our premises, please refer to chapter titled “Our Business” beginning on page 97.

**7. *We have substantial working capital requirements and may require additional financing to meet working capital requirements in the future. A failure in obtaining such additional financing at all or on terms favourable to us could have an adverse effect on our results of operations and financial condition.***

Our business requires significant amount of working capital and major portion of our working capital is utilized towards advances for movie rights, inventories and trade receivables. As on October 31, 2018, we have been sanctioned working capital of Rs. 479.00 Lakhs. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have high inventories and outstanding amount due from our debtors which may adversely affect our cash flows and our business operations.

For further details regarding working capital requirement, please refer to the section “Objects of the Issue” beginning on page 74.

8. ***Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge and better bargaining power if entered with non-related parties resulting into relatively more favourable terms and conditions and better margins.***

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group significantly influenced by the Directors of our Company. These transactions, inter-alia include issue of shares, remuneration, rent payments, loans and advances, etc. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favourable terms than from transaction with related parties. Additionally, while it is our belief that all our related party transactions have been conducted on an arm's length basis, we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to "Annexure Y" on "Related Party Transactions" of the chapter titled "*Financial Information of our Company*" and chapter titled "*Capital Structure*" beginning on pages 138 and 51 respectively.

9. ***Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.***

Our company has obtained insurance coverage in respect of certain risks which consists of Fire & Special Peril Policy and Personal Accident Insurance Policy. If any uncertainty arises including losses arising on account of third party claims or if claim made by us in respect of an insurance, is not accepted or any loss occurred by us is in excess of the insurance coverage, the same may adversely affect our operation, results and financials. If our arrangements for insurance or indemnification are not adequate to cover claims, we may be required to make substantial payments and our results of operations and financial condition may be affected. For further information, see the section titled "*Our Business*" beginning on page 97.

10. ***We have incurred significant indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.***

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. As on October 31, 2018, our total outstanding indebtedness was Rs. 232.82 Lakhs.

Our significant indebtedness results in substantial amount of debt service obligations which could lead to:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on a short notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see the Section titled "*Financial Information of our Company*" beginning on page 138.

**11. Intensified competition may result in content price escalation which may restrict our ability to access content and/or talent.**

We face intense competition from both Indian and foreign competitors, many of which are substantially larger and have greater financial resources than us. Growth in entertainment industry in recent years has attracted new industry participants and competitors. The entry of such competitors may change the media and entertainment industry in ways that may not favour us. Domestic competitors of a scale similar to or greater than our own may impact our ability to attract creative and technical talent and other scarce resources including content, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

**12. Piracy of our content may adversely impact our revenues and business.**

We are highly dependent on maintenance of intellectual property rights in the entertainment products and services we provide. Piracy of media products, including digital and internet piracy and the sale of counterfeit consumer products, may decrease revenue from the exploitation of our products.

**13. Our ability to remain competitive may be adversely affected by rapid technological changes and our ability to access such technology.**

The Indian media and entertainment industry continues to undergo significant technological developments. We may not be successful in adopting new digital dubbing and distribution methods or may lose market share to our competitors if the methods that we adopt are not as technologically sound, user-friendly, widely accessible or appealing to consumers as those adopted by our competitors. Further, advances in technologies or alternative methods or changes in consumer behaviour driven by these or other technologies, could have a negative effect on our business. Other larger competitor companies may have bigger budgets to exploit growing technological trends than the budgets we can make available. In order to remain competitive we could be required to upgrade our technology, and any failure to do so could have a material adverse effect on our business, prospects, financial condition and results of operations.

**14. Reliance has been placed on affidavit and signed CV furnished by our Directors and KMPs of our Company for details of their profiles included in this Prospectus.**

For profiles of our Directors and KMPs, reliance has been placed on affidavit and signed CV furnished and we have not been able to independently verify these details. We do not have any supporting document for the past experience of Directors and KMPs and educational certificates of our Independent Directors. Therefore, we cannot assure you that all information relating to the work experience and education included in the chapters "Our Promoters and Promoter Group" and "Our Management" beginning on pages 132 and 118 respectively, as may be applicable, are complete, true and accurate.

**15. There are outstanding legal proceedings involving our Company and our Promoters which may adversely affect our business, financial condition and results of operations.**

There are outstanding legal proceedings involving our Company and our Promoters. These proceedings are pending at different levels of adjudication before various courts, enquiry officers and appellate forums. Such proceedings could divert management time and our Promoter time and attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings against our Company, our Promoters and our Directors as disclosed in this Prospectus, to the extent quantifiable, have been set out below:


Sr. No.	Nature of proceedings	Number of outstanding cases	Amount involved (Rs. in Lakhs)
<b>Cases filed against our Company</b>			
1.	<b>Tax Liabilities</b>		-
	Direct Tax Liabilities	1	Uncertain
<b>Cases filed by our Company</b>			
1.	Criminal	1	77.00
<b>Cases filed against our Promoter</b>			
1.	<b>Tax Liabilities</b>		-
	Direct Tax Liabilities	1	Uncertain

Decisions in such proceedings adverse to our interests may affect our reputation and standing and may have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to section titled "Outstanding Litigation and Material Developments" beginning on page 181.


**16. Our net cash flows from operating activities have been negative in some years in the past. Any negative cash flow in the future may affect our liquidity and financial condition.**

Our cash flow from our operating activities has been negative for the period ended October 31, 2018 amounting to Rs. 110.94 Lakhs.

For details, please see the chapter titled "Financial Information of our Company" beginning on page 138. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

**17. We have made application for registration of our logo  and we do not own the "corporate logo" legally as on date. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third party intellectual property rights.**

We have made application for registration of our name and logo under the provisions of the Trademarks

Act, 1999 and do not own the " " used in our communications and other operations as on date. As such, we do not enjoy the statutory protections accorded to a registered trademark or logo as on date. There can be no assurance that we will be able to register the logo in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our logo in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

**18. The average cost of acquisition of Equity Shares by our Promoters, is lower than the face value of Equity Share.**

The average cost of acquisition of Equity Shares by our Promoters is lower than the face value of Equity Shares i.e. Rs. 10/-. For further details regarding the average cost of acquisition of Equity Shares by our Promoters in our Company and buildup of Equity Shares of our Promoters in our Company, please see section titled "Risk Factors", and "Capital Structure" beginning on pages 23 and 51 respectively.

**19. *Our Promoters, Directors and Key Management Personnel have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Promoters, Directors and Key Management Personnel can be deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlement, or loans advanced, provided by them for our Company, and benefits deriving from the directorship in our Company. Our Promoters are interested in the transactions entered into our Company and our Promoter Group. For further information, please refer to the chapters/section titled “*Our Business*”, “*Our Promoters and Promoter Group*” and “*Financial information of the Company-Related Party Transactions*”, beginning on pages 97, 132 and 138 respectively.

**20. *If we are unable to attract new clients or our existing clients do not renew their contract, the growth of our business and cash flows will be adversely affected.***

Our top five clients contributed approximately 87.12% of our revenue from operations based on Restated Financial Statements for the period ended October 31, 2018. To increase our revenue and cash flows, we must regularly add new clients. If we are unable to generate sufficient sales leads through our marketing programs, or if our existing or new clients do not perceive our services to be of sufficiently high value and quality, we may not be able to increase sales and our operating results would be adversely affected. In addition, our existing clients have no obligation to renew their contracts, and renewal rates may decline or fluctuate due to a number of factors, including customers’ satisfaction with our services, our prices and the prices of competing service providers. If we fail to sell our services to new customers or if our existing customers do not renew their contracts, our operating results will suffer, and our revenue growth, cash flows and profitability may be materially and adversely affected.

**21. *We are heavily dependent on our Promoters and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.***

Our success heavily depends upon the continued services of our Key Managerial Personnel, along with support of our Promoters. We also depend significantly on our Key Managerial Personnel for executing our day to day activities. The loss of any of our Promoters and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and Key Managerial Personnel, please refer to chapter “*Our Management*” beginning on page 118.

**22. *There may be potential conflicts of interest if our Promoters or Directors are involved in any business activities that compete with or are in the same line of activity as our business operations.***

Visual Reality, proprietorship firm of one of our Promoter, Mr. Manish Satprakash Dutt and also a part of our promoter group is involved in similar line of business. Further, we have not entered into any non-compete agreement with the said proprietorship firm. We cannot assure you that our Promoter who has common interest in said entity will not favour the interest of the proprietorship firm. As a result; conflicts of interests may arise in allocating business opportunities amongst our Company and proprietorship firm in circumstances where our respective interests diverge. There can be no assurance that our Promoter or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.



- 23. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.**

The proposed fund requirement for our expansion plan, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled "Objects of the Issue" beginning on page 74.

- 24. We may not be able to sustain effective implementation of our business and growth strategy.**

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

- 25. Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.**

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the chapter titled "Dividend Policy" beginning on page 137.

- 26. There is no monitoring agency appointed by our Company to monitor the utilization of the Issue proceeds.**

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs.10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

- 27. Our Promoters and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.**

Our Promoters along with the promoter group will continue to hold collectively almost 72.89% of the Post Issue Equity Share Capital of our Company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoters will continue to have the

ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

**28. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The issue price of the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled “Basis for Issue Price” beginning on page 80. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

**29. *Certain data mentioned in this Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**30. *You may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.***

Under current Indian tax laws and regulations, capital gains arising from the sale of Equity Shares in an Indian Company are generally taxable in India. Any gain realized on the sale of listed Equity Shares on a stock exchange held for more than 12 months shall be subject to capital gains tax in India at 10% of such capital gain exceeding Rs. 1 lakh if Securities Transaction Tax (STT) has been paid on both acquisition and transfer of such shares. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realised on the sale of Equity Shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. However, any gain realized on the sale of listed Equity Shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. For more details, please refer to “Statement of Tax Benefits” beginning on page 83.

**31. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. Hem Securities Limited is acting as Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading

price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Maker, please refer to the section titled “*General Information – Details of the Market Making Arrangement*” for this Issue beginning on page 42.

### **EXTERNAL RISK FACTORS**

#### ***32. Our business is dependent on the Indian economy.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India’s economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors’ reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

#### ***33. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.***

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighbouring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

**34. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter “Government and Other Approvals” beginning on page 186 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax (“GST”) regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

**35. *Instability in financial markets could materially and adversely affect our results of operations and financial conditions.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors’ reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in benchmark index of stock exchanges i.e. NSE-NIFTY and BSE-SENSEX. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

**36. *Natural calamities could have a negative impact on the Indian economy and cause our Company’s business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**37. *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.***

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

**38. *If certain labour laws become applicable to us, our profitability may be adversely affected.***

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

**39. *Our performance is linked to the stability of policies and the political situation in India.***

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies.

However there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

## SECTION IV: INTRODUCTION

## THE ISSUE

The following table summarizes the Issue details:

<b>Equity Shares Offered</b>	
Public Issue of Equity Shares by our Company <sup>(1)(2)</sup>	3,72,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 61 per equity share aggregating to Rs. 226.92 Lakhs
<i>of which</i>	
Market Maker Reservation Portion	20,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 61 per equity share aggregating to Rs. 12.20 Lakhs
Net Issue to Public	3,52,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 61 per equity share aggregating to Rs. 214.72 Lakhs
<i>of which</i>	
<b>A. Retail Portion</b> <sup>(3)</sup>	1,76,000 Equity Shares of face value of Rs. 10 each fully paid-up for cash at price of Rs.61 per Equity Share aggregating to Rs. 107.36 Lakhs i.e. 50% of the Net Issue shall be available for allocation Retail Individual Investors
<b>B. Non-Retail Portion</b> <sup>(3)</sup>	1,76,000 Equity Shares of face value of Rs. 10 each fully paid-up for cash at price of Rs. 61 per Equity Share aggregating to Rs. 107.36 Lakhs i.e. 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors.
<b>Pre and Post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	10,00,000 Equity Shares
Equity Shares outstanding after the Issue	13,72,000 Equity Shares
Use of Net Proceeds	For details please see the chapter titled " <i>Objects of the Issue</i> " beginning on page 74.

- (1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details, please refer to section titled "Issue Information" beginning on page 204.
- (2) The Issue has been authorized by a resolution of our Board of Directors dated March 12, 2019 and by a special resolution of our Shareholders in their EGM dated March 13, 2019.
- (3) As per Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 as amended, the allocation in the net offer category shall be as follows:
- (a) minimum fifty per cent to retail individual investors; and
  - (b) remaining to:
    - (i) Individual applicants other than retail individual investors; and
    - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

*Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.*

*If the retail individual investor category is entitled to more than the allocated portion on proportionate basis, the retail individual investors shall be allocated that higher percentage.*

For further details regarding the Issue Structure and Issue Procedure, kindly refer to the chapters titled “*Issue Structure*” and “*Issue Procedure*” beginning on pages 210 and 213 respectively.

## SUMMARY OF OUR FINANCIALS

## STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. in Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>I.EQUITY &amp; LIABILITIES</b>				
<b>(1) Shareholder's Fund</b>				
(a) Share Capital	1.00	1.00	1.00	1.00
(b) Reserves and Surplus	331.54	297.44	199.99	172.69
	<b>332.54</b>	<b>298.44</b>	<b>200.99</b>	<b>173.69</b>
<b>(2) Non-Current Liabilities</b>				
(a) Long-Term Borrowings	-	0.40	81.57	104.63
(b) Other Long Term Liabilities	-	-	-	-
(c) Deferred Tax Liability(Net)	-	-	-	-
(d) Long Term Provisions	-	-	-	-
<b>(3) Current Liabilities</b>				
(a) Short-Term Borrowings	232.82	126.90	64.23	84.20
(b) Trade Payables	57.02	114.44	63.10	45.81
(c) Other Current Liabilities	25.03	70.01	100.43	133.70
(d) Short-Term Provisions	5.60	4.74	2.62	3.55
<b>TOTAL</b>	<b>653.01</b>	<b>614.93</b>	<b>512.94</b>	<b>545.57</b>
<b>II.ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Fixed Assets				
- Tangible Assets	66.39	73.52	82.72	49.03
- Intangible Assets	-	-	-	-
- Capital Work in Progress	-	-	-	-
(b) Non-Current Investments	-	-	-	-
(c) Deferred Tax Assets (Net)	3.23	2.87	0.97	1.20
(d) Long Term Loans And Advances	11.00	11.50	12.50	9.50
(e) Other Non Current Assets	31.64	31.64	33.21	9.62
<b>(2) Current Assets</b>				
(a) Inventories	80.40	-	170.29	294.50
(b) Trade receivables	119.45	134.56	108.86	71.06
(c) Cash and Cash Equivalents	135.52	155.21	88.23	75.57
(d) Short-Term Loans And Advances	200.85	204.60	12.80	29.50
(e) Other Current Assets	4.52	1.03	3.34	5.59
<b>TOTAL</b>	<b>653.01</b>	<b>614.93</b>	<b>512.94</b>	<b>545.57</b>



## STATEMENT OF PROFIT &amp; LOSS AS RESTATED

(Rs. In Lakhs)

Particulars	For period ended October 31, 2018	For the year ended		
		March 31, 2018	March 31, 2017	March 31, 2016
<b>A. INCOME</b>				
Revenue From Operations (Net of Taxes)	362.31	1,277.73	606.04	623.02
Other Income	4.73	5.30	4.96	4.97
<b>Total Income(A)</b>	<b>367.04</b>	<b>1,283.03</b>	<b>611.00</b>	<b>627.99</b>
<b>B. EXPENDITURE</b>				
Operating Expenses	193.41	621.2	167.46	281.63
Employee Benefit Expenses	123.38	174.93	142.65	120.94
Finance Cost	14.76	23.36	41.89	43.05
Depreciation and Amortisation Expenses	10.53	22.43	14.09	15.84
Other Expenses	57.63	128.30	78.67	62.24
Change in Inventory	(80.40)	170.29	124.21	87.08
<b>Total Expenses(B)</b>	<b>319.31</b>	<b>1,140.51</b>	<b>568.96</b>	<b>610.79</b>
<b>C. Profit before exceptional ,extraordinary items and tax (A-B)</b>	<b>47.73</b>	<b>142.52</b>	<b>42.04</b>	<b>17.20</b>
Less: Exceptional Items		-	-	-
<b>Profit before extraordinary items and tax</b>	<b>47.73</b>	<b>142.52</b>	<b>42.04</b>	<b>17.20</b>
Extra ordinary items		-	-	-
<b>Profit before tax</b>	<b>47.73</b>	<b>142.52</b>	<b>42.04</b>	<b>17.20</b>
Tax expense :				
Tax Expense for Current Year	14.00	42.00	14.39	7.36
Short/(Excess) Provision of Earlier Year		4.85	-	6.20
Deferred Tax	(0.36)	(1.90)	0.22	0.38
<b>Total Tax Expenses</b>	<b>13.64</b>	<b>44.95</b>	<b>14.61</b>	<b>13.94</b>
<b>Profit/(Loss) for the period After Tax-PAT</b>	<b>34.09</b>	<b>97.57</b>	<b>27.43</b>	<b>3.26</b>

## STATEMENT OF CASH FLOWS AS RESTATED

(Rs. in Lakhs)

Particulars	For period ended October 31, 2018	For the year ended		
		March 31, 2018	March 31, 2017	March 31, 2016
<b>Cash Flow From Operating Activities:</b>				
Net Profit before tax as per Profit And Loss A/c	47.73	142.52	42.04	17.19
<b>Adjustments for:</b>				
Depreciation and amortisation	10.53	22.43	14.09	15.84
Finance costs	14.76	23.35	41.89	43.06
Interest income	3.89	5.20	4.96	4.97
<b>Operating Profit Before Working Capital Changes</b>	69.13	183.10	93.06	71.12
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Trade receivables	15.11	(25.70)	(37.81)	(34.99)
Short-term loans and advances	(9.72)	(191.80)	(5.51)	38.66
Long-term loans and advances	0.50	1.00	(3.00)	-
Inventory	(80.40)	170.29	124.21	87.08
Other Non current assets	-	-	-	-
Other current assets	(3.50)	2.32	2.25	-
<i>Adjustments for increase / (decrease) in operating liabilities:</i>	-	-	-	-
Short -term provision	0.86	2.12	(0.93)	11.81
Trade payables	(57.42)	51.34	17.29	(35.36)
Other current liabilities	(44.98)	(30.42)	(33.27)	(18.36)
<b>Cash Generated From Operations</b>	<b>(110.41)</b>	<b>162.26</b>	<b>156.29</b>	<b>119.96</b>
Net Income Tax paid/ refunded	0.53	45.28	15.76	45.21
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>(110.94)</b>	<b>116.98</b>	<b>140.52</b>	<b>74.75</b>
<b>Cash Flow From Investing Activities:</b>				
Purchase of fixed assets	(3.39)	(13.23)	(47.78)	(5.98)
Increase in Fixed Deposits	-	(55.99)	(6.19)	(6.09)
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(3.39)</b>	<b>(69.21)</b>	<b>(53.97)</b>	<b>(12.07)</b>
<b>Cash Flow from Financing Activities:</b>				
Interest Income	3.89	5.20	4.96	4.97
Dividend Paid		(0.10)	(0.10)	(0.10)
Corporate Dividend tax		(0.02)	(0.02)	(0.02)
Short term Borrowings	105.92	62.67	(19.98)	(29.19)
Finance Cost	(14.76)	(23.35)	(41.89)	(43.06)
Repayment of Loans	(0.40)	(81.17)	(23.06)	(43.89)
<b>Net Cash Flow from Financing Activities ( C)</b>	<b>94.65</b>	<b>(36.77)</b>	<b>(80.09)</b>	<b>(111.29)</b>

<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(19.69)</b>	<b>10.99</b>	<b>6.47</b>	<b>(48.61)</b>
<b>Cash &amp; Cash Equivalents As At Beginning of the Year</b>	<b>36.94</b>	<b>25.95</b>	<b>19.48</b>	<b>68.09</b>
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>17.25</b>	<b>36.94</b>	<b>25.95</b>	<b>19.48</b>

## GENERAL INFORMATION

Our Company was incorporated as “V R Films & Studios Private Limited” under the provisions of The Companies Act, 1956 vide Certificate of Incorporation dated December 31, 2007 issued by the Registrar of Companies, Mumbai bearing Registration Number 177175 of 2007. Our Company has taken over the running business of M/s Visual Reality, a proprietorship concern of one of our Promoter vide Business Takeover Agreement dated December 31, 2007. The name of our Company was subsequently changed to “V R Films & Studios Limited” pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on February 22, 2019 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated March 11, 2019 bearing Corporate Identity Number U92100MH2007PLC177175.

For further details please refer to chapter titled “History and Certain Corporate Matters” beginning on page 114.

### REGISTERED & CORPORATE OFFICE OF OUR COMPANY

#### V R FILMS & STUDIOS LIMITED

19, Chhadva Apartments,  
Sion-Trombay Road, Chembur,  
Mumbai – 400071, India

**CIN:** U92100MH2007PLC177175

**Website:** www.vrfilms.in

**Email:** smeipo@vrfilms.in

**Tel No:** 022-25273841

**Fax No:** 022-25228467

### ADDRESS OF REGISTRAR OF COMPANIES

Registrar of Companies, Mumbai  
100, Everest, Marine Drive  
Mumbai- 400002

**Tel No:** 022-22812627/22020295/22846954

**Fax No:** 022-22811977

**Email:** roc.mumbai@mca.gov.in

**Website:** www.mca.gov.in

### DESIGNATED STOCK EXCHANGE

Our Company proposed to list its Equity Shares on SME Platform of BSE Limited.

### BOARD OF DIRECTORS OF OUR COMPANY

The Board of Directors of our Company consists of:

Name	Designation	DIN	Address
Mr. Manish Satprakash Dutt	Managing Director	01674671	202, Safal Heights 1, Ghatla Road Opp Union Park, Chembur, Mumbai-400071, Maharashtra
Mr. Krishi Satprakash Dutt	Whole-Time Director	01674721	19, Chhadva Apartment, Sion Trombay Road, Chembur, Mumbai- 400071, Maharashtra

Mr. Pawan Kumar Dutt	Non-Executive Director	01674642	19, Chhadva Apartment, Sion Trombay Road, Opp. Diamond Garden, Chembur, Mumbai- 400071, Maharashtra
Mr. Vishnu Vithalbhai Patel	Independent Director	01029694	B-2405, Imperial Heights, Best Colony, Behind Oshiwara Depot, Goregaon West, Mumbai- 400104, Maharashtra
Mrs. Vaneeta Sridhar	Independent Director	08387830	Flat No. 144, Building No. 12, Rama Krishna Nagar, 4 <sup>th</sup> Road, Behind Khar Police Station, Khar west, Mumbai-400052

For further details in relation to our Directors, please refer to the chapter titled “Our Management” beginning on page 118.

### COMPANY SECRETARY AND COMPLIANCE OFFICER

#### NIDHI NATANI

##### V R Films & Studios Limited

19, Chhadva Apartments,  
Sion - Trombay Road, Chembur,  
Mumbai – 400071, India

**Email:** cs@vrfilms.in

**Tel No:** 022-25273841

### CHIEF FINANCIAL OFFICER

#### PRASAD JAGANNATH SAWANT

##### V R Films & Studios Limited

19, Chhadva Apartments,  
Sion-Trombay Road, Chembur,  
Mumbai – 400071, India

**Email:** prasad.sawant@vrfilms.in

**Tel No:** 022-25273841

*Note: Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and/ or the Lead Manager, in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account etc.*

All grievances may be addressed to the Registrar to the issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form number, applicant DP ID, Client ID, details of UPI IDs, PAN, date of the ASBA Form, address of the applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the applicant.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/ information mentioned hereinabove.

For all Issue related queries, and for redressal of complaints, applicant may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange and SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

**Details of Key Intermediaries pertaining to this Issue and our Company:**

<b>LEAD MANAGER TO THE ISSUE</b>	<b>LEGAL ADVISOR TO THE ISSUE</b>
<p><b>HEM SECURITIES LIMITED</b>                      904, A Wing, 9<sup>th</sup> Floor, Naman Midtown,                      Senapati Bapat Marg Elphinstone Road,                      Lower Parel, Mumbai - 400013, India  <b>Tel No.:</b> (022) 49060000  <b>Fax No.:</b> (022) 49060061  <b>Email:</b> ib@hemsecurities.com                      Investor Grievance Email:                      redressal@hemsecurities.com  <b>Website:</b> www.hemsecurities.com  <b>Contact Person:</b> Mr. Anil Bhargava  <b>SEBI Regn. No.:</b> INM000010981</p>	<p><b>MMJC &amp; Associates LLP</b>                      Ecstasy, 803/804, 9th Floor,                      City of Joy, J.S.D Road, Mulund (West),                      Mumbai- 400080, Maharashtra, India  <b>Tel No.:</b> (022) 21678100  <b>Email:</b> makarandjoshi@mmjc.in  <b>Website:</b> www.mmjcadvisory.com  <b>Contact Person:</b> Mr. Makarand M. Joshi</p>
<b>STATUTORY AUDITOR</b>	<b>REGISTRAR TO THE ISSUE</b>
<p><b>M/S B. L. DASHARDA &amp; ASSOCIATES</b>                      301, Vastubh Apartment,                      Near Hanuman Temple,                      Datta Pada Cross Road No. 1,                      Borivali (E), Mumbai – 400066.  <b>Tel No:</b> +91 9892459697  <b>Email:</b> tosushantmehta@gmail.com  <b>Firm Registration No.:</b> 112615W  <b>Membership No:</b> 112489  <b>Peer Review No.:</b> 010333  <b>Contact Person:</b> CA Sushant Mehta</p>	<p><b>LINK INTIME INDIA PRIVATE LIMITED</b>                      C – 101, 1<sup>st</sup> Floor, 247 Park,                      Lal Bahadur Shastri Marg,                      Vikhroli (West), Mumbai-400083                      Maharashtra, India  <b>Tel No:</b> (022) 49186200  <b>Fax No.:</b> (022) 49186195  <b>Website:</b> www.linkintime.co.in  <b>Email:</b> vrfilms@linkintime.co.in  <b>Investor Grievance ID:</b> vrfilms@linkintime.co.in  <b>Contact Person:</b> Shanti Gopalkrishnan  <b>SEBI Registration Number:</b> INR000004058</p>
<b>BANKERS TO THE COMPANY</b>	<b>BANKER TO THE ISSUE AND SPONSOR BANK</b>
<p><b>STANDARD CHARTERED BANK</b>                      23-25 MG Road, Fort, Mumbai  <b>Tel No.:</b> +91 8291471291  <b>Email:</b> nitin.tiwari1@sc.com  <b>Contact Person:</b> Mr. Nitin tiwari  <b>Website:</b> www.standardchartered.com</p>	<p><b>HDFC BANK LIMITED</b>                      FIG- OPS Department- Lodha, I Think Techno Campus                      O-3 Level, Next to Kanjurmarg Railway Station,                      Kanjurmarg (East), Mumbai- 400042.  <b>Tel No:</b> (022) 30752927/28/2914  <b>Fax No.:</b> (022) 25799801  <b>Email:</b> Vincent.Dsouza@hdfcbank.com,                      Siddharth.Jadhav@hdfcbank.com,                      Prasanna.Uchil@hdfcbank.com,                      Neerav.Desai@hdfcbank.com  <b>Contact Person:</b> Vincent Dsouza, Siddharth Jadhav,                      Prasanna Uchil, Neerav Desai</p>
<p><b>IDBI BANK LIMITED</b>                      IDBI Bank, Sunny Estates,                      Chembur, Mumbai-400071  <b>Tel No:</b> (022) 25291008  <b>Email:</b> ibk10000018@idbi.co.in  <b>Contact Person:</b> Austin Dmello  <b>Website:</b> www.idbi.co.in</p>	

### **Statement of Inter se allocation of Responsibilities**

Since, Hem Securities Limited is the sole Lead Manager to this issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them, hence a statement of inter-se allocation of responsibilities is not required.

### **Self-Certified Syndicate Banks (“SCSBS”)**

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

### **Brokers to this Issue**

Applicants can submit Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), as updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

### **Registrar to the issue and Share Transfer Agents**

The list of the RTAs eligible to accept ASBA forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time

### **Credit Rating**

This being an Issue of Equity Shares, credit rating is not required.

### **IPO Grading**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

### **Trustees**

As the Issue is of equity Shares, the appointment of Trustees is not mandatory.

### Monitoring Agency

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs and hence our Company has not appointed a monitoring agency for this issue.

However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

### Appraising Entity

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

### Filing of this Prospectus

This Prospectus shall be filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Maharashtra, India.

A soft copy of this Prospectus along with Due Diligence Certificate including additional confirmation shall be filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> as per SEBI (ICDR) Regulations.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 to be delivered for registration to the Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India.

### Underwriting

The Company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by in the capacity of Underwriters to the Issue.

Pursuant to the terms of the Underwriting Agreement dated March 13, 2019 and addendum to the Underwriting Agreement dated March 22, 2019, entered into by Company and Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriters	No. of shares underwritten	Amount Underwritten (Rs. in Lakhs)	% of Total Issue Size Underwritten
<b>HEM SECURITIES LIMITED</b> 203, Jaipur Tower, M. I. Road, Jaipur - 302001, Rajasthan, India <b>Tel No.:</b> (0141) 4051000 <b>Email:</b> compliance@hemsecurities.com <b>SEBI Regn. No.:</b> INM000010981	56,000	34.16	15.05%



<b>ALTINA SECURITIES PRIVATE LIMITED</b> 303, Anand House, 13 <sup>th</sup> Road, Off Link Road, Khar, Mumbai – 400 052 <b>Tel No.:</b> (022) 66942416/17/18 <b>Email:</b> info@altinasecurities.com <b>SEBI Regn. No.:</b> INB231085235	3,16,000	192.76	84.95%
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*\*Includes 20,000 Equity shares of Rs.10 each for cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018.*

As per Regulation 260 of SEBI (ICDR) Regulations, 2018 the Lead Manager has agreed to underwrite to a minimum extent of 15% i.e. 15.05% of the Issue out of its own account and the remaining 84.95% shall be underwritten by Altina Securities Private Limited. In the opinion of the Board of Directors of our Company, the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective obligations in full.

#### Details of the Market Making Arrangement for the Issue

Our Company and the Lead Manager have entered into Market Making Agreement dated March 13, 2019 and addendum to the Market Making Agreement dated March 22, 2019 with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

<b>Name</b>	Hem Securities Limited
<b>Correspondence Address:</b>	203, Jaipur Tower, M. I. Road, Jaipur - 302001, Rajasthan, India
<b>Tel No.:</b>	(0141) 4051000
<b>E-mail:</b>	mm@hemsecurities.com
<b>Website:</b>	<a href="http://www.hemsecurities.com">www.hemsecurities.com</a>
<b>Contact Person:</b>	Mr. Anil Bhargava
<b>SEBI Registration No.:</b>	INZ000168034
<b>Market Maker Registration No. (SME Segment of BSE)</b>	SMEMM0024801022013

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time.

#### Following is a summary of the key details pertaining to the Market Making arrangement:

- 1) The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- 2) The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs.1,00,000/- shall be allowed to offer their holding to the Market Maker in that script provided that he sells his entire holding in that script in one lot along with a declaration to the effect to the selling broker.
- 3) The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE from time to time.

- 4) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size (including 20,000 Equity Shares to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- 5) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- 6) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- 7) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 8) The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and Market Maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
- 9) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 10) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 11) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 12) The Market Maker shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker and execute a fresh arrangement.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time.

- 13) **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

- 14) **Punitive Action in case of default by Market Maker:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

- 15) **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- 16) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker during market making process has been made applicable, based on the Issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to Rs. 20 Crore	25%	24%
Rs. 20 to Rs. 50 Crore	20%	19%
Rs. 50 to Rs. 80 Crore	15%	14%
Above Rs. 80 Crore	12%	11%

*All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.*

- 17) The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange Platform.

Sr. No.	Market Price Slab (in Rs.)	Proposed Spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

### Changes in the Auditors

Except as mentioned below, there has been no change in the statutory auditor during the three years immediately preceding the date of this Prospectus.

Details of Auditor	Date of Change	Reason
<b>M/S HIMANK DESAI &amp; CO.</b> 2, Gokul Kunj, Opp. Bank of India, Dandpada, Khar (West), Mumbai - 400052 <b>Tel No:</b> (022) 26044382/26493998/26464977 <b>Email:</b> himankd@hotmail.com <b>Firm Registration No.:</b> 0103670W	January 18, 2019	Resignation
<b>M/S B. L. DASHARDA &amp; ASSOCIATES</b> 301, Vastubh Apartment, Near Hanuman Temple, Datta Pada Cross Road No. 1, Borivali (E), Mumbai – 400066 <b>Tel No:</b> +91 9892459697 <b>Email:</b> tosushantmehta@gmail.com <b>Firm Registration No.:</b> 112615W <b>Peer Review No.:</b> 010333	January 25, 2019	Appointment

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Prospectus and after giving effect to this Issue, is set forth below:

(Rs.in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
<b>A.</b>	<b>Authorized Share Capital</b>		
	20,00,000 Equity Shares of face value of Rs.10 each	200.00	-
<b>B.</b>	<b>Issued, Subscribed And Paid-Up Equity Share Capital before the Issue</b>		
	10,00,000 Equity Shares of Rs.10 each fully paid-up before the Issue	100.00	-
<b>C.</b>	<b>Present Issue to public in terms of this Prospectus*</b>		
	3,72,000 Equity Shares having face value of Rs. 10 each for cash at a price of Rs. 61 per share at a Premium of Rs. 51 per share	37.20	226.92
	<b>Which comprises of:</b>		
I	<b>Reservation for Market Maker Portion</b> 20,000 Equity Shares of Rs. 10 each for cash at a price of Rs. 61 per share (including a Premium of Rs.51 per share)	2.00	12.20
II	<b>Net Issue to the Public</b> 3,52,000 Equity Shares of Rs. 10 each for cash at a price of Rs. 61 per share (including a Premium of Rs. 51 per share)	35.20	214.72
	<b>Out of which:</b> 1,76,000 Equity Shares of Rs. 10 each at Issue Price Rs. 61 per equity share will be available for allocation for allotment to Retail Individual Investors of up to Rs. 2.00 Lakhs.	17.60	107.36
	1,76,000 Equity Shares of Rs. 10 each at Issue Price of Rs. 61 per equity share will be available for allocation for allotment to Investors other than Retail Individual Investors (including Non Institutional Investors and QIB)	17.60	107.36
<b>D.</b>	<b>Paid-up Equity Capital after the Issue</b>		
	13,72,000 Equity Shares of Rs. 10 each	137.20	-
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		189.72

\*The present Issue of 372,000 Equity Shares in terms of this Prospectus has been authorized pursuant to a resolution of our Board of Directors dated March 12, 2019 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on March 13, 2019.

## Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of Rs.10 each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

### 1. Details of Changes in Authorized Share Capital of our Company:

Date of Meeting	AGM/EGM	Changes in Authorized Share Capital
Upon Incorporation		Authorized Share Capital of Rs.1,000,000 divided into 100,000 equity shares of Rs.10 each
January 29, 2019	EGM	Increase in authorized share capital from Rs.1,000,000 divided into 100,000 Equity shares of Rs.10 each to Rs. 20,000,000 divided into 2,000,000 Equity shares of Rs.10 each

### 2. Equity Share Capital History of our Company

The following table sets forth details of the history of the Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Capital (Rs.)
On Incorporation	8,000	10	610	Other than Cash	Subscription to MOA/ Business Takeover <sup>(a)*</sup>	10,000	1,00,000
	2,000	10	10	Cash	Subscription to MOA <sup>(a)</sup>		
February 20, 2019	9,90,000	10	-	Other than Cash	Bonus Issue <sup>(b)</sup>	10,00,000	1,00,00,000

\*Our Company acquired business of M/s. Visual Reality (Proprietorship of Mr. Manish Satprakash Dutt), by issue of 8,000 Equity shares of face value of Rs. 10 each to Mr. Manish Satprakash Dutt.

#### Notes:

a) The Subscribers to the Memorandum of Association of our Company were:

Names of Subscribers	Number of Equity Shares Subscribed
Manish Satprakash Dutt	8,000
Krishi Satprakash Dutt	1,000
Pawan Kumar Dutt	1,000
<b>Total</b>	<b>10,000</b>

**b) Bonus Issue of 9,90,000 Equity Shares of face value of Rs.10/- each fully paid in the ratio 99:1 i.e 99 Bonus Equity shares for every one Equity Share held:**

Names of Allottees	Number of Equity Shares Allotted
Manish Satprakash Dutt	7,92,000
Krishi Satprakash Dutt	99,000
Pawan Kumar Dutt	99,000
<b>Total</b>	<b>9,90,000</b>

As on the date of this Prospectus, our Company does not have any preference share capital.

**3. Details of Allotment made in the last two years preceding the date of this Prospectus:**

Except as mentioned in point 2(b) above, we have not issued any Equity Share in the last two years preceding the date of this Prospectus.

**4. Details of Equity Shares issued for consideration other than cash:**

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company
February 20, 2019	990,000	10	-	Bonus in the ratio of 99:1 i.e. 99 Equity Shares for every 1 Equity Share held	Capitalization of Reserves & Surplus

5. Except as mentioned above in point 2 above, our Company has not issued any equity shares lower than the Issue Price during the preceding 1(One) year.

6. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-233 of the Companies Act, 2013 or under Sections 391-394 of the Companies Act, 1956.

7. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

**8. Capital Build Up in respect of shareholding of Promoters:**

As on the date of this Prospectus, our Promoters Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt hold 7,99,996, 1,00,000 and 1,00,000 Equity Shares respectively of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

a) Set forth below is the build-up of the shareholding of our Promoters in our Company since incorporation.

Date of Allotment / Transfer	No. of Equity Shares	Face Value Per Share	Issue/ Acquisition/Transfer Price	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre issue equity share capital	% of post issue equity share capital
<b>Manish Satprakash Dutt</b>							
On Incorporation	8,000	10	610	Other than Cash	Subscriber to MOA/Business Takeover	0.80	0.58
February 20, 2019	792,000	10	-	Other than Cash	Bonus Issue	79.20	57.73
February 21, 2019	(1)	10	100	Cash	Transfer to Sat Prakash Dutt	Negligible	Negligible
February 21, 2019	(1)	10	100	Cash	Transfer to Nirmal Dutt	Negligible	Negligible
February 21, 2019	(1)	10	100	Cash	Transfer to Prasad Jagannath Sawant	Negligible	Negligible
February 21, 2019	(1)	10	100	Cash	Transfer to Roshini Pandey	Negligible	Negligible
<b>Total</b>	<b>799,996</b>					<b>79.99</b>	<b>58.31</b>
<b>Krishi Satprakash Dutt</b>							
On Incorporation	1,000	10	10	Cash	Subscriber to MOA	0.10	0.07
February 20, 2019	99,000	10	-	Other than Cash	Bonus Issue	9.90	7.22
<b>Total</b>	<b>100,000</b>					<b>10.00</b>	<b>7.29</b>
<b>Pawan Kumar Dutt</b>							
On Incorporation	1,000	10	10	Cash	Subscriber to MOA	0.10	0.07
February 20, 2019	99,000	10	-	Other than Cash	Bonus Issue	9.90	7.22
<b>Total</b>	<b>100,000</b>					<b>10.00</b>	<b>7.29</b>



### b) Details of Promoters' Contribution Locked-in for Three (3) Years

Pursuant to Regulation 236 and Regulation 238 of the SEBI (ICDR) Regulations, 2018 an aggregate of 20% of the post-Issue Equity Share capital of our Company held by our Promoters shall be considered as Promoters' Contribution ("**Promoters' Contribution**") and shall be locked-in for a period of three years from the date of allotment of equity shares issued pursuant to this Issue. The lock in of Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares. We further confirm that Minimum Promoters' Contribution of 20.12 % of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

Details of the Equity Shares (eligible for inclusion in the Minimum Promoters Contribution, in terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018) forming part of Minimum Promoters Contribution and proposed to be locked-in for a period of three years from the date of allotment are as follows:

Details of Promoter's Contribution								
Name	Date of Allotment	No. of Equity Shares	Face Value	Issue Price	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre issue equity share capital	% of post issue equity share capital
Manish Satprakash Dutt	February 20, 2019	2,76,000	10	Nil	Other than Cash	Bonus	27.60	20.12

For details on the build-up of the Equity Share capital held by our Promoters, please refer to "*Build-up of our Promoter's shareholding in our Company*" beginning on page 132.

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20.12% of the fully diluted Post-Issue Equity Share Capital of our Company as Minimum Promoter's Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoter's Contribution from the date of filing this Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI (ICDR) Regulations, except as may be permitted, in accordance with the SEBI (ICDR) Regulations.

The minimum Promoter's Contribution has been brought in to the extent of not less than the specified minimum lot and from persons identified as "promoter" under the SEBI (ICDR) Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoter's Contribution under SEBI (ICDR) Regulations. Further, in terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, the Minimum Promoters' Contribution of 20.12% of the Post Issue Capital of our Company as mentioned above does not consist of;

In this regard, we confirm that:

- (i) Equity Shares acquired during the three (3) years preceding the date of this Prospectus for consideration other than cash and where revaluation of assets or capitalisation of intangible assets was involved or bonus issue out of revaluations reserves or unrealised profits or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;

(ii) the Minimum Promoter's Contribution does not include Equity Shares acquired during the one (1) year preceding the date of this Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

(iii) Our Company has not been formed by conversion of a partnership firm into a company and hence no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion of a partnership firm; and

(iv) the Equity Shares held by our Promoters and offered as part of the Minimum Promoter's Contribution are not subject to any pledge.

**c) Details of Equity Shares Locked-in for One (1) Year**

Other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Issue Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

**d) Other requirements in respect of lock-in**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters and locked-in for one (1) year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Minimum Promoters' Contribution for three (3) years can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters may be transferred between our Promoters and Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations").

Further, in terms of Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of one (1) year, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in applicable to the transferee and compliance with the provisions of the Takeover Regulations.

**9. Our Shareholding pattern**

The table below presents the current shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held = (IV)+(V)+(VI) (VII)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares** (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held (a)	No.	As a % of total Shares held (b)	
								Class eg: Equity	Class eg: Preference								
A	Promoters & Promoter Group	5	9,99,998	-	-	9,99,998	99.99	9,99,998	-	9,99,998	99.99	-	-	-	-	-	9,99,998

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held = (IV)+(V)+(VI) (VII)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares** (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)	No.	As a % of total Shares held (b)	No.		As a % of total Shares held (b)
								Class eg: Equity	Class eg: Preference	Total								
B	Public	2	2	-	-	2	Negligible	2	-	2	Negligible	-	-	-	-	-	-	2
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underl	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid up equity shares held (V)	No. of shares underl ying Depository Receipts (VI)	Total nos. shares held = (IV)+(V)+(VI) (VII)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C 2)	Number of Locked in shares** (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)	No.	As a % of total Shares held (b)	No.		As a % of total Shares held (b)
								Class eg: Equity	Class eg: Preference	Total								
	ying DRs																	
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>10,00,</b>	<b>-</b>	<b>-</b>	<b>10,00,</b>	<b>100.00</b>	<b>10,0</b>	<b>-</b>	<b>10,0</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,00,00</b>

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held = (IV)+(V)+(VI) (VII)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares** (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)	No.	As a % of total Shares held (b)	No.		As a % of total Shares held (b)
								Class eg: Equity	Class eg: Preference	Total								
			000			000		0,000		0,000							0	

**II – Shareholding pattern of the Promoters and Promoter Group**

S.No.	Category & Name of the Shareholders	PAN	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities *			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of A+B+C2	Number of Locked in shares**		Number of Shares pledged or otherwise		Number of equity shares held in dematerialized form
									No of Voting Rights		Total as a % of Total Voting rights			As a % of total shares held (a)	As a % of total shares held (b)	As a % of total shares held (a)	As a % of total shares held (b)	
									Class Equity Shares of Rs.10/- each	Class Y								
	I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX			X	XI = VII+X	XII		XIII		XIV
(1)	Indian																	
(a)	Individual s/ Hindu undivided Family		5	9,99,998	-	-	9,99,998	99.99	9,99,998	-	9,99,999	99.99	-	-	-	-	-	9,99,998
1.	Manish Satprakash Dutt	AABPD8907G		7,99,996	-	-	7,99,996	79.99	7,99,996	-	7,99,999	79.99	-	-	-	-	-	7,99,996

2.	Krishi Satprakash Dutt	ABDPD8388C		1,00,000	-	-	1,00,000	10.00	1,00,000	-	1,00,000	10.00	-	-	-	-	-	1,00,000
3.	Pawan Kumar Dutt	AGGPD4857J		1,00,000	-	-	1,00,000	10.00	1,00,000	-	1,00,000	10.00	-	-	-	-	-	1,00,000
4.	Sat Prakash Dutt	AAAPD3926E		1	-	-	1	Negligible	1	-	1	Negligible	-	-	-	-	-	1
5.	Nirmal Dutt	BAHPD8189B		1	-	-	1	Negligible	1	-	1	Negligible	-	-	-	-	-	1
(b)	Central Government/ State Government(s)																	
(c)	Financial Institutions/ Banks																	
(d)	Any Other																	
	Body Corporate																	
	<b>Sub-Total (A)(1)</b>		<b>5</b>	<b>9,99,998</b>	<b>-</b>	<b>-</b>	<b>9,99,998</b>	<b>99.99</b>	<b>9,99,998</b>	<b>-</b>	<b>9,99,998</b>	<b>99.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,99,998</b>
(2)	Foreign		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



	Investor																	
(f)	Any Other (specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>		<b>5</b>	<b>9,99,998</b>	<b>-</b>	<b>-</b>	<b>9,99,998</b>	<b>99.99</b>	<b>9,99,998</b>	<b>-</b>	<b>9,99,998</b>	<b>99.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,99,998</b>

\*As on date of this prospectus 1 Equity share holds 1 vote.

\*\* Pursuant to SEBI (ICDR) Regulations, at least 20% of the post Issue Paid-up Equity Shares Capital (Minimum Promoters' Contribution) shall be locked in for a period of three years and the remaining entire shareholding shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

**III- Shareholding pattern of the Public shareholder**

S.No.	Category & Name of the Shareholders	PAN	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % (calculated as per SCRR, 1957) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total shares held (b)	No. (not applicable) (a)	As a % of total shares held (not applicable)(b)	
									Class Equity Shares of Rs.10/- each	Class Y	Total								
	I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX				X	XI= VII+X	XII		XIII		XIV
(1)	<b>Institutions</b>																		
(a)	Mutual Funds		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Capital Investors																		
(e)	Foreign Portfolio Investors		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/ Banks		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>		<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	<b>Central Government/ State Government(s)/ President of India</b>		<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(2)</b>		<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	<b>Non-institutions</b>																		
(a)	Individuals																		
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		2	2	-	-	2	Negligible	2	-	2	Negligible	-	-	-	-	-	-	2
	Prasad Jagannath Sawant	BASP S1455 A	1	1	-	-	1	Negligible	1	-	1	Negligible	-	-	-	-	-	-	1
	Roshini Pandey	ANOP P8597 Q	1	1	-	-	1	Negligible	1	-	1	Negligible	-	-	-	-	-	-	1

	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other Body Corporate	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(3)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>Negligible</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>Negligible</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>

\*As on date of this prospectus 1 Equity share holds 1 vote.

\*\* Pursuant to SEBI (ICDR) Regulations, at least 20% of the post Issue Paid-up Equity Shares Capital (Minimum Promoters' Contribution) shall be locked in for a period of three years and the remaining entire shareholding shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

**IV - Shareholding pattern of the Non Promoter- Non Public shareholder**

S.N o.	Category & Name of the Shareholders	PAN	No. of shareholders	No. of fully paid up equity shares held	Partly paid- up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957)  As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in Share dematerialized form (Not applicable)
									No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (not applicabl e)	As a % of total share s held (not applicabl e)	
									Class Equit y Share s of Rs.10 /- each	Class S Y	Total								
	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>V</b>	<b>VI</b>	<b>VII=IV+V+VI</b>	<b>VIII</b>	<b>IX</b>				<b>X</b>	<b>XI= VII+ X</b>	<b>XII</b>	<b>XIII</b>		<b>XIV</b>	
(1)	Custodian/ DR Holder																		
(a)	Name of DR Holder (if available)		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Sub Total (c) (1)</b>		<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
(2)	Employee Benefit Trust		0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

(under SEBI (Share based Employee Benefit) Regulations, 2014)																		
<b>Sub Total (C) (2)</b>		<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Promoter Non-Public shareholding (C) = (C) (1)+ (C) (2)</b>		<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

10. The Lead Manager and its associates do not hold any Equity Shares as on the date of this Prospectus.
11. The Lead Manager and its affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.
12. **Pre Issue and Post Issue Shareholding of our Promoters and Promoters' Group**

Set forth is the shareholding of our Promoters and Promoter Group before and after the proposed issue:

Name	Pre Issue		Post Issue	
	No. of Equity Shares	% of Pre Issue paid up Equity Shares	No. of Shares	% of Post Issue paid up Equity Shares
<b>Promoters</b>				
Manish Satprakash Dutt	7,99,996	79.99	7,99,996	58.31
Krishi Satprakash Dutt	1,00,000	10.00	1,00,000	7.29
Pawan Kumar Dutt	1,00,000	10.00	1,00,000	7.29
<b>Total (A)</b>	<b>9,99,996</b>	<b>99.99</b>	<b>9,99,996</b>	<b>72.89</b>
<b>Promoter Group</b>				
Sat Prakash Dutt	1	Negligible	1	Negligible
Nirmal Dutt	1	Negligible	1	Negligible
<b>Total (B)</b>	<b>2</b>	<b>Negligible</b>	<b>2</b>	<b>Negligible</b>
<b>Grand Total(A+B)</b>	<b>9,99,998</b>	<b>99.99</b>	<b>9,99,998</b>	<b>72.89</b>

13. **Details of Major Shareholders:**

(A) List of Shareholders holding 1% or more of the Paid-up Capital of our Company as on date of this Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held	% of Paid up Capital
1.	Manish Satprakash Dutt	7,99,996	79.99
2.	Krishi Satprakash Dutt	1,00,000	10.00
3.	Pawan Kumar Dutt	1,00,000	10.00

(B) List of Shareholders holding 1% or more of the Paid-up Capital of the Company two years prior to the date of this Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held	% of Paid up Capital
1.	Manish Satprakash Dutt	8,000	80.00
2.	Krishi Satprakash Dutt	1,000	10.00
3.	Pawan Kumar Dutt	1,000	10.00

(C) List of Shareholders holding 1% or more of the Paid-up Capital of the Company one year prior to the date of this Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held	% of Paid up Capital
1.	Manish Satprakash Dutt	8,000	80.00
2.	Krishi Satprakash Dutt	1,000	10.00
3.	Pawan Kumar Dutt	1,000	10.00

(D) List of Shareholders holding 1% or more of the Paid-up Capital of the Company ten days prior to the date of this Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held	% of Paid up Capital
1.	Manish Satprakash Dutt	7,99,996	79.99
2.	Krishi Satprakash Dutt	1,00,000	10.00
3.	Pawan Kumar Dutt	1,00,000	10.00

14. The average cost of acquisition of or subscription of shares by our promoters is set forth in the table below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition* (Rs. Per share)
1.	Manish Satprakash Dutt	7,99,996	6.10
2.	Krishi Satprakash Dutt	1,00,000	0.10
3.	Pawan Kumar Dutt	1,00,000	0.10

\*As certified by our Statutory Auditor vide their certificate dated March 12, 2019.

15. Shareholding of our Directors and Key Managerial Personnel in our Company

Set forth below is the shareholding of our Directors and Key Managerial Personnel in our Company, as on the date of this Prospectus.

Sr. No.	Names of our Directors and KMP	No. of Equity Shares	% of Pre Issue paid up Equity Shares
1.	Manish Satprakash Dutt	7,99,996	79.99
2.	Krishi Satprakash Dutt	1,00,000	10.00
3.	Pawan Kumar Dutt	1,00,000	10.00
4.	Prasad Jagannath Sawant	1	Negligible
	<b>Total</b>	<b>999,996</b>	<b>99.99</b>

16. None of our Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of this Prospectus.

17. Neither, we nor our Directors and the Lead Manager to this Issue have entered into any buy-back and/or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.



18. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.
19. As on the date of this Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
20. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
21. As on the date of this Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
22. The Lead Manager i.e. Hem Securities Ltd. and its associates do not hold any Equity Shares in our Company as on the date of filing of this Prospectus.
23. We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares offered have been listed or application moneys refunded on account of failure of Issue.
24. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.
25. Except as mentioned in this chapter, there have been no purchase or sell of Equity Shares by Promoter Group, and our Directors and relatives of our Directors during a period of six months preceding the date on which this Prospectus is filed with BSE Limited.
26. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
27. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
28. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
29. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
30. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.

31. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
32. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
33. As on the date of this Prospectus, our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
34. There are no Equity Shares against which depository receipts have been issued.
35. Except as mentioned below, there have been no purchase or sell of Equity Shares by Promoters, Promoter Group, our Directors and relatives of our Directors during a period of six months preceding the date of this Prospectus.

Date of Allotment/Transfer	Name	Category	Nature of Transaction	No. of Equity Shares
February 21, 2019	Manish Satprakash Dutt	Promoter and Managing Director	Transfer	(4)
February 21, 2019	Satprakash Dutt	Promoter Group and Relative of Director	Transfer	1
February 21, 2019	Nirmal Dutt	Promoter Group and Relative of Director	Transfer	1

36. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of this Prospectus.
37. We have 7 (Seven) Shareholders as on the date of filing of this Prospectus.
38. There are no safety net arrangements for this Public issue.
39. Our Promoters and Promoter Group will not participate in this Issue.
40. This Issue is being made through Fixed Price method.
41. Except as disclosed in this Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of this Prospectus.
42. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

- 43.** We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchange within 24 hours of such transactions being completed.
- 44.** In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- 45.** As per RBI regulations, OCB's are not allowed to participate in the Issue.
- 46.** Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

## OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 372,000 Equity Shares of our Company at an Issue Price of Rs. 61 per Equity Share.

### The Fresh Issue

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

- To Meet Working Capital Requirements
- General Corporate purpose and
- To Meet the Issue Expenses

(Collectively referred as the “Objects”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of BSE Limited. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum of Association (MOA) enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association (MOA).

### Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amt (Rs. in Lakhs)
Gross Proceeds of Issue	226.92
Less: Issue Related Expenses	40.16
<b>Net Issue Proceeds</b>	<b>186.76</b>

### Requirement of Funds and Utilization of Issue Proceeds:-

The Issue Proceeds are proposed to be used in accordance with the details as set forth below:

Sr. No	Particulars	Amt (Rs. in Lakhs)
1	To meet working capital requirement	136.62
2	General Corporate Purpose	50.14
3	To meet the Issue Expenses	40.16
4	<b>Total</b>	<b>226.92</b>

**Means of Finance:**

We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

Particulars	Amount (Rs. in Lakhs)
Net Issue Proceeds	186.76
<b>Total</b>	<b>186.76</b>

*Since the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.*

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of this Prospectus.

Our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 23.

**Details of Use of Net Issue Proceeds:****1. To meet the Working Capital requirement**

Our business is working capital intensive. The Company will meet the requirement to the extent of Rs. 136.62 Lakhs from the Net Proceeds of the Issue and balance from borrowings and internal accruals at an appropriate time as per the requirements.

Details of Estimation of Working Capital requirement are as follows:

(Rs. in Lakhs)

Sr. No.	Particulars	Actual	Estimated & Forecasted	
		31-March-18	31-March-19	31-March-20
I	<b>Current Assets</b>			
	Inventories	-	157.00	185.57
	Trade receivables	134.56	42.47	107.01
	Cash and cash equivalents	155.21	145.45	170.10
	Short Term Loans and Advances	204.60	153.45	161.12
	Other Current Assets	1.03	1.42	3.61
	<b>Total(A)</b>	<b>495.40</b>	<b>499.78</b>	<b>627.42</b>
II	<b>Current Liabilities</b>			
	Trade payables	114.44	84.62	92.32
	Other Current Liabilities	70.01	63.01	69.31
	Short Term Provisions	4.62	17.60	44.84
	<b>Total (B)</b>	<b>189.07</b>	<b>165.23</b>	<b>206.47</b>
III	<b>Total Working Capital Gap (A-B)</b>	<b>306.33</b>	<b>334.55</b>	<b>420.95</b>
IV	<b>Funding Pattern</b>			
	IPO Proceeds			136.62
	Short term borrowing & Internal Accruals	306.33	334.55	284.33

**Justification:**

Particulars	Holding Period
<b>Trade receivables</b>	Trade receivables are based on the average standard payment terms across our clients. Our general credit terms vary across type of clients and our assumptions are based on past trends. Our trade receivables turnover ratio based on the Restated Financial Statements was 38 days for Fiscal 2018. We expect Debtors Holding days to be at 25 days and 45 days in Fiscal 2019 and 2020 respectively based on existing rising trend in debtor collection period.
<b>Trade Payables</b>	This is based on the average standard payment terms of associate employees and service providers. The days of outstanding for trade payables are based on the Restated Financial Statements were 67 days for Fiscal 2018. We expect Trade Payables outstanding days to be at 90 days and 70 days in Fiscal 2019 and 2020 respectively based on existing trend in trade payables period.

## 2. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the Net Issue proceeds earmarked for general corporate purposes. We intend to deploy the balance Net Issue proceeds aggregating Rs. 50.14 Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Issue Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## 3. Public Issue Expenses:-

The total estimated Issue Expenses are Rs. 40.16 Lakhs, which is 17.70% of the total Issue Size. The details of the Issue Expenses are tabulated below:

Activity	(Rs .in Lakh)*	As a % of Estimates Issue Expenses	As a % of Issue Size
Lead Manger Fees	21.00	52.29	9.25
Underwriting Commission	3.16	7.87	1.39
Market Making Charges for first year of Listing	3.00	7.47	1.32
Fees Payable to Registrar to the Issue	0.50	1.24	0.22
Fees Payable to Advertising and Marketing Expenses	2.50	6.23	1.10
Fees Payable to Regulators including Stock Exchange	3.00	7.47	1.32
Payment for Printing & Stationery, Distribution, Postage, etc	2.50	6.23	1.10
Others (Fees Payable to Auditor, Fees to Legal Advisors, Brokerage*, Processing Fees for Application and Miscellaneous Expenses)	4.50	11.20	1.98
<b>Total</b>	<b>40.16</b>	<b>100.00</b>	<b>17.70</b>

\* Includes commission/Processing fees of Rs. 10 per valid application forms for SCSB"s. In case the total processing fees payable to SCSBs exceeds Rs. 1.00 Lakhs, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total Processing Fees payable does not exceed Rs. 1.00 Lakhs.

### Proposed Schedule of Implementation:

Our Company plans to deploy the funds towards the above stated Objects during FY 2020, depending upon various factors including the actual timing of the completion of the Issue and the receipt of the Net Proceeds. In the event that estimated utilization out of the funds in any given financial year is not completely met, the same shall be utilized in the next financial year. The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(Rs. in Lakhs)

Sr. No.	Particulars	Amount to be deployed and utilized in F.Y. 19-20
1.	To meet working capital requirements	136.62
2.	General Corporate Expense	50.14
	<b>Total</b>	<b>186.76</b>

**Funds Deployed and Source of Funds Deployed:**

Our Statutory Auditors, M/s B. L. Dasharda & Associates Chartered Accountants vide their certificate dated March 22, 2019 have confirmed that as on March 22, 2019 the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt. (Rs. in Lakhs)
Issue Expenses	8.83
<b>Total</b>	<b>8.83</b>

**Sources of Financing for the Funds Deployed:**

Our Statutory Auditors, M/s B. L. Dasharda & Associates Chartered Accountants vide their certificate dated March 22, 2019 have confirmed that as on March 22, 2019 the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt. (Rs. in Lakhs)
Internal Accruals	8.83
<b>Total</b>	<b>8.83</b>

**Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

**Shortfall of funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and/or secured/unsecured Loans.

**Bridge Financing Facilities**

As on the date of this Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Issue Proceeds.



### **Monitoring Utilization of Funds**

As the size of the Issue will not exceed Rs.10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

### **Interim Use of Proceeds**

Pending utilization of the Net Issue proceeds of the Issue for the purposes described above, our Company will deposit with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Issue Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

### **Other confirmations**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the section titled “Financial information of the Company” beginning on pages 23, 97 and 138 respectively including important profitability and return ratios, as set out in “Annexure AA” under the section titled Financial Information of the Company on page 138 to have a more informed view. The issue price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

### A. QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

1. Well equipped with advance technology
2. Experienced Promoters and technically sound operation team
3. Marque Clientele
4. Wide number of languages dubbed
5. Leveraging our market skills and relationships

For further details, refer chapter titled “Our Business- Our Strengths” beginning on page 97.

### B. QUANTITATIVE FACTORS

Information presented below relating to our Company is based on the Restated Financial Statements.

Some of the quantitative factors which form the basis or computing the issue price are as follows:

#### 1. Basic & Diluted Earnings per Share (EPS), as adjusted for change in Capital:

Financial Year ended/Period ended	Basic & Diluted EPS (in Rs.)	Weight
Fiscal 2018	9.76	3
Fiscal 2017	2.74	2
Fiscal 2016	0.33	1
<b>Weighted Average</b>	<b>5.85</b>	
Period ended October 31, 2018*	3.41	

\*Not annualized

### C. Notes:

- a) Earnings per share calculations are done in accordance with Accounting Standard 20 Earnings Per Share ('AS 20'), notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.
- b) Pursuant to the approval of the shareholders in the Extraordinary General Meeting held on January 29, 2019, the Directors of the Company have allotted 9,90,000 Equity Shares on February 20, 2019 as bonus (the “Bonus Issue”). The number of Equity Shares used for calculation of EPS for all the years/periods have been adjusted for the Bonus Issue.
- c) The face value of each Equity Share is Rs.10/- each.

- d) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year or periods / Total of weights.
- e) Basic Earnings per Share (in Rupees) = Net profit as restated, attributable to equity shareholders/weighted average number of equity shares
- f) Diluted Earnings per share (in Rupees) = Net profit as restated, attributable to equity shareholders/weighted average number of dilutive equity shares.

## 2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 61 per Equity Share of face value Rs. 10/- each fully paid up.

*On the basis of Restated Financials*

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2017-18	6.25
P/E ratio based on the Weighted Average EPS, as restated	10.43

\*Price Earnings Ratio (P/E) = Issue price/ Earnings per Share (EPS)

*Peer Group P/E\**

Highest	NA
Lowest	NA
<b>Average</b>	<b>NA</b>

\*We believe that there are no listed companies which are operating in all the business segments as of our Company.

## 3. Return on Net Worth (RONW)

Period	Return on Net Worth (%)	Weights
Year ended March 31, 2018	32.68%	3
Year ended March 31, 2017	13.65%	2
Year ended March 31, 2016	1.87%	1
<b>Weighted Average</b>	<b>21.20%</b>	
Period ended October 31, 2018*	10.25%	

\*Not annualized

Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year/period.

**Net Asset Value (NAV) per Equity Share based on the last Balance Sheet**

Particulars	Restated (in Rs.)
For the period ended October 31, 2018	3325.41*
NAV after Issue	24.24
Issue Price	61.00

\*NAV for the period ended October 31, 2018 as adjusted for changes in Capital (i.e. after bonus issue) is Rs. 33.25

*Note: Net Asset Value has been calculated as per the following formula:*

*The NAV per Equity Share has been computed by dividing restated networth with total number of equity shares outstanding at the end of the period.*

**4. Comparison with industry peers**

We believe that there are no listed companies which are operating in all the business segments as of our Company.

- 5.** The Issue Price of Rs. 61 per share is determined by our Company in consultation with the lead manager and justified by our Company in consultation with the lead manager in view of the above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the Offer Document to have more informed view about the investment.

**STATEMENT OF TAX BENEFITS**

To,  
**The Board of Directors,**  
**V R Films & Studios Limited**  
19, Chhadva Apartment, Sion Trombay Road,  
Chembur, Mumbai- 400071, Maharashtra

Dear Sirs,

**Sub: Statement of Possible Special Tax Benefits ('The Statement') available to V R Films & Studios Limited ('The Company') and its shareholders prepared in accordance with the requirement in Schedule VI of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018 ('The Regulation').**

We hereby report that the enclosed annexure prepared by V R Films & Studios Limited, states the possible special tax benefits available to V R Films & Studios Limited ("the Company") and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), as applicable to the Assessment Year 2019-20 relevant to the Financial Year 2018-19 for inclusion in the Draft Prospectus/Prospectus ("Offer Documents") for the proposed issue of shares. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, these benefits are not exhaustive and the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares ("the Issue") by the Company.

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

- a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits, where applicable have been/would be met.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For B. L. Dasharda & Associates**  
**Chartered Accountants**  
**FRN: 112615W**

**Sd/-**  
**CA Sushant Mehta**  
**Partner**  
**M. No. 112489**

**Place: Mumbai**  
**Date: March 12, 2019**

**ANNEXURE TO THE STATEMENT OF TAX BENEFITS**

*The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.*

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

<b>A. SPECIAL TAX BENEFITS TO THE COMPANY</b>	<b>NIL</b>
<b>B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER</b>	<b>NIL</b>

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## SECTION V- ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but 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.*

### OVERVIEW OF GLOBAL ECONOMY

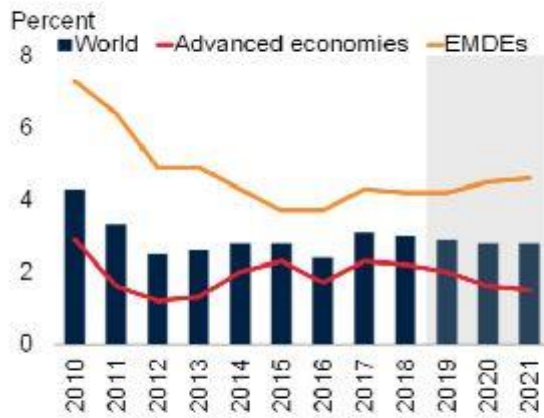
Moderating activity and heightened risks are clouding global economic prospects. International trade and investment have softened, trade tensions remain elevated, and some large emerging market and developing economies (EMDEs) have experienced substantial financial market pressures. Against this challenging backdrop, EMDE growth has stalled, with a sharply weaker-than-expected recovery in commodity exporter's accompanied by a deceleration in commodity importers. Downside risks have become more acute. Disorderly financial market developments could disrupt activity in the affected economies and lead to contagion effects. Trade disputes could escalate or become more widespread, denting activity in the economies involved and leading to negative global spillovers. To confront this increasingly difficult environment, the most urgent priority is for EMDE policymakers to prepare for possible bouts of financial market stress and rebuild macroeconomic policy buffers as appropriate. Equally critically, policymakers need to foster stronger potential growth by boosting human capital, removing barriers to investments, and promoting trade integration within a rules-based multilateral system. Such efforts would also help address the challenges associated with informality.

#### **FIGURE 1.1 Summary – Global prospects**

Global growth is moderating, as industrial activity and trade decelerate, negatively impacting investor sentiment and equity prices. The recovery in EMDEs has stalled, owing to softening external demand, tighter external financing conditions, and heightened policy uncertainties. Many EMDE central banks have raised interest rates to fend off currency pressures. Per capita growth will remain anemic in several EMDE regions.



### A. Global growth



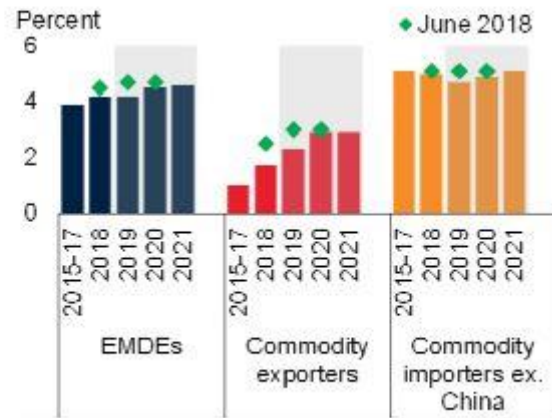
### B. Global industrial production and new export orders



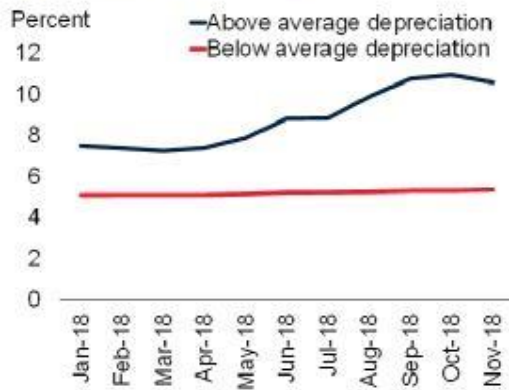
### C. Global and EMDE equity prices



### D. Growth in EMDEs



**E. EMDE policy interest rates, by extent of currency depreciation against the U.S. dollar**



**F. Per capita growth, by region**



Global growth is moderating as the recovery in trade and manufacturing activity loses steam . Despite ongoing negotiations, trade tensions among major economies remain elevated. These tensions, combined with concerns about softening global growth prospects, have weighed on investor sentiment and contributed to declines in global equity prices. Borrowing costs for emerging market and developing economies (EMDEs) have increased, in part as major advanced-economy central banks continue to withdraw policy accommodation in varying degrees. A strengthening U.S. dollar, heightened financial market volatility, and rising risk premiums have intensified capital outflow and currency pressures in some large EMDEs, with some vulnerable countries experiencing substantial financial stress.

EMDE growth edged down to an estimated 4.2 percent in 2018—0.3 percentage point slower than previously projected—as a number of countries with elevated current account deficits experienced substantial financial market pressures and appreciable slowdowns in activity. More generally, as suggested by recent high-frequency indicators, the recovery among commodity exporters has lost momentum significantly, largely owing to country-specific challenges within this group. Activity in commodity importers, while still robust, has slowed somewhat, reflecting capacity constraints and decelerating export growth. In low-income countries (LICs), growth is firming as infrastructure investment continues and easing drought conditions support a rebound in agricultural output. Central banks in many EMDEs have tightened policy to varying degrees to confront currency and inflation pressures.

In all, global growth is projected to moderate from a downwardly revised 3 percent in 2018 to 2.9 percent in 2019 and 2.8 percent in 2020-21, as economic slack dissipates, monetary policy accommodation in advanced economies is removed, and global trade gradually slows. Growth in the United States will continue to be supported by fiscal stimulus in the near terms, which will likely lead to larger and more persistent fiscal deficits. Advanced-economy growth will gradually decelerate toward potential, falling to 1.5 percent by the end of the forecast horizon, as monetary policy is normalized and capacity constraints become increasingly binding.

The projected gradual deceleration of global economic activity over the forecast horizon could be more severe than currently expected given the predominance of substantial downside risks. A sharper-than-expected tightening of global financing conditions, or a renewed rapid appreciation of the U.S. dollar, could exert further downward pressure on activity in EMDEs, including in those with large current account deficits financed by portfolio and bank flows. Government and/or private sector debt has also risen in a majority of EMDEs over the last few years, including in many LICs, reducing the fiscal room to respond to shocks and heightening the exposure to shifts in market sentiment and rising borrowing costs.

Moreover, facilitating the expansion of small- and medium-sized enterprises, including by improving their access to international markets and finance, would also spur productivity and stimulate growth-enhancing investments. For many EMDEs, there is scope to further liberalize trade and improve the extent to which they are integrated into global value chains, which would foster a more efficient allocation of resources, job creation, and export diversification. Policies that help improve outcomes in these areas would also contribute to address the challenges associated with informality, thus reinforcing the basis for future productivity growth.

Source: (<http://www.worldbank.org/en/publication/global-economic-prospects>)

## **OVERVIEW OF INDIAN ECONOMY**

### **1. Economic Growth**

Growth of Gross Domestic Product (GDP) at constant market prices for 2018-19 is estimated to be 7.2 percent, as against 6.7 percent in 2017-18. The growth of GDP at constant prices for second quarter (Q2) of 2018-19 was 7.1 percent, as compared to 8.2 percent in first quarter (Q1) of 2018-19 and 6.3 percent recorded in the corresponding quarter of the last year. The share of total final consumption in GDP at current prices in 2018-19 is estimated to be 69.9 percent, as compared to 70.5 percent in 2017-18. The Fixed Investment Rate (Ratio of Gross Fixed Capital Formation to GDP) is estimated to be 29.5 percent in 2018-19 as compared to 28.5 Percent In 2017-18. The Growth in Fixed Investment was 10 Percent and 12.5 Percent in Q1 and Q2 of 2018-19 respectively. The Saving Rate (Ratio of Gross Saving to GDP) for the year 2016-17 was 30.0 percent, as compared to 31.3 percent in 2015-16. The Investment Rate (Ratio of Gross Capital Formation to GDP) was 30.6 percent in 2016-17, as compared to 32.3 percent in 2015-16. The Growth of Gross Value Added (GVA) at constant basic prices for the year 2018-19 is estimated to be 7.0 percent. The Growth Rate of Agriculture, Industry and Services sectors is estimated to be 3.8 percent, 7.8 percent and 7.3 percent respectively in 2018-19.

### **2. Inflation**

Consumer Price Index – Combined (CPI) inflation stood at 3.7 percent in April-December 2018, as compared to 3.3 percent in the corresponding period of 2017. CPI inflation declined to 2.2 percent in December 2018 from 2.3 percent in November 2018. Food inflation based on Consumer Food Price Index (CFPI) stood at (-)2.5 percent in December 2018 from (-)2.6 percent in November 2018. CPI inflation for fuel and light decreased to 4.5 percent in December 2018, as compared to 7.2 percent in November 2018. Core CPI inflation (non-food, non-fuel) was 5.6 percent in December 2018, as compared to 5.7 percent in November 2018. Core CPI inflation was 6.0 percent in April-December 2018. The WPI inflation stood at 4.8 percent in April-December 2018. It declined to 3.8 percent in December 2018 from 4.6 percent in November 2018. WPI food inflation (food articles + food products) stood at 0.1 percent in December 2018 from (-) 2.0 percent in November 2018 mainly on account of increase in inflation of cereals, pulses, and eggs, meat & fish. Inflation in fuel & power declined to 8.4 percent in December 2018 from 16.3 percent in November 2018. Core inflation (non-food manufactured products) was 4.2 percent in December 2018, as compared to 4.9 percent in November 2018.

### **Balance of Payments**

India's current account deficit (CAD) was 2.7 percent of GDP (US\$ 35.1 billion) in the first half (H1) of 2018-19, as compared to 2.5 percent of GDP (US\$ 21.9 billion) in H1 of 2017-18. The widening of the CAD was primarily on account of a higher trade deficit. Net foreign direct investment in H1 of 2018-19 was US\$ 17.7 billion, lower as compared to US\$ 19.6 billion in H1 of 2017-18. There was net outflow of Portfolio investment US\$ 9.8 billion in H1 of 2018-19, as compared to an inflow of US\$ 14.5 billion in H1 of previous year.

## Foreign Exchange Reserves

Foreign exchange reserves stood at US\$ 393.4 billion as on 28th December 2018, as compared to US\$ 424.5 billion at end-March 2018. In H1 of 2018-19, there was a depletion of US\$ 13.2 billion of the foreign exchange reserves (on BoP basis), as against an accretion of US\$ 20.9 billion in H1 of 2017-18.

## Exchange Rate

The rupee appreciated against the US dollar, pound sterling, Euro and Japanese Yen by 2.5 percent, 3.5 percent, 3.7 percent and 3.0 percent respectively in November 2018 over October 2018.

## External Debt

India's external debt stood at US\$ 510.4 billion at end-September 2018, recording an increase of 3.1 percent over the level at end-September 2017. Long-term debt was US\$ 406.1 billion at end-September 2018, as compared to US\$ 402.3 billion at end-September 2017. Short-term external debt (by original maturity) was US\$ 104.3 billion at end-September 2018, as compared to US\$ 92.8 billion at end-September 2017.

## Index of Industrial Production (IIP)

The growth of IIP during April-November 2018 was 5.0 percent, as compared to 3.1 percent recorded during corresponding period a year ago. IIP registered a growth of 0.5 per cent in November 2018, as compared to 8.5 percent in November 2017. IIP of manufacturing sector was contracted by 0.4 percent in November 2018, as compared to a growth of 10.4 percent in November 2017. The manufacturing sector's growth during April-November 2018 was 5.0 percent, higher as compared to 3.2 percent during April-November 2017. IIP of mining sector grew by 2.7 percent in November 2018, as compared to 1.4 percent in November 2017. During April-November 2018, production of mining sector grew by 3.7 percent, as compared to a growth of 3.0 percent during the corresponding period of the previous year.

Source: (<https://dea.gov.in/monthly-economic-report-table>)

## OVERVIEW OF MEDIA AND ENTERTAINMENT INDUSTRY

### Summary of Industry

#### 1. Second largest TV market

- Indian television market has a opportunity of catering to 100 million homes as 197 million homes out of the total 298 million have TV sets as of 2017.
- In 2017, television viewership in India grew at the rate of 12 per cent y-o-y.
- In FY18, television market generated a revenue of Rs. 651.90 billion (US\$ 10.11 billion).

#### 2. One of the largest broadcasting market

- Total of 243 FM channels (21 from the Phase - I and 222 from Phase – II) are operational. Under the phase III, the Cabinet has already given permission to 162 FM channels in 69 cities to operate and 17 cities were provided with licenses to operate in 2017.
- Telecom Regulatory Authority of India (TRAI) plans to introduce a policy for broadcasting sector with a vision of 2020. The policy aims to usher a new era in the broadcasting sector where MRP of

the TV channel will be declared by broadcasters directly to the consumers, and will bring more transparency and choices to the consumers.

### 3. Fast growing animation industry

- Animation and VFX industry in India reached Rs. 73.90 billion (US\$ 1.15 billion) in FY18 from Rs. 62.30 billion (US\$ 928.60 million) in FY17, growing at a CAGR of 18.60 per cent.
- During 2018-2023, the segment is expected to grow at a higher CAGR of 15.50 per cent, largely led by the continued growth in outsourced services and the swelling use of animation and VFX services in the domestic television and film space, respectively.

### 4. Exceptional growth in film industry

- Digitalisation has played the major role in the growth of Indian film industry. The Indian film industry is expected to grow at a rate of 11.9 per cent by 2020.
- By 2019, cinema exhibition industry in India is expected to have over 3,000 multiplex screens.

### 5. Rising no of subscribers

- Total subscriber base for Indian television industry is expected to increase to 195 million by 2019 from 183 million in 2017.
- As of June 2018, active DTH subscriber base in the country stood at around 69.37 million.

(Source: <https://www.ibef.org/industry/entertainment-presentation>)

## Growth Drivers of Media and Entertainment Sector in India

### 1. Robust Demand

- Rising incomes and evolving lifestyles have led to higher demand for aspirational products and services.
- Higher penetration and a rapidly growing young population coupled with increased usage of 3G, 4G and portable devices would augment demand.

### 2. Attractive Opportunities

- Media and entertainment Industry is set to expand at a CAGR of 13.10 per cent over 2018-23, one of the highest rates globally.
- Television and AGV segments are expected to lead industry growth and offer immense growth opportunities in digital technologies as well.

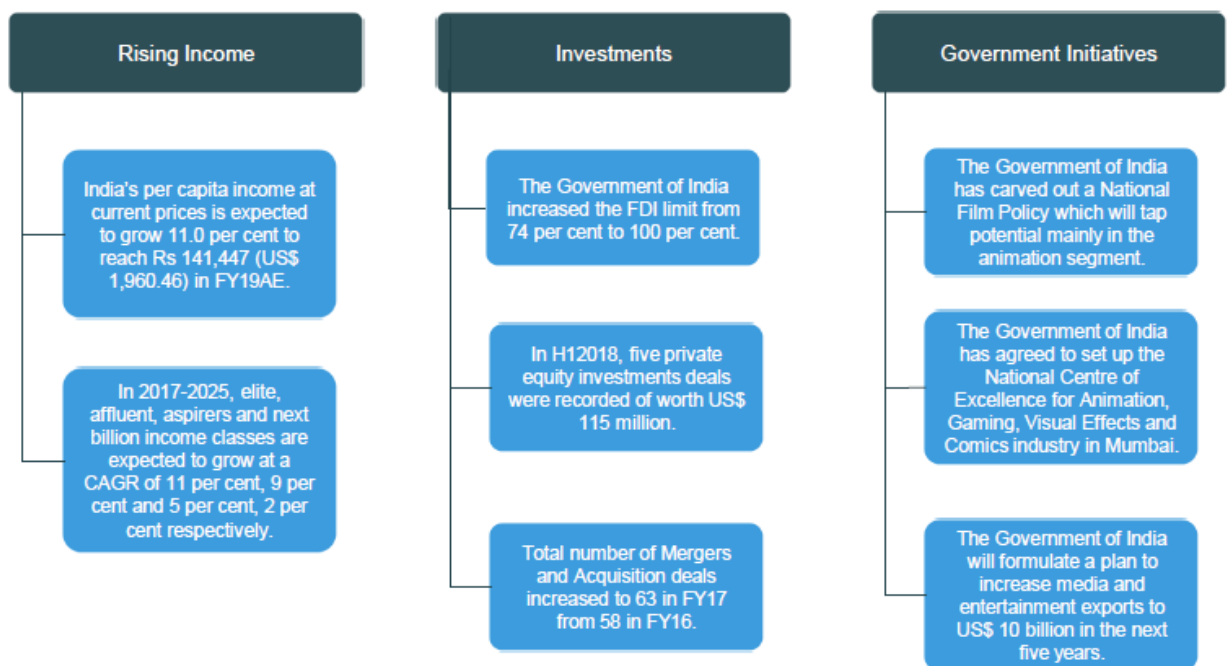
### 3. Higher Investments

- From April 2000 to June 2018, FDI Inflows in Information and Broadcasting (including print media) sector reached US\$ 7.17 billion.
- Increasing M&A activity.
- In H12018, five private equity investments deals were recorded of worth US\$ 115 million.

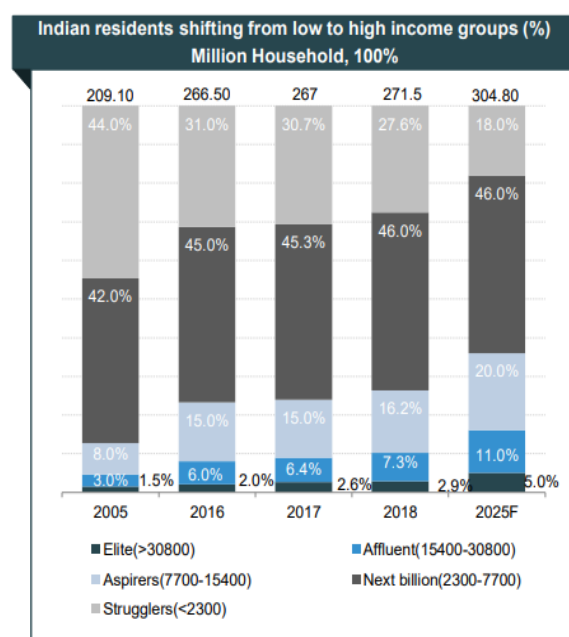
#### 4. Policy Support

- The Government of India has increased the FDI limit from 74 per cent to 100 per cent
- Measures such as digitisation of cable distribution to improve profitability and ease of institutional finance.
- Increasing liberalisation and tariff relaxation.
- In 2011, Indian Government passed the “The Cable Television Networks (Regulation) Amendment Act, 2011” for digitisation of cable television networks.

(Source : <https://www.ibef.org/industry/entertainment-presentation>)



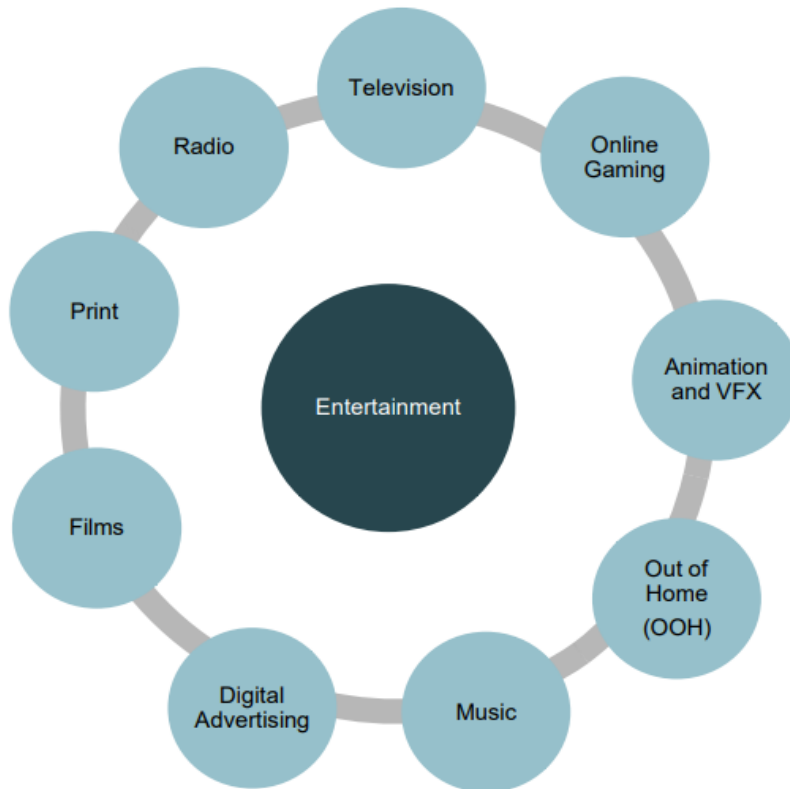
- Apart from the impact of rising incomes, widening of the consumer base will also be aided by expansion of the middle class, increasing urbanisation and changing lifestyles.
- The entertainment industry will also benefit from continued rise in the propensity to spend among individuals; empirical evidence points to the fact that decreasing dependency ratio leads to higher discretionary spending on entertainment.
- Traditionally only advertising has been a key source of revenue for Media and Entertainment industry, but off late revenue from subscription and value added services



has also contributed significantly. With consumers willing to pay for content and extra services, the subscription segment will play an important role in the post digitisation era.

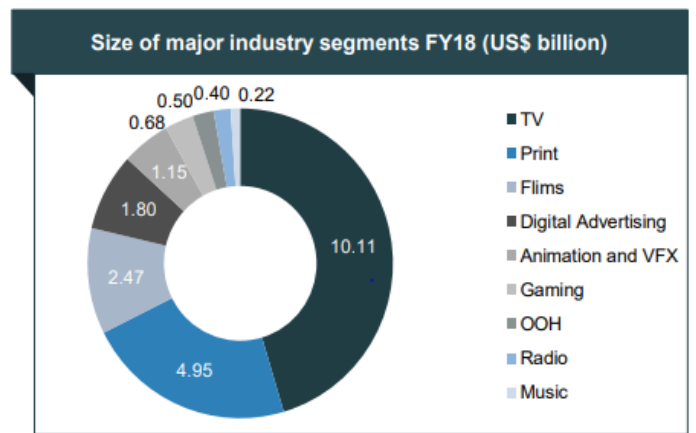
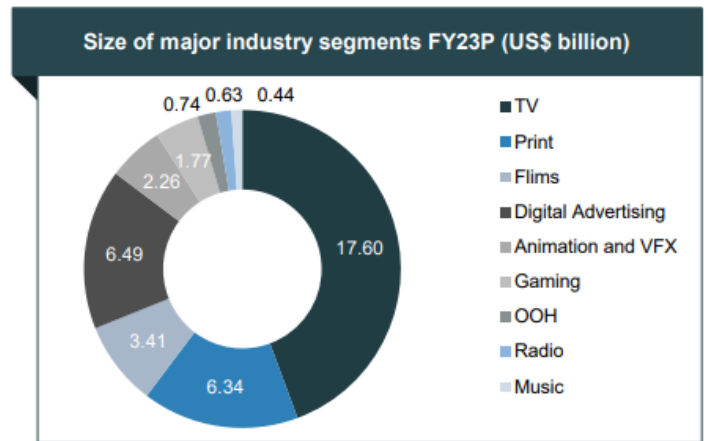
(Source : <https://www.ibef.org/industry/entertainment-presentation>)

### Segments of Indian Media & Entertainment Market



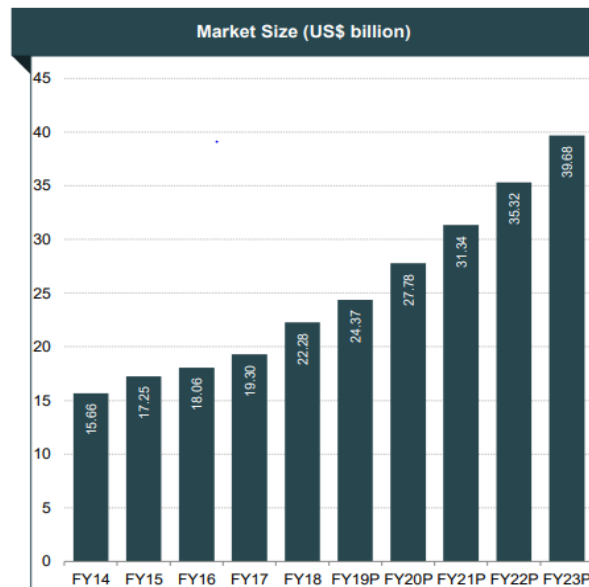
(Source : <https://www.ibef.org/industry/entertainment-presentation>)

- In FY18, major segments were television, print and films with a market size of Rs 651.90 billion (US\$ 10.11 billion), Rs 318.90 billion (US\$ 4.95 billion) and Rs 158.90 billion (US\$ 2.47 billion), respectively. They are projected to reach Rs 1,179.60 billion (US\$ 17.60 billion), Rs 424.90 billion (US\$ 6.34 billion) and Rs 228.80 billion (US\$ 3.41 billion), respectively in FY23.
- Google's video platform, YouTube, plans to increase its user base in India to 400 million, as rising internet penetration in the rural areas will enable the consumers to access videos on their smartphones.
- The Indian digital advertising industry is expected to grow at a Compound Annual Growth Rate (CAGR) of 32 per cent to reach Rs 18,986 crore (US\$ 2.93 billion) by 2020, backed by affordable data and rising smartphone penetration.



**Pace of growth of Indian Media & Entertainment Industry**

- Indian media and entertainment (M&E) industry grew at a CAGR of 10.90 per cent during FY17-18; and is expected to grow at a CAGR of 13.10 per cent during 2018-23 and is projected to touch Rs 2,660.20 billion (US\$ 39.68 billion) by FY23 from Rs 1,436.00 billion (US\$ 22.28 billion) in FY18.
- The next five years will see digital technologies increase their influence across the industry leading to a sea change in consumer behaviour across all segments.
- India's media consumption has grown at a CAGR of 9 per cent between 2012-18, almost nine times that of US and two times that of China.

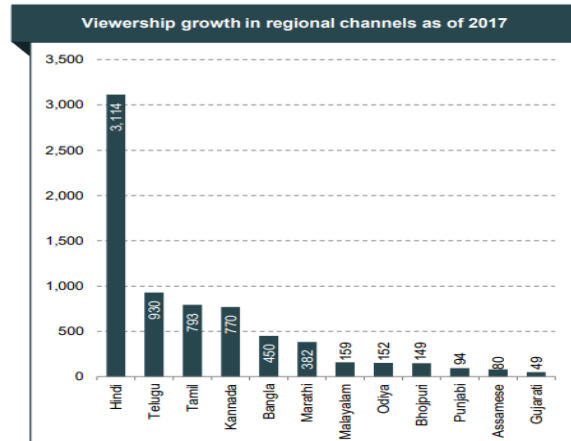




- The industry provides employment to five million people, including both direct and indirect employment as of 2017.

**Growth backed by Regional Industry**

- As of 2017, about 31 per cent of TV owning individuals are present in Tamil Nadu, Andhra Pradesh, Telangana, Karnataka and Kerala. Total viewership in these five states grew eight per cent year-on year to reach 259 million in 2017.
- Total viewership in west, north and east had reached 221 million, 209 million and 146 million, respectively in the same period.
- Regional Entertainment channels comprising mostly of regional GECs (General Entertainment Channels), regional movies and regional music.



(Source: <https://www.ibef.org/industry/entertainment-presentation>)

**Strategies Adopted by the Industry**

**1. Viewership in regional entertainment**

- Regional entertainment is growing and therefore, the suppliers are able to expand their forte in the products.
- The South Indian television industry is one of the oldest operational television sectors across the nation and is further growing due to the regional content.

**2. Television: A common medium**

- Increasing digitisation in the country is helping companies to further add up to their revenues.

**3. Audience: the ultimate consumer**

- Audience is the ultimate consumer in this industry and therefore films, advertisements, music and all the products of entertainment sector is based on the tastes and preferences of the audiences of the nation.

(Source: <https://www.ibef.org/industry/entertainment-presentation>)

### **Notable Trend in Film Segment and Growth Opportunities ahead**

- The Indian film Industry is largest producer of films globally with 400 production and corporate houses involved in film production.
- The Indian film Industry reached Rs. 158.90 billion (US\$ 2.47 billion) in FY18 from Rs. 145.00 billion (US\$ 2.16 billion) in FY17, at CAGR 9.60 %.
- Increasing share of Hollywood content in the Indian box office and 3D cinema is driving the growth of digital screens in the country.
- Co-production treaties with various countries such as Italy, Brazil, UK and Germany to increase the export potential of the film industry.
- FDI of up to 100 per cent through the automatic route has been granted by government.
- Entertainment tax to be subsumed in the GST; this would create a uniform tax rate regime across all states and will also reduce the tax burden.
- Size of the Indian film industry is expected to touch Rs. 228.80 billion (US\$ 3.41 billion) by FY23, up from Rs. 158.90 billion (US\$ 2.47 billion) in FY18.
- It is projected to grow at a CAGR of 7.60 per cent during 2018-2023.
- In order to promote India as a location destination for foreign production houses, the government is setting up a single window clearance system for shooting permissions.

(Source: <https://www.ibef.org/industry/entertainment-presentation>)

## OUR BUSINESS

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on pages 23, 138 and 173.*

### OVERVIEW

Our Company was incorporated in 2007 as “V R Films & Studios Private Limited” under the provisions of Companies Act, 1956 in Mumbai. Our Company has taken over the running business of M/s Visual Reality, a proprietorship concern of one of our Promoter, vide Business Takeover Agreement dated December 31, 2007. The name of our Company was subsequently changed to “V R Films & Studios Limited” pursuant to special resolution passed by the Shareholders and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated March 11, 2019.

We are engaged in the business of providing complete localization services for television, film and digital industry, which consists of dubbing, mixing, subtitling, content editing and content localization services for movies, documentaries, audio books, games and TV programmes in regional and international languages. We also acquire foreign language films mainly from Hollywood and Chinese film industry and dub them in Indian Local language (Hindi, Tamil, Telugu etc.) and then distribute them theatrically or sub license to sub distributors across all licensed territories in all licensed languages including English.

Dubbing is a post-production process used in filmmaking, video production and animation in which additional or supplementary recordings are mixed with original production sound to create the finished soundtrack for Original and localized content. Our Company believes in timely delivering of the quality dubbing services which is considered as an influential aspect in post film-making process.

We operate our activities from our registered office and studios located in Mumbai. Our Company has 3 dubbing studios obtained on rent in Mumbai. Our list of clients includes some of the renowned names in Films and Television Industry such as Viacom 18 Media Private Limited, Sony Pictures Networks India Private Limited, Zee Entertainment Enterprises Limited, Discovery Communications India, Paramount Pictures Corporation, Paramount Pictures International Limited etc.

Mr. Manish Satprakash Dutt, Managing Director and one of the Promoters of our Company has an overall experience of over 25 years in media and entertainment sector. Our Key Managerial Personnel is backed up with our team comprising of 28 employees who are dedicated to pursue and enhance our existing business activities.

#### **Services offered by our Company:**

Below mentioned are the services offered by our company:

##### **1. Dubbing Activities:**

The Company is engaged in the activity of localization of content i.e. dubbing of Fiction & Non-fiction TV programmes, audio books, games, documentaries and movies in regional and international languages. Dubbing is a post-production process used in filmmaking, video production and animation in which additional or supplementary recordings are mixed with original production sound to create the

finished soundtrack for Original and localized content.

**2. *Mixing Services:***

As per clients need, we mix the original and localized content in 2.0 stereo format or 5.1 Dolby format for theatrical and non-theatrical platforms. Each Platform has its own specification and we adhere to all specifications needed by various clients including Theatrical, Television, Digital, OTT and mobile platforms including Android and i-phones.

**3. *Mastering / Editing services for original and localized content:***

The edit and post services besides sound mixing includes colour grading and telecast specifications to make the images look and sound the best. Each Platform has its own specifications for a finished product. We provide mastering services to suit all platforms. We also offer edit services to finished products to adhere to local censor board requirements in all localized languages.

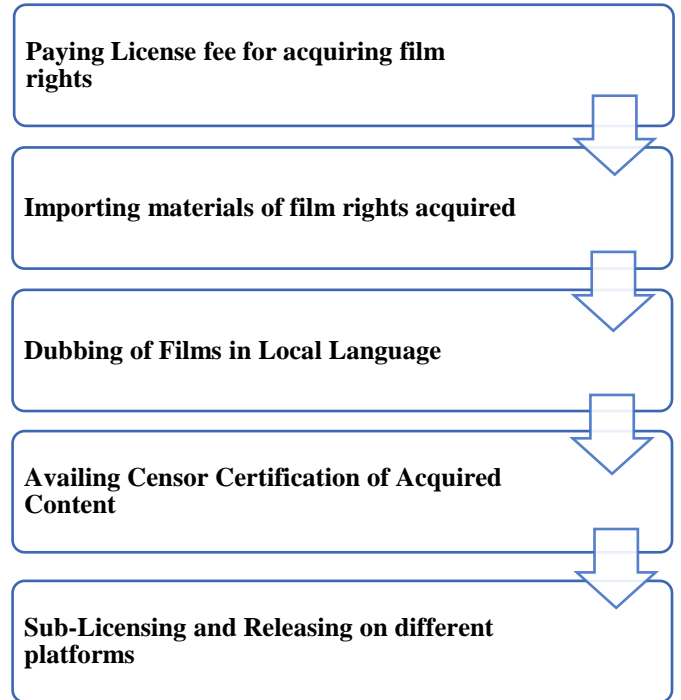
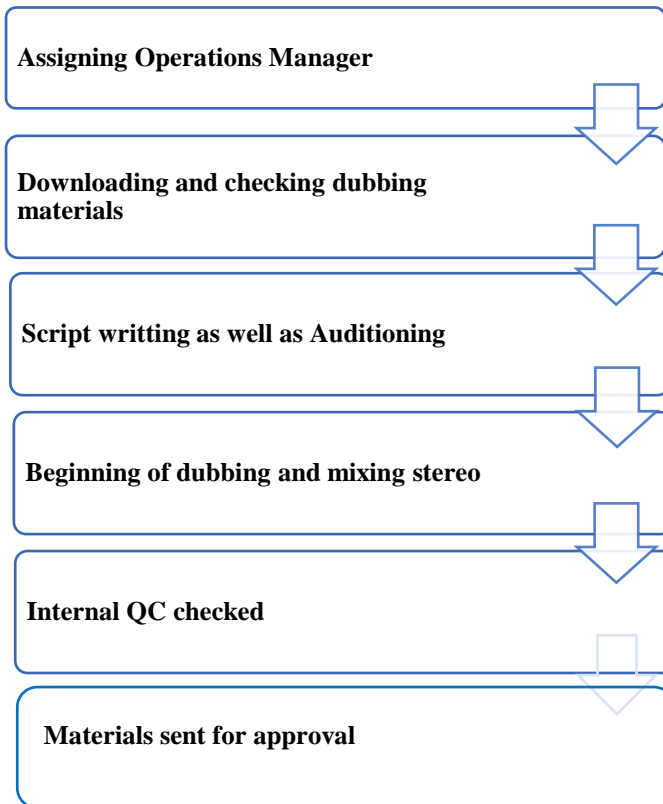
**4. *Acquisition and sales of movie rights to various Indian and International TV Channels.***

Acquisition of foreign language content mainly from Hollywood and Chinese Martial Art films is a major activity. Currently our library constitutes approx. 35 high octane action titles with best production values and every year we add on another 5-6 titles to the library.

After acquisition, we localize our product (Dub in Hindi, Tamil, Telugu etc.) and distribute our acquired content theatrically or sub license to sub distributors across all licensed territories in all licensed languages including English. Every 2 years or depending on number of years sub licensed to TV and digital platforms, the rights of the content are renewed or sub licensed to another competitive platform existing or newly emerged. Our films are sub licensed to all major TV Platforms like Sony TV, Zee TV etc.

**Workflow for Dubbing:**

**Workflow for Distribution:**



**PLANT AND MACHINERY**

Following is the list of existing dubbing equipments used by our Company:

Sr. No.	Name of Major Equipment	Model No.
1	AD-Studio-1	Macintosh 10.00 Pro-Tool
2	AD-Studio-2	Macintosh 10.00 Pro-Tool
3	AD-Studio-3	Macintosh 10.00 Pro-Tool
4	AD-Mixing Unit-1	Macintosh 10.00 Pro-Tool ( 5.1 Setup )
5	AD-Mixing Unit-2	Macintosh Pro-Tool 10.00 ( 5.1 Setup )
6	AD-Mixing Unit-3	Macintosh 10.00 Pro-Tool
7	AD-FCP-1	Macintosh 10.00 FCP 7.0.3
8	AD-FCP-2	Macintosh 10.00 FCP 7.0.3
9	AD-FCP-3	Macintosh 10.00 FCP 7.0.3
10	AD-FCP-4	MacOS Sierra 10.12.6

11	AD-DS-1	Disk Station
12	AD-DS-2	Disk Station Red Edition
13	CH-Studio-1	Macintosh 10.00 Pro-Tool
14	CH-Mixing Unit-1	Macintosh 10.03.10 Pro-Tool

## OUR COMPETITIVE STRENGTHS

The following are the key strengths which enable our Company to be competitive in this business:

### 1. *Well equipped with advance technology*

The Company is well equipped with all the advance equipment's as needed in the Industry. This provides company with the edge over its competitors.

### 2. *Experienced Promoters and Technically Sound Operation Team*

Our Promoters have significant industry experience and have been instrumental in the consistent growth of our Company. Our management and team combines expertise and experience to outline plans for future development of our company. Our dubbing team comprising of writers, artists, directors, sound recording and mixing engineers. We always carry a trending outlook, optimistic nature and a confident attitude towards every assignment may it be Dubbing or Film distribution.

### 3. *Marque Clientele*

Our Company has worked with large number of marque clients which includes Viacom 18 Media Private Limited, Bangla Entertainment Pvt. Ltd, Discovery Communications India, Paramount Pictures Corporation, Paramount Pictures International Limited, SDI Media Hong Kong Limited, Sony Pictures Networks India Private Limited, Zee Entertainment Enterprises Limited, ATL Media Limited (Mauritius), Genx Entertainment Limited.

### 4. *Wide number of languages dubbed*

The Company has experience of dubbing various languages including various International languages such as English, Hindi, Tamil, Telugu, Malayalam, Punjabi, Bengali, Oriya, Urdu, Gujarati, Marathi, Malaysia, Mandarin, Thai, Russian, etc.

## OUR BUSINESS STRATEGIES

### 1. **Expanding our Clientele Network**

Our Company believes in maintaining long term relationship with our customers. We aim to achieve this by adding value to our customers through the use of latest and updated technology, quality assurances and timely delivery of results. Our strategy is to acquire films for the Indian Sub-Continent comprising of India, Bangladesh, Pakistan, Sri Lanka, Maldives, Nepal and Bhutan and plan releases for each film on platforms like Theatrical, Satellite TV, VOD and Digital space including web series in this whole region.

**2. Focusing on Increasing Process Services & consistency in operating practices**

Our Company believes in minimizing errors through continuous process improvement. We also focus on improving efficiencies at all level of operational process so as to achieve cost reductions to achieve competitive edge.

**3. Growing our business with existing clients with quality and efficient services**

Our Company is successful in building a strong client base for the business. This relationship has helped us in getting repeated business from our clients. Thus, we focus on maintaining strong relationship with existing clients which will help us to gain competitive advantage in gaining new clients and increasing the business.

Details of our movie rights are mentioned below:

Sr. No.	Movie Name	License Rights	Territory
1	CARNAGE	Cinematic Rights, Ancillary Video On Demand, TV, Home Video	India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka
2	DRAGON BLADE	Cinematic Rights, Ancillary Pay Per View, Video, Pay TV, Free TV, Internet, Close Net	India subcontinents Including India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka and Maldives and Diego Garcia Only
3	SURVIVOR	Cinematic, Ancillary, Pay Per View, Video On Demand, Pay per View, Pay TV, Free TV, Basic Cable, Internet	India subcontinents Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka
4	KNOCK KNOCK	Cinematic Rights, Ancillary, Video, Pay Per View, Video On Demand, Pay TV, Free TV, Internet/Close Net	India Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka, Maldives
5	BREAKING THROUGH	Cinematic Rights, Ancillary Video, Pay Per View, Video On Demand, Pay TV, Free TV, Television, New Media	India Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka
6	BODYGUARD	Cinematic Rights, Ancillary, Video, Pay Per View, Video On Demand, Pay TV, Free TV, Television, Internet /Mobile	India subcontinents Including India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka and Maldives Only
7	CONFIDENTIAL ASSIGNMENT	Cinematic Rights, Videogram, Ancillary, Pay Per View, Pay TV, Free TV, PPV, Digital	India subcontinents India, Pakistan, Bangladesh, Nepal, Sri Lanka, Myanmar, Maldives and Diego Garcia
8	MASTER	Cinematic Rights, Videogram, Ancillary, Pay Per View, Pay TV, Free TV, PPV, Digital	India subcontinents India, Pakistan, Bangladesh, Nepal, Sri Lanka, Myanmar, Maldives and Diego Garcia

9	SAIGON BODYGUARD	Cinematic Rights, Videogram, Ancillary, Pay Per View, Pay TV, Free TV, PPV, Digital	India subcontinents India, Pakistan, Bangladesh, Nepal, Sri Lanka, Myanmar, Maldives and Diego Garcia
10	FABRICATED CITY	Cinematic Rights, Videogram, Ancillary, Pay Per View, Pay TV, Free TV, PPV, Digital	India subcontinents India, Pakistan, Bangladesh, Nepal, Sri Lanka, Myanmar, Maldives and Diego Garcia
11	SPY UNDERCOVER OPS	Cinematic Rights, Videogram, Ancillary, Pay Per View, Pay TV, Free TV, PPV, Digital	India subcontinents India, Pakistan, Bangladesh, Nepal, Sri Lanka, Myanmar, Maldives and Diego Garcia
12	JUDGE ARCHER	Cinematic Rights, Video, Television	India subcontinents Including India, Pakistan, Bangladesh, Nepal, Sri Lanka and Maldives Only
13	SWORD IDENTITY	Cinematic Rights, Video, Television	India subcontinents Including India, Pakistan, Bangladesh, Nepal, Sri Lanka and Maldives Only
14	THE MASTER	Cinematic Rights, Video, Television	India subcontinents Including India, Pakistan, Bangladesh, Nepal, Sri Lanka and Maldives Only
15	DANCE TO DEATH	Hotel Rights, Airline Rights, Ship Rights, Blu ray Rights, DVD, Vedioqram, Television, Television Exhibition, Residential Pay per View, Non-Residential Pay per View, Video On Demand, Cable pay Television, Satellite Pay Television, Pay Television, Cable Free	India subcontinents Pakistan, Bangladesh, Nepal, Sri Lanka and Maldives Bhutan, Afganistan, Burma, Mauritius
16	ICE BREAKER	Hotel Rights, Airline Rights, Ship Rights, Blu ray Rights, DVD, Vedioqram, Television, Television Exhibition, Residential Pay per View, Non-Residential Pay per View, Video On Demand, Cable pay Television, Satellite Pay Television, Pay Television, Cable Free	India subcontinents Pakistan, Bangladesh, Nepal, Sri Lanka and Maldives Bhutan, Afganistan, Burma, Mauritius
17	The Bombing, Aka Air Strike	Cinematic Rights, Ancillary, Video, Elec Rental/Sell Through, Pay per view, On Demand, Pay TV, Free TV	India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka and Maldives



18	Call Of Heroes	Theatrical Rights, Video Rights, Pay TV & Free TV Rights, Pay Per View, VOD and Internet Rights, IPTV Rights, Close Network Rights, Mobile Rights	India subcontinents including India Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka and Maldives
19	Monster At Large	Cinematic Rights, Ancillary, Video, Elec Rental/Sell Through, Pay per view, On Demand, Pay TV, Free TV	India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka and Maldives
20	Looking Glass	Cinematic Rights, Video Rights, Pay TV & Free TV Rights, pay per view and Internet Rights	India and India subcontinents consisting of Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka and Maldives

### Information Security

We manage sensitive and confidential data for our clients. Maintaining the confidentiality, integrity and security of such data is of paramount importance to us. We have installed CCTV cameras, Biometric access, Password sensitive central storage for protection of classified data and intellectual property.

### Sales and Marketing

A strong and robust sales and marketing team ensures pitching for prime projects at the appropriate time. The team ensures compatibility and reliability with the clients servicing their needs and requirements efficiently. This is the reason major clients continue to associate with our Company year on year.

### Competition


In Localization of Content / Dubbing, unorganized small players with a standalone studio set up exist. V R Films is one of the few with a good setup of dedicated professionals and studio infrastructure to service clients. Acquisition, Distribution coupled with dubbing activity is a unique model propelled by our Company.

### Human Resource

We believe that our employees are the key to the success of our business. Our dubbing team comprising of writers, artists, directors, sound recording and mixing engineers. As on December 31, 2018, we have the total strength of 28 in various departments. The details of which is given below:

Sr. No.	Particular	Employees
1	Managerial	7
2	Technical	11
3	Admin and Accounts	10
	<b>Total</b>	<b>28</b>

### INTELLECTUAL PROPERTY

The Company has applied for registration of the trademark  "V R Films and Studios Ltd." under the Trade Marks Acts, 1999 vide Application No. 4117739 dated March 14, 2019.

**INSURANCE**

Sr. No.	Name of the Policy	Policy No.	Insurance Company	Policy Tenure	Insured Amount (Rs. in Lakhs)	Premium Amount (Rs. in Lakhs)
1.	Personal Accident Insurance	13130042180100001698	The New India Assurance Co. Ltd.	February 08, 2019 to February 07, 2020	38.50	0.09
2.	Standard Fire & Special Perils Policy	13130011180100000970	The New India Assurance Co. Ltd.	February 07, 2019 to February 06, 2020	120.55	0.15

**PROPERTIES**

We operate our activities from our registered office and studios. Our Company has 3 dubbing studios taken on rent in Mumbai and we also obtain dubbing studios on temporary rental basis in other Cities as and when need arises. Details of which are given below:

Sr. No.	Details of Property	Name of Lessor and Agreement	Amount (in Rs.)	Purpose
1.	Flat No. 19, Chhadva Apartment, Sion - Trombay Road, Near Diamond Garden, Chembur, Mumbai-400071	Mrs. Nirmal Dutt  Leave and license agreement dated February 01, 2018	70,000/- per month	Registered Office
2.	Unit 107, Abhishek Building, Dadia Industrial Estate, Andheri Link Road, Andheri West, Mumbai-400053	Mr. Bharat R Shah  Leave and license agreement dated January 12, 2017*	48,000/- per month	Business activities- Dubbing studio
3.	Unit 108, Abhishek Building, Dadia Industrial Estate, Andheri Link Road, Andheri West, Mumbai-400053	Mr. Jayantilal V Shah  Leave and license agreement dated January 12, 2017	79,800/- per month	Business activities- Dubbing studio
4.	Unit 101 AB, Abhishek Building, Dadia Industrial Estate, Off New Link Road, Andheri West, Mumbai-400053	Mr. Fardeen Patel  Leave and license agreement dated January 24, 2018	1,12,000/- per month	Business activities- Dubbing studio

\*we are in the process of renewing the agreement.

## **FINANCIALS**

As per Restated Financial Statements for the seven (7) months period ended October 31, 2018 and fiscal 2018, 2017 and 2016, our total revenues were Rs. 367.04 Lakhs, Rs. 1283.03 Lakhs, Rs. 611.00 lakhs, and Rs. 627.99 Lakhs, respectively. Our Profit after Tax for the similar period mentioned above was Rs. 34.09 Lakhs, Rs. 97.57 Lakhs, Rs. 27.43 Lakhs, and Rs. 3.26 Lakhs, respectively.

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant laws, regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice.*

*Further, the statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the chapter titled "Government and other Approvals" beginning on page 186.*

*Set forth below are certain significant legislations and regulations which generally govern the business and operations of our Company:*

### INDUSTRY SPECIFIC LAWS

#### The Cinematograph Act, 1952

The Cinematograph Act, 1952, ("Cinematograph Act"), authorizes the Central Government to constitute a Board of Film Certification, (also known as the "Central Board of Film Certification" or "CBFC"), in accordance with the Cinematograph (Certification) Rules, 1983, ("Certification Rules"), for sanctioning films for public exhibition in India. Under the Certification Rules, the producer of a film is required to apply in the specified format for certification of such film, with the prescribed fee. The film is examined by an examining committee, which determines whether, the film:

- is suitable for unrestricted public exhibition;
- or is suitable for unrestricted public exhibition, with a caution that the question as to whether any child below the age of 12 years may be allowed to see the film should be considered by the parents or guardian of such child; or
- is suitable for public exhibition restricted to adults; or
- is suitable for public exhibition restricted to members of any profession or any class of persons having regard to the nature, content and theme of the film; or
- is suitable for certification in terms of the above if a specified portion or portions be excised or modified there from; or
- is not suitable for unrestricted or restricted public exhibitions, i.e., that the film be refused a certificate.

A film will not be certified for public exhibition if, in the opinion of the CBFC, the film or any part of it is against the interests of the sovereignty, integrity or security of India, friendly relations with foreign states, public order, decency or morality, or involves defamation or contempt of court or is likely to incite the commission of any offence.

Any applicant, if aggrieved by any order of the CBFC either refusing to grant a certificate or granting a certificate that restricts exhibition to certain persons only, may appeal to the Film Certification Appellate Tribunal constituted by the Central Government under the Cinematograph Act within thirty days from the date of such order.

### **The Cinematograph Film Rules, 1948**

The Cinematograph Film Rules, 1948, (“Cinematograph Rules”), require a license to be obtained prior to storing any film, unless specifically exempted. Licenses for storage of films are granted for one year and must be renewed annually. Any person transporting, storing or handling films is required to ensure compliance with requirements pertaining to, inter alia, precautions against fire, storage of loose films, minimum specifications for aisle space, exits and electrical installations in storage rooms etc. The Cinematograph Rules also specify the procedure for transport of film, and application for, or renewal, transfer, refusal and cancellation of, licenses.

## **TAX RELATED LAWS**

### **The Income Tax Act, 1961**

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. As per the provisions of Income Tax Act, the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Income Tax Act. Filing of returns of income is compulsory for all assesses. Furthermore, it requires every taxpayer to apply to the assessing officer for a permanent account number.

### **The Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

### **The Goods and Services Tax (“GST”)**

The GST is applicable on the supply of goods or services as against the present concept of tax on the manufacture and sale of goods or provision of services. It is a destination based consumption tax. It is dual GST with the Central and State Governments simultaneously levying it on a common tax base. The GST to be levied by the Centre on intra-State supply of goods and / or services is called the Central GST (“CGST”) as provided by the CGST Act and that to be levied by the States is called the State GST (“SGST”) as given under the SGST Acts. An Integrated GST (“IGST”) under the IGST Act is to be levied and collected by the Centre on inter-State supply of goods and services. The CGST and SGST is to be levied at rates to be jointly decided by the Centre and States.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple

locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

There are indirect taxes that are levied and collected by the Central and State Government which are now subsumed under GST. Some of the taxes which were applicable to the Company are as follows:

- Service Tax
- Value Added tax
- The Central Sales Tax Act, 1956

### **The Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made thereunder are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an Importer Exporter Code.

## **INTELLECTUAL PROPERTY RELATED LAWS**

### **Copyright Act, 1957 (Copyright Act)**

The Copyright Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years from the beginning of the next calendar year, following the year in which the work is first published.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies including imprisonment of the accused and the imposition of fines and seizure of infringing copies.

### **The Trade Marks Act, 1999 (“Trademark Act”)**

The Trademark Act provides for the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trade mark registration may be made by any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it. Applications for a trade mark registration may be made for in one or more classes. Once granted, trade mark registration is valid for ten years unless cancelled.

The Trade Mark (Amendment) Act, 2010 has been enacted by the Government of India to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trade mark in other countries.

## CORPORATE LAWS

### **The Companies Act, 2013**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. At present almost all the provisions of this law have been made effective except a very few. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as Companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors.

In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

## FOREIGN REGULATIONS

### **The Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)**

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

### **Foreign Exchange Management Act, 1999**

When a business enterprise imports goods from other countries, exports its products to them or makes investments abroad, it deals in foreign exchange. Foreign Exchange Management Act, 1999 (“FEMA”) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

## EMPLOYMENT AND LABOUR LAWS

### **The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952**

The Employees Provident Funds and Miscellaneous Provisions Act, 1952, as amended from time to time (“EPF Act”), mandates provisioning for provident fund, family pension fund and deposit linked insurance in factories and other establishments for the benefits of the employees. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the

provisions of the EPF Act, the employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities.

### **The Employees' State Insurance Act, 1948 (the "ESI Act")**

The promulgation of Employees' State Insurance Act, 1948 envisaged an integrated need based social insurance scheme that would protect the interest of workers in contingencies such as sickness, maternity, temporary or permanent physical disablement, death due to employment injury resulting in loss of wages or earning.

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund at the rate prescribed by the Central Government. The return of the contribution made is required to be filed with the Employee State Insurance department.

### **The Equal Remuneration Act, 1976**

Equal Remuneration Act, 1976 was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution. The act provides for payment of equal remuneration to men and women workers and for prevention of discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

### **Payment of Gratuity Act, 1972**

The Payment of Gratuity Act is applicable to every factory, mine, oilfield, plantation, port, railway companies and to every shop and establishment in which 10 or more persons are employed or were employed at any time during the preceding twelve months. This Act applies to all employees irrespective of their salary.

The Payment of Gratuity Act, as amended, provides for a scheme for payment of gratuity to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years:

- (a) on his/her superannuation;
- (b) on his/her retirement or resignation;
- (c) on his/her death or disablement due to accident or disease  
(in this case the minimum requirement of five years does not apply)

A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.

### **Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 is applicable to every factory and every other establishment employing twenty (20) or more persons. Every employee shall be entitled to be paid by his employer in an accounting year, bonus, in accordance with the provisions of this Act, provided he has worked in the establishment for not less than thirty working days in that year.



**The Maternity Benefit Act, 1961**

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It provides, inter alia, for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women, etc. Government, further amended the Act which is known as “The Maternity Benefit (Amendment) Act, 2016, effective from March 28, 2017 introducing more benefits for pregnant women in certain establishments.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

**The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957**

Industrial Dispute Act, 1947 and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The Industrial Disputes Act, 1947 (IDA) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

**GENERAL LEGISLATIONS****The Indian Contract Act, 1872**

The Indian Contract Act, 1872 (“Contract Act”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

**The Competition Act, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

**Transfer of Property Act, 1882 (“TP Act”)**

The Transfer of Property Act, 1882 (the “TP Act”) establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for that purpose.

**The Indian Stamp Act, 1899**

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.

**The Registration Act, 1908**

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

**Negotiable Instruments Act, 1881**

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

**Information Technology Act, 2000 (as amended by Information Technology Amendment Act, 2008):**

The Information Technology Act, 2000 (the IT Act) is an Act of the Indian Parliament notified on October 17, 2000. It is the primary law in India dealing with cybercrime and electronic commerce. It was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber-crimes, including unauthorized access to computer systems, unauthorized modification to the contents of computer systems, damaging computer systems, the unauthorized disclosure of confidential information and computer fraud.

**Limitation Act, 1963**

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, ‘period of limitation’ means the period of limitation prescribed for any suit, appeal or application by the Schedule, and ‘prescribed period’ means the period of limitation computed in accordance with the provisions of this Act.

**Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017**

The Government of Maharashtra has notified the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 with effect from September 7, 2017. The Act replaces the erstwhile Maharashtra Shops and Establishments Act, 1948. Every establishment employing ten or more workers shall register under the Act by making an application in the prescribed manner. The above registration shall not be applicable to establishments already having a valid registration under the existing Maharashtra Shops and Establishments Act, until the expiry of their registration. The Act has introduced a new concept for the safety of women employees. The Act prohibits discrimination of women employees in the matter of recruitment, training, transfers or promotion or wages.

In addition to regulations mention above, our Company may also require to comply with the provisions other applicable statutes imposed by the Central or the State for its day-to-day operations.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief History of our Company

Our Company was incorporated as “V R Films & Studios Private Limited” under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated December 31, 2007 issued by the Registrar of Companies, Mumbai bearing Registration Number 177175 of 2007. Our Company has taken over the running business of M/s Visual Reality, a proprietorship concern of one of our Promoter vide Business Takeover Agreement dated December 31, 2007. The name of our Company was subsequently changed to “V R Films & Studios Limited” pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on February 22, 2019 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated March 11, 2019 bearing Corporate Identity Number U92100MH2007PLC177175.

For further details regarding our business operations, please see “*Our Business*” beginning on page 97.

### Address of the Registered Office

#### V R FILMS & STUDIOS LIMITED

19, Chhadva Apartments,  
Sion-Trombay Road, Chembur,  
Mumbai – 400071, India

**CIN:** U92100MH2007PLC177175

**Website:** www.vrfilms.in

**Email:** smeipo@vrfilms.in

**Tel No:** 022-25273841

**Fax No:** 022-25228467

### Changes in Registered Office

Since incorporation our Company’s registered office was situated at 107, Abhishek Building, Dalia Industrial Estate, Next to Kuber, Off New Link Road, Andheri (W), Mumbai – 400053. Thereafter, on February 28, 2014 our registered office was shifted to 19, Chhadva Apartments, Sion - Trombay Road, Chembur, Mumbai – 400071, for administrative convenience. Later, on June 16, 2014, Board had passed a resolution for giving the effect of change in Registered office to 19, Chhadva Apartments, Sion - Trombay Road, Chembur, Mumbai – 400071.

### Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Year	Details
2007	Company was incorporated as V R Films & Studios Private Limited by taking over business of M/s Visual Reality, a proprietorship concern of one of our Promoter Mr. Manish Satprakash Dutt vide Business Takeover Agreement dated December 31, 2007
2018	Entered into an agreement with Sony Pictures Network India Private Limited and Viacom 18 Media Private Limited for providing dubbing and localization of content
2018	Crossed a turnover of Rs. 1200 Lakhs
2019	Conversion of Company from Private to Public Company

### Strategic Partners

Our Company does not have any strategic partners.

### Financial Partners

Apart from the arrangements with bankers and lenders which our Company undertakes in the ordinary course of business, as on the date of this Prospectus, our Company does not have any financial partner.

### Time and cost overrun

Our Company has not experienced any significant time and cost overrun in relation to any projects undertaken by the company.

### Defaults or rescheduling of borrowings

There have been no defaults or rescheduling of borrowings with financial institutions, banks or conversion of loans into equity in relation to our Company.

### Main Objects of our Company

The main objects of our Company as contained in our Memorandum of Association are as follows:

1. To carry on the business of producers, importers, exporters and distributors in all medium, formats of cinematographic films, T. V. Films, T. V. Serials, T. V. Software, Films Software, Video Films, Ad-Films and Animation Films and in particular to produce, prepare, present, buy, sell, deal with, dispose of, release, exploit, distribute on any distribution platform in India and abroad Cinematographic Films, T. V. Films, T. V. Serials, Video Films, Ad-Films, Animation Films, Graphic Films Websites for amusement, education, industrial, social, historical, topical, and every kind and variety of subjects and to develop and make music software.
2. To acquire, run, manage studios of all kinds.
3. To take over the running business of M/s Visual Reality a proprietary concern in lines with Provisions of Income Tax Act, 1961.

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

### Changes in the Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars of Changes in Memorandum of Association	Date of Meeting	AGM / EGM
1.	Clause V of the MoA was amended to reflect the Increase in authorized share capital from Rs. 10,00,000 (Ten Lakhs) divided into 1,00,000 (One Lakh) Equity Shares of Rs. 10/- each to Rs. 2,00,00,000 (Two Crores) divided into 20,00,000 (Twenty Lakhs) Equity shares of Rs. 10/- each.	January 29, 2019	EGM

2.	Adoption of Memorandum of Association as per provisions of Companies Act, 2013	February 22, 2019	EGM
3.	<p>a) Clause 1 of Memorandum of Association was amended to reflect change in name from “V R Films &amp; Studios Private Limited” to “V R Films &amp; Studios Limited” pursuant to conversion of our Company from Private Limited to Public Limited Company.</p> <p>b) Alteration in Object Clause, Liability Clause and title of MOA in order to confirm with applicable provisions of the Companies Act, 2013.</p>	February 22, 2019	EGM

**Total number of shareholders of our Company**

As on the date of this Prospectus, our Company has 7 (seven) shareholders. For further details on the shareholding of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 51.

**Our Holding Company**

Our company does not have any other holding company as on the date of this Prospectus.

**Our Subsidiary**

As on the date of this Prospectus, our Company does not have any subsidiary.

**Details regarding acquisition or disinvestment of business/undertakings, mergers, amalgamations**

Our Company has neither acquired any entity, business or undertakings nor has undertaken any mergers or amalgamation during the last ten (10) years.

**Revaluation of assets**

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

**Shareholders’ Agreements**

As on the date of this Prospectus, our Company has not entered into any shareholders’ agreements that are subsisting.

**Joint Venture and Other Agreements**

As on the date of filing this Prospectus, there is no existing joint venture or other material agreements entered into by our Company which is not in its ordinary course of business.

**Agreements with Key Managerial Personnel, Directors, Promoters or any other employee**

There are no agreements entered into by a Key Managerial Personnel or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

**Guarantees given by Promoters offering its shares in the Issue**

None of our Promoters are offering any of the Equity Shares held by the Promoters in the Company in the Issue.

**Key terms of other subsisting material agreements**

Our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company.

## OUR MANAGEMENT

### Board of Directors

In terms of the Articles of Association, our Company shall not appoint less than three (3) and more than fifteen (15) Directors. As on date of this Prospectus, our Company has Five (5) Directors. Out of Five (5) directors, Two (2) are Executive Directors; One (1) is a Non-Executive Non – Independent Director and Two (2) are Non – Executive Independent Directors.

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

Name, DIN, Designation, Term, Date of Birth, Qualifications, Experience, Address, Occupation, Period of Directorship	Age	Other Directorships as on the date of this Prospectus
<p><b>Mr. Manish Satprakash Dutt</b>  <b>DIN:</b> 01674671  <b>Designation:</b> Managing Director  <b>Term:</b> Three (3) years w.e.f. from March 12, 2019 until March 11, 2022  <b>Date of Birth:</b> November 25, 1967  <b>Qualifications:</b> LL.B (1<sup>st</sup> year), B.Sc  <b>Experience:</b> 26 years  <b>Address:</b> 202, Safal Heights 1, Ghatla Road Opp Union Park, Chembur, Mumbai-400071, Maharashtra  <b>Occupation:</b> Business  <b>Period of Directorship:</b> Director since Incorporation</p>	51 years	Nil
<p><b>Mr. Krishi Satprakash Dutt</b>  <b>DIN:</b> 01674721  <b>Designation:</b> Whole-Time Director  <b>Term:</b> Three (3) years w.e.f. March 12, 2019 until March 11, 2022  <b>Date of Birth:</b> November 08, 1966  <b>Qualifications:</b> B.Sc, Diploma in Business Management, Diploma – programme in Fashion Designing, Executive Course in Finance Management  <b>Experience:</b> 30 years  <b>Address:</b> 19, Chhadva Apartment, Sion Trombay Road, Chembur, Mumbai-</p>	52 years	Nil



Name, DIN, Designation, Term, Date of Birth, Qualifications, Experience, Address, Occupation, Period of Directorship	Age	Other Directorships as on the date of this Prospectus
<p>400071, Maharashtra</p> <p><b>Occupation:</b> Business</p> <p><b>Period of Directorship:</b> Director since Incorporation</p>		
<p><b>Mr. Pawan Kumar Dutt</b></p> <p><b>DIN:</b> 01674642</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Date of Birth:</b> February 28, 1975</p> <p><b>Qualifications:</b> L.L.B, B.Sc, M.A</p> <p><b>Experience:</b> 21 years</p> <p><b>Address:</b> 19, Chhadva Apartment, Sion Trombay Road, Opp. Diamond Garden, Chembur, Mumbai- 400071, Maharashtra</p> <p><b>Occupation:</b> Professional</p> <p><b>Period of Directorship:</b> Director since Incorporation</p>	44 years	Nil
<p><b>Mr. Vishnu Vithalbhai Patel</b></p> <p><b>DIN:</b> 01029694</p> <p><b>Designation:</b> Independent Director</p> <p><b>Term:</b> Five (5) years w.e.f. from March 12 2019 until March 11, 2024</p> <p><b>Date of Birth:</b> December 16, 1956</p> <p><b>Qualifications:</b> MS in Broadcasting and Film, Diploma in Architecture</p> <p><b>Experience:</b> 32 Years</p> <p><b>Address:</b> B-2405, Imperial Heights, Best Colony, Behind Oshiwara Depot, Goregaon West, Mumbai- 400104, Maharashtra</p> <p><b>Occupation:</b> Business</p> <p><b>Period of Directorship:</b> Director since March 12, 2019</p>	62 years	<ul style="list-style-type: none"> <li>• Magikwand Media Private Limited - Director</li> <li>• Pepal Private Limited - Director</li> <li>• Valuable Digital Screens Private Limited – Nominee Director</li> </ul>

<p><b>Mrs. Vaneeta Sridhar</b>  <b>DIN:</b> 08387830  <b>Designation:</b> Independent Director  <b>Term:</b> Five (5) years w.e.f. from March 12 2019 until March 11, 2024  <b>Date of Birth:</b> August 06, 1969  <b>Qualifications:</b> B.Com and Diploma in Advertising &amp; Public Relations  <b>Experience:</b> 26 Years  <b>Address:</b> Flat No. 144, Building No. 12, Rama Krishna Nagar, 4<sup>th</sup> Road, Behind Khar Police Station, Khar west, Mumbai-400052  <b>Occupation:</b> Business  <b>Period of Directorship:</b> Director since March 12, 2019</p>	49 years	Nil
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For further details on their qualification, experience etc., please see their respective biographies under the heading “Brief Biographies” below.

#### Family Relationships between our Directors and KMP

Except Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt who are related to each other as Brothers, none of our directors are related to each other in terms of the definition of 'relative' under Section 2(77) of the Companies Act, 2013.

#### Brief Biographies of the Directors

1. **Mr. Manish Satprakash Dutt**, aged 51 years, is the Managing Director and Promoter of our Company. He has been associated with the Company since Incorporation. He holds a Bachelors Degree in Science from St. Xavier’s College, Mumbai. He has passed LL.B examination (first year) from Government Law College, Mumbai. He has more than 26 years of vast and varied experience in media and entertainment sector. He is instrumental in formulating and implementing strategy and plays pivotal role in business development, sales, administration and finance functions of our Company.
2. **Mr. Krishi Satprakash Dutt**, aged 52 years, is the Whole-Time Director and Promoter of our Company. He has been associated with the Company since Incorporation. He holds a Bachelor’s Degree in Science from St. Xavier’s College, Mumbai. He also holds a degree in business management from Xavier Institute of Management, Mumbai. He has completed diploma in fashion designing from JD Institute of fashion technology. He has also completed Management Development Programme in finance for Non - Finance Executives from Indian Institute of Management, Lucknow. He has rich experience of 30 years in the textile, apparel & fashion industry and CSR domain impacting lives and ecosystem.

3. **Mr. Pawan Kumar Dutt**, aged 44 years, is the Non-Executive Director and Promoter of our Company. He has been associated with the Company since Incorporation. He holds a Bachelor's Degree in Science with the Subject Chemistry (Major) from St. Xavier's College. He has done LL.B from Government Law College, Mumbai and is a member of Bar Council of Maharashtra and Goa. He holds a degree of Masters of Arts in Law from Tallinn University of Technology. He is a Registered Patent Agent under Patents Act, 1970. He has been admitted as a Member of the society under Regulation of Bombay Incorporated Law Society and can style himself as 'Solicitor'. He has an overall experience of 21 years in the field of Legal Advisory. He provides corporate legal advisory and consultancy services to our Company.
4. **Mr. Vishnu Vithalbhai Patel**, aged 62 years, is the Independent Director of our Company since March 12, 2019. He has done MS in Broadcasting and Film in Boston University. He has also done Diploma in Architecture from CEPT University. He has more than 3 decades of experience in media and entertainment industry.
5. **Mrs. Vaneeta Sridhar**, aged 49 years, is the Independent Director of our Company since March 12, 2019. She is a commerce graduate in accounts and economics from H.R. College, Mumbai. She has also done Diploma in advertising & public relations from K.C. College of Management Studies, Mumbai. She has more than 25 years of experience in media and entertainment industry.

**Common directorships of the Directors in companies whose shares are/were suspended from trading on the BSE and/or the NSE for a period beginning from five (5) years prior to the date of this Prospectus**

None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.

**Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India**

None of our Directors are/ were directors of any entity whose shares were delisted from any Stock Exchange(s).

Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other regulatory authority.

**Remuneration to Executive Directors**

1. **Mr. Manish Satprakash Dutt** is the Managing Director of our Company. He was appointed as Director of our Company on December 31, 2007. He was re-designated as Managing Director by way of a board resolution dated March 12, 2019 and a shareholder's resolution dated March 13, 2019 for a period of three (3) years commencing from March 12<sup>th</sup>, 2019 until March 11<sup>th</sup>, 2022. The significant terms of his employment are set out below:

Particulars	Remuneration
Gross Salary	Upto Rs. One Crore Twenty Lakhs per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of three years w.e.f. March 12, 2019 and on such other terms and conditions as specified in the resolution.

Appointment as a Managing Director	Three (3) years commencing from March 12, 2019 until March 11, 2022
Remuneration paid for Fiscal 2017-18	Rs. 43.50 Lakhs per annum

2. **Mr. Krishi Satprakash Dutt** is the Director of our Company. He was appointed as Director of our Company on December 31, 2007. He was re-designated as Whole-Time Director by way of a board resolution dated March 12, 2019 and a shareholder's resolution dated March 13, 2019 for a period of three (3) years commencing from March 12, 2019 until March 11, 2022. The significant terms of his employment are set out below:

Particulars	Remuneration
Gross Salary	Upto Rs. One Crore Twenty Lakhs per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of three years w.e.f. March 12, 2019 and on such other terms and conditions as specified in the resolution.
Appointment as Director	Three (3) years commencing from March 12, 2019 until March 11, 2022
Remuneration paid for Fiscal 2017-18	Rs. 40.29 Lakhs per annum

#### Payment or benefit to Directors of our Company

The sitting fees/other remuneration of our Directors in Fiscal 2018 are as follows:

- **Payment of non-salary related benefits**

Except as stated under Remuneration to Executive Directors and Remuneration to Non-Executive Directors, our Company has not paid, in the last two (2) years preceding the date of this Prospectus, and nor does it intend to pay any non-salary related amount or benefits to our Directors.

- **Remuneration to Non-Executive Directors:** Pursuant to the Board resolution dated March 13, 2019, our Company has fixed an amount of Rs. 5,000/- as the sitting fees payable to our non-executive directors, towards attending meetings of the Board of Directors or a committee thereof. It may be noted that only Non-Executive Directors are paid sitting fees. Mr. Pawan Kumar Dutt was paid Rs. 12.12 Lakhs during F.Y. 2017-18 as consultancy fees for providing legal consultancy services to our Company.

Other than as disclosed above, our Company has not paid sitting fees to any of our other non-executive Directors. The travel expenses for attending meetings of the Board of Directors or a committee thereof, site visits and other Company related expenses are borne by our Company, from time to time.

#### Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management as on the date of this Prospectus.

### Service Contracts

Except for executive employment agreements with our executive directors, our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

### Shareholding of Directors in our Company

Except as mentioned below, none of the Directors hold Equity Shares in our Company as on the date of this Prospectus:

Particulars	Pre-Issue		Post-Issue	
	Number of Shares	Percentage (%) holding	Number of Shares	Percentage (%) holding
Manish Satprakash Dutt	7,99,996	79.99	7,99,996	53.81
Krishi Satprakash Dutt	100,000	10.00	100,000	7.29
Pawan Kumar Dutt	100,000	10.00	100,000	7.29
<b>Total</b>	<b>9,99,996</b>	<b>99.99</b>	<b>9,99,996</b>	<b>72.89</b>

### Shareholding of Directors in our Subsidiaries

Our Company does not have any subsidiary as on the date of this Prospectus.

### Shareholding of Directors in our Associate companies

Our Company does not have any associate companies as on the date of this Prospectus.

### Appointment of relatives of our Directors to any office or place of profit

Mr. Satprakash Dutt, Father of our Promoters, was paid Rs. 10.58 Lakhs in F.Y. 2017-18 as Manager.

Except as mentioned in this chapter, none of the relatives of our Directors currently holds any office or place of profit in our Company.

### Interests of our Directors

Our executive directors may also be deemed as interested in our Company to the extent of the Equity Shares held by them or any Equity Shares that may be subscribed by or allotted to them from time to time. For further details, please refer to section titled "Our Management – Shareholding of directors in our Company" and "Capital Structure" beginning on pages 118 and 51 respectively. Our Directors may also be deemed to be interested to the extent of any dividend, if any, payable and other distributions in respect of the Equity Shares held by them.

Our independent directors may be deemed to be interested in our Company to the extent of fees payable to them for attending meetings of our Board or committees thereof and reimbursement of expenses payable pursuant to our Articles of Association.

Our directors have no interest in any property acquired or proposed to be acquired by our Company two (2) years prior to the date of this Prospectus except in the Registered Office of our Company which is owned by Mrs. Nirmal Dutt, mother of our Directors, Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt.

Except Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt, who are the Promoters of our Company, none of our other Directors have any interest in the promotion of our Company other than in ordinary course of business. Except as disclosed above, no amount or benefit has been paid or given within the two (2) preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

None of our Directors have availed any loan from our Company except as stated in the chapter titled "Financial Information" beginning on page 138. None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company. Except as disclosed under section titled "Our Management – Remuneration to Executive Directors" beginning on page 118, none of our Directors is party to any bonus or profit sharing plan of our Company. Further, except statutory benefits upon termination of their employment in our Company on retirement, no officer of our Company, including our Directors and the Key Management Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

#### Changes in our Company's Board of Directors during the last three (3) years

The changes in the Board of Directors during the last three years are as follows:

Sr. No.	Name of the Director	Date of Change	Reason for change
1.	Manish Satprakash Dutt	March 12, 2019	Re-designated as Managing Director of our Company
2.	Krishi Satprakash Dutt	March 12, 2019	Re-designated as Whole-time Director of our Company
3.	Vishnu Vithalbhai Patel	March 12, 2019	Appointment as an Additional Independent Director
4.	Vaneeta Sridhar	March 12, 2019	Appointment as an Additional Independent Director
5.	Vishnu Vithalbhai Patel	March 13, 2019	Appointment as an Independent Director w.e.f March 12, 2019
6.	Vaneeta Sridhar	March 13, 2019	Appointment as an Independent Director w.e.f March 12, 2019

#### Borrowing Powers of the Board

The Articles, subject to the provisions of section 180 (1) (c) of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a resolution passed at the Extra Ordinary General Meeting held on March 13, 2019 in accordance with the Companies Act, 2013 authorized the Board to borrow monies from time to time, borrowings of our Company shall not exceed Rs. 50 Crores for the time being, including the money already borrowed by our Company.

## Corporate Governance

The provisions of the SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to our Company immediately upon the listing of Equity Shares on the Stock Exchange. Our Company is in compliance with the requirements of applicable regulations, specifically the SEBI (LODR) Regulations, 2015, the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018 in respect of corporate governance particularly in relation to constitution of the Board and committees of our Board.

The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, each as required under law. Our Board of Directors is constituted in compliance with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, to the extent applicable.

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. Currently, our Company has five (5) Directors including Mr. Manish Satprakash Dutt as a Managing Director. Out of five (5) directors, two (2) are Executive Directors, one (1) is Non-Executive Non-Independent Director and two (2) are Non-Executive Independent Directors.

The details of i) Audit Committee; ii) Nomination and Remuneration Committee; and iii) Stakeholders Relationship Committee are set out below. In addition to the committees of the Board detailed below, our Board of Directors may, from time to time constitute committees for various functions.

### i) **Audit Committee:**

Our Company has constituted the Audit Committee in accordance with Section 177 and other applicable provisions of Companies Act, 2013. The audit committee presently consists of the following Directors of the Board:

Name of the Director	Status in Committee	Nature of Directorship
Wishnu Vithalbhai Patel	Chairman	Independent Director
Vaneeta Sridhar	Member	Independent Director
Pawan Kumar Dutt	Member	Non-Executive Director

Ms. Nidhi Natani, our Company Secretary and Compliance Officer, is the secretary to Audit Committee.

The scope and function of the Audit Committee and its terms of reference shall include the following:

- A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.
- B. Meetings of the Committee:** The committee shall meet as and when the need arise. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher
- C. Role and Powers of the Audit Committee:** Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act.

**Powers of Audit Committee:**

The Audit Committee shall have powers, including the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of Audit Committee:**

The role of the Audit Committee shall include the following:

1. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the auditors' report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters
9. To do all acts, deeds and things as may be may be required or considered necessary or incidental in the above matters along with another terms as may be decided by the Board.

**ii) Nomination and Remuneration Committee:**

Our Company has constituted Nomination and Remuneration Committee in terms of Section 178 of Companies Act, 2013 in the meeting of the Board of Directors held on March 13<sup>th</sup>, 2019. The Nomination and Remuneration Committee presently consists of the following Directors of the Board:

Name of the Director	Status in Committee	Nature of Directorship
Vishnu Vithalbhai Patel	Chairman	Independent Director
Vaneeta Sridhar	Member	Independent Director
Pawan Kumar Dutt	Member	Non-Executive Director

Ms. Nidhi Natani, our Company Secretary and Compliance Officer, is the secretary to Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

**a. Tenure:**

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**b. Meetings:**

The committee shall meet as and when the need arise. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.



c. **Terms of Reference:** Set forth below are the terms of reference of our Nomination and Remuneration Committee.

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to our Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and our Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to our Board their appointment and removal;
5. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
6. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks
7. Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
8. Considering and recommending grant of employees stock option, if any, and administration and superintendence of the same; and
9. The Nomination and Remuneration Committee shall meet as and when required. The quorum shall be two members present, or one-third of the members, whichever is greater.

iii) **Stakeholders Relationship Committee:**

Our Company has constituted the Stakeholders Relationship Committee in terms of Section 178 sub section (5) of Companies Act, 2013, in the meeting of Board of Directors dated March 13<sup>th</sup>, 2019. The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

Name of the Director	Status in Committee	Nature of Directorship
Pawan Kumar Dutt	Chairman	Non-Executive Director
Vishnu Vithalbhai Patel	Member	Independent Director
Vaneeta Sridhar	Member	Independent Director

Ms. Nidhi Natani, our Company Secretary and Compliance Officer, is the secretary to Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. **Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship as approved by the Board.
- B. **Meetings:** The committee shall meet as and when the need arise. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

C. **Terms of Reference:** Set forth below are the terms of reference of our Stakeholders' Relationship Committee.

1. Considering and resolving grievances of shareholders', debenture holders and other security holders;
2. Redressal of grievances of the security holders of our Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of our Company, etc.;
3. Allotment of Equity Shares, approval of transfer or transmission of equity shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.
5. Overseeing requests for dematerialization and rematerialization of shares; and
6. Carrying out any other function contained in the equity listing Obligations and Disclosure Requirements as and when amended from time to time.

#### **Policy on disclosure and internal procedure for prevention of Insider Trading**

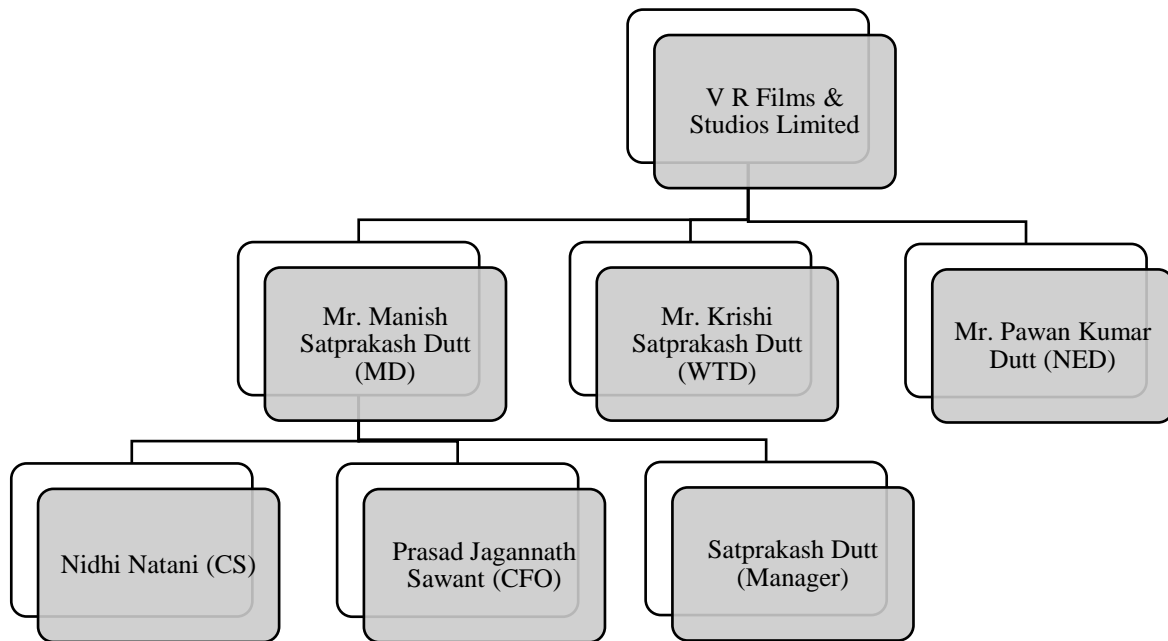
The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of BSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on SME platform of BSE. Further, Board of Directors at their meeting held on March 13<sup>th</sup>, 2019 have approved and adopted the policy on insider trading in view of the proposed public issue.

Ms. Nidhi Natani, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

#### **Policy for determination of materiality and materiality of related party transactions and on dealing with Related Party Transactions**

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME platform of BSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended on listing of Equity Shares on the SME platform of BSE. The Board of Directors at their meeting held on March 13<sup>th</sup>, 2019 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

## Management Organizational Structure



### Profiles of our Key Managerial Personnel

In addition to our Managing Director, Mr. Manish Satprakash Dutt and Whole-Time Director, Mr. Krishi Satprakash Dutt whose details are provided under "*Brief biographies of the Directors*" beginning on page 121, the details of our other Key Managerial Personnel as on the date of this Prospectus are set forth below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

1. **Mr. Prasad Jagannath Sawant**, 46 years, is the Chief Financial Officer (CFO) of our Company. He holds a Bachelors degree in Commerce from Bombay University. He joined our company in 2008 as Manager-Accounts & Finance. Prior to joining our Company he was associated with India Pesticides Ltd and Plus Point Process as Accountant. He was appointed as Chief Financial Officer of our Company on March 06, 2019.
2. **Ms. Nidhi Natani**, 30 years, is the Company Secretary and Compliance Officer of our Company. She holds a Company Secretary Degree from Institute of Company Secretaries of India (ICSI). She looks after the secretarial, legal and compliance matters of our Company. She was appointed as Company Secretary and Compliance Officer of our Company on March 06, 2019. In her past work experience, she has worked with Naredi & Associates.

### Status of Key Management Personnel in our Company

All our key managerial personnel are permanent employees of our Company.

### Relationship amongst the Key Managerial Personnel of our Company

There is no family relationship amongst the any Key Managerial Personnel of our Company.

**Shareholding of Key Management Personnel in our Company**

Except as mentioned above in this chapter, none of the Key Management Personnel hold Equity Shares in our Company as on the date of this Prospectus. For details in relation to their shareholding, please refer to section titled "*Capital Structure*" beginning on page 51.

**Bonus or profit sharing plan of the Key Managerial Personnel**

Our Company does not have a performance linked bonus or a profit sharing plans for the Key Management Personnel. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel of our Company.

**Interests of Key Management Personnel**

Other than as disclosed under this section under "*Our Management - Interest of our Directors*" and "*Our Management – Shareholding of Key Management Personnel*" beginning on page 118, our Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them.

The Key Management Personnel are not entitled to any contingent or deferred compensation.

**Payment of benefits to officers of our Company (*non-salary related*)**

Except as disclosed in this Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

**Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

None of the Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

**Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

**Loans availed by Directors / Key Managerial Personnel of our Company**

None of the Key Managerial Personnel have availed loan from our Company which is outstanding as on the date of this Prospectus.

### Changes in our Company's Key Managerial Personnel during the last three (3) years

Except for the changes to our Board of Directors, as set forth under "Our Management -Changes in the Board of Directors in the last three years" herein above, the changes in the Key Management Personnel in the last three years prior to the date of filing of this Prospectus are as follows:

Sr. No.	Name of the Key Managerial Personnel & Designation	Date of Appointment	Reason
1.	Mr. Manish Satprakash Dutt <i>Managing Director</i>	March 12, 2019	Change in Designation
2.	Mr. Krishi Satprakash Dutt <i>Whole-Time Director</i>	March 12, 2019	Change in Designation
3.	Mr. Prasad Jagannath Sawant <i>Chief Financial Officer</i>	March 06, 2019	Appointment
4.	Ms. Nidhi Natani <i>Company Secretary and Compliance Officer</i>	March 06, 2019	Appointment

### Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Prospectus.

### Employees

The details about our employees appear under the paragraph titled "Our Business" beginning on page 97.


## OUR PROMOTERS & PROMOTER GROUP

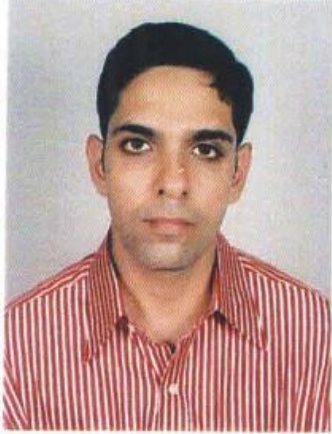
### Our Promoters

The Promoters of our Company are Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt. As on the date of this Prospectus, the Promoters hold 9,99,996 Equity Shares in aggregate, which is equivalent to 99.99 % of the pre-issued, subscribed and paid-up Equity Share Capital of our Company.

For details of the build-up of our Promoters' shareholding in our Company, please refer the chapter titled "*Capital Structure – Notes to Capital Structure*" beginning on page 51.

### The brief profiles of our Promoters are as under:

	<p><b>Manish Satprakash Dutt</b></p> <p>Mr. Manish Satprakash Dutt, aged 51 years, is the Managing Director and Promoter of our Company. He has been associated with the Company since Incorporation. He holds a Bachelors Degree in Science from St. Xavier's College, Mumbai. He has passed LL.B examination (first year) from Government Law College, Mumbai. He has more than 26 years of vast and varied experience in media and entertainment sector. He is instrumental in formulating and implementing strategy and plays pivotal role in business development, sales, administration and finance functions of our Company.</p> <p><b>PAN:</b> AABPD8907G</p> <p><b>Aadhar Card No.:</b> ██████████</p> <p><b>Driving License No.:</b> MH0319960029407</p> <p>For further details, please refer chapter titled "<i>Our Management</i>" beginning on page 118.</p>
	<p><b>Krishi Satprakash Dutt</b></p> <p>Mr. Krishi Satprakash Dutt, aged 52 years, is the Whole-Time Director and Promoter of our Company. He has been associated with the Company since Incorporation. He holds a Bachelor's Degree in Science from St. Xavier's College, Mumbai. He also holds a degree in business management from Xavier Institute of Management, Mumbai. He has completed diploma in fashion designing from JD Institute of fashion technology. He has also completed Management Development Programme in finance for Non - Finance Executives from Indian Institute of Management, Lucknow. He has rich experience of 30 years in the textile, apparel &amp; fashion industry and CSR domain impacting lives and ecosystem.</p> <p><b>PAN:</b> ABDPD8388C</p> <p><b>Aadhar Card No.:</b> ██████████</p>

	<p><b>Driving License No.:</b> MH0320010014352</p> <p>For further details, please refer chapter titled “<i>Our Management</i>” beginning on page 118.</p>
	<p><b>Pawan Kumar Dutt</b></p> <p>Mr. Pawan Kumar Dutt, aged 44 years, is the Non-Executive Director and Promoter of our Company. He has been associated with the Company since Incorporation. He holds a Bachelor’s Degree in Science with the Subject Chemistry (Major) form St. Xavier’s College. He has done LL.B from Government Law College, Mumbai and is a member of Bar Council of Maharashtra and Goa. He holds a degree of Masters of Arts in Law from Tallinn University of Technology. He is a Registered Patent Agent under Patents Act, 1970. He has been admitted as a Member of the society under Regulation of Bombay Incorporated Law Society and can style himself as ‘Solicitor’. He has an overall experience of 21 years in the field of Legal Advisory. He provides corporate legal advisory and consultancy services to our Company.</p> <p><b>PAN:</b> AGGPD4857J</p> <p><b>Aadhar Card No.:</b> ██████████</p> <p><b>Driving License No.:</b></p> <p>For further details, please refer chapter titled “<i>Our Management</i>” beginning on page 118.</p>

### Confirmations/Declarations

Our Company confirms that the details of the PAN, Bank Account Numbers and Passport Numbers of our Promoters submitted to BSE Limited at the time of filing the Draft Prospectus.

### Other ventures of our Promoters

Except as disclosed herein below and in the chapter “*Our Management*” beginning on page 118, our Promoters are not involved with any other venture.

### Change in control of our Company

Our Promoters are the original promoters of our Company and there has not been any change in the control of our Company in the five years immediately preceding the date of this Prospectus.

### Experience of our Promoters in the business of our Company

For details in relation to experience of our Promoters in the business of our Company, see “*Our Management*” beginning on page 118.

## Interest of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company, their directorship in our Company and the dividend receivable, if any and other distributions in respect of their respective shareholding in our Company or the shareholding of their relatives in our Company. For details regarding shareholding of our Promoters in our Company, please refer to the chapter titled "*Capital Structure*" beginning on page 51. For further details of interest of our Promoters in our Company, please refer to the chapter titled "*Financial Information*" beginning on page 138.

Our Promoters may be deemed to be interested to the extent of remuneration, benefits and reimbursement of expenses payable to them as the Directors of our Company. For further details, please refer to the chapter titled "*Our Management*" beginning on page 118.

## Interest of Promoters in the promotion of our Company

Except for Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt who are Promoters and Directors of our Company, none of our Directors have any interest in the promotion of our Company.

## Interest of Promoters in the Properties of our Company

Except as disclosed in this Prospectus, our Promoters and Directors have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Prospectus or proposed to be acquired by it as on the date of this Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters and Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify him as a Director or Promoter, or otherwise for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Except to the extent of their directorship and shareholding in our Group Companies, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

For further details, please refer to the chapter titled "*Our Management*" beginning on page 118 and "*History and Certain Corporate Matters*" beginning on page 114.

## Related Party Transactions

For details of related party transactions entered by our Promoters, members of our Promoter Group and our Company during the last financial year, the nature of transactions and the cumulative value of transactions, refer to the chapter titled "*Restated Financial Statements*" beginning on page 138.

## Payment of benefits to our Promoters

Except as disclosed in this section and stated otherwise in "*Financial Information*" beginning on page 138 about the related party transactions entered into during the last three Fiscals and in "*Our Management*" beginning on page 118, there has been no payment or benefit to our Promoters or Promoter Group during the two years prior to the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoters or members of the Promoter Group as on the date of this Prospectus.



### Disassociation by Promoters in the last three years

Our Promoters have not disassociated with any company or firm during the three years preceding the date of filing of this Prospectus.

### Material Guarantees

Except as stated in the chapter titled “*Financial Information*” beginning on page 138, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Prospectus.

### Our Promoter Group

Individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 are set out below:

#### Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group (due to their relationship with our Promoters), other than our Promoters, are as follows:

Relationship with Promoter	Manish Satprakash Dutt	Krishi Satprakash Dutt	Pawan Kumar Dutt
Father	Sat Prakash Dutt	Sat Prakash Dutt	Sat Prakash Dutt
Mother	Nirmal Dutt	Nirmal Dutt	Nirmal Dutt
Spouse	NA	NA	Aire Dutt
Brother	Pawan Kumar Dutt, Krishi Satprakash Dutt,	Manish Satprakash Dutt, Pawan Kumar Dutt	Krishi Satprakash Dutt, Manish Satprakash Dutt
Sister	NA	NA	NA
Son	NA	NA	Karl Dutt
Daughter	NA	NA	Grete Dutt
Spouse’s Father	NA	NA	Aksel Ratas
Spouse’s Mother	NA	NA	Ulle Ratas
Spouse’s Brother	NA	NA	NA
Spouse’s Sister	NA	NA	NA

### Entities forming part of our Promoter Group

The entities forming part of our Promoter Group are as follows:

Sr. No.	Particulars	
1	Any body corporate in which 20% or more of the equity share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of their immediate relative is a member	<ul style="list-style-type: none"> <li>• Mikimedia Entertainment LLP</li> </ul>
2	Any body corporate in which a body corporate as provided in (1) above, holds 20% or more, of the equity share capital	-
3	Any HUF or firm in which the aggregate share of the Promoter and their relatives is equal to or more than 20% of the total capital*	<ul style="list-style-type: none"> <li>• Visual Reality (Proprietorship Firm)</li> </ul>

## DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Except as mentioned below, our Company has not declared any dividend on the Equity Shares in the past three years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

Particulars	For the period post October 31, 2018 to the date of filing of the Prospectus	For the period ended October 31, 2018	For Fiscal		
			2018	2017	2016
Face value per share (in Rs.)	10	10	10	10	10
Dividend per share (in Rs.)	NIL	NIL	1.00	1.00	1.00
Rate of dividend (%)	NIL	NIL	10.00%	10.00%	10.00%
Dividend Tax (%)	NA	NA	20.56%	20.36%	16.99%
Mode of payment of dividend	-	-	Cheque	Cheque	Cheque

**SECTION VI-FINANCIAL INFORMATION OF THE COMPANY**

**RESTATED FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT**

**(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)**

To,  
**The Board of Directors,**  
**V R Films & Studios Limited**  
19, Chhadva Apartment, Sion Trombay Road,  
Chembur, Mumbai- 400071, Maharashtra

Dear Sir,

**1. Report on Restated Financial Statements**

We have examined the Restated Financial Statements of M/s V R Films & Studios Limited (hereinafter referred as "the Company"), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- i) Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the "Act") and
  - ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the Regulation") ("SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto;
  - iii) The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on SME Platform of Stock Exchange ("IPO" or "SME IPO");
  - iv) The (Revised) Guidance Note on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India ("ICAI") ; and
  - v) In terms of Schedule VI of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts, We, M/s B. L. Dasharda & Associates, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate till 12.09.2021.
- 2.** The Restated Summary Statements and Financial information of the Company have been extracted and prepared by the management from the Audited Financial Statements of the Company for the financial year ended March 31, 2016, March 31, 2017 and March 31, 2018 and for the period ended on October 31, 2018 which have been approved by the Board of Directors.
- 3.** Financial Statements for the financial year ended on March 31, 2016, March 31, 2017 and March 31, 2018 has been audited by M/s Himank Desai & Co ,Chartered Accountants and for the period ended on October 31, 2018 has been audited by us, and accordingly reliance has been placed on the financial information examined by them for the said Years. The Financial Report included for those years is based solely on the report submitted by them.

4. We have also carried out re-audit of the financial statements for the year ended on March 31, 2018 as required by SEBI regulations.

5. **Financial Information as per Audited Financial Statements:**

1. We have examined:

- a) The attached Restated Statement of Assets and Liabilities of the company, as at October 31, 2018 , March 31, 2018, March 31, 2017, and March 31, 2016, (Annexure I);
- b) The attached Restated Statement of Profits and Losses of the Company for the period ended on October 31, 2018 and for the financial Years ended on March 31, 2018, March 31, 2017 and March 31, 2016;
- c) The attached Restated Statement of Cash Flows of the Company for the period ended on October 31, 2018 and for the financial Years ended on March 31, 2018, March 31, 2017 and March 31, 2016 (Annexure III);
- d) The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure IV);

(Collectively hereinafter referred as “**Restated Financial Statements**” or “**Restated Summary Statements**”)

2. In accordance with the requirements of Act, ICDR Regulations as amended from time to time, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:

- (i) The “**Restated Statement of Assets and Liabilities**” as set out in **Annexure I** to this report, of the Company as at October 31, 2018 , March 31, 2018, March 31, 2017 and March 31, 2016, are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- (ii) The “**Restated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the period ended on October 31, 2018 and for the financial Years ended on March 31, 2018, March 31, 2017 and March 31, 2016 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- (iii) The “**Restated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the period ended on October 31, 2018 and for the financial Years ended on March 31, 2018, March 31, 2017, and March 31, 2016, are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditor of the Company for the years ended on March 31, 2018 March 31, 2017 and March 31, 2016, we are of the opinion that “**Restated Financial Statements**” or “**Restated Summary Statements**” have been made after incorporating:

- a) Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- b) There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
- c) Adjustments on account of the statutory audit qualifications, if any, have been given effect and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- d) Adjustments in Financial Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Financial statements.
- e) There was no change in accounting policies, which needs to be adjusted in the “Restated Financial Statements” except mentioned in clause d) above.
- f) There are no revaluation reserves, which need to be disclosed separately in the “Restated Financial Statements.
- g) The Company has paid dividend on its equity shares.

## 6. Other Financial Information:

1. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the period ended on October 31, 2018 and for the Years ended on March 31, 2018 March 31, 2017, and March 31, 2016.

Details of Share Capital As Restated	Annexure-A
Details of Reserves And Surplus As Restated	Annexure-B
Details of Long Term Borrowing As Restated	Annexure-C
Details of Short Term Borrowing as Restated / Statement Of Principal Terms of Secured and Unsecured Loans and Assets Charged as Security	Annexure-D
Details of Deferred Tax Asset/ (Liability) As Restated	Annexure-E
Details of Trade Payables As Restated	Annexure-F
Details of Other Current Liabilities As Restated	Annexure-G
Details of Short Term Provision As Restated	Annexure-H
Details of Fixed Assets As Restated	Annexure-I
Details of Other Non Current Assets As Restated	Annexure-J
Details of Long Term Loans & Advances As Restated	Annexure-K
Details of Inventories As Restated	Annexure-L
Details of Trade Receivables As Restated	Annexure-M
Details of Cash & Cash Equivalents As Restated	Annexure-N

Details of Short Term Loans & Advances As Restated	Annexure-O
Details of Other Current Assets As Restated	Annexure-P
Details of Revenue From Operations As Restated	Annexure-Q
Details of Other Income As Restated	Annexure-R
Details of Operating Expenses as Restated	Annexure-S
Details of Changes In Inventories Of Finished Goods And Work-In-Process As Restated	Annexure-T
Details of Employee Benefits Expense As Restated	Annexure-U
Details of Finance Cost As Restated	Annexure-V
Details of Depreciation & Amortization As Restated	Annexure-W
Details of Other Expenses As Restated	Annexure-X
Details of Related Party Transactions As Restated	Annexure-Y
Details of Contingent Liability As Restated	Annexure-Z
Details of Significant Accounting Ratios As Restated	Annexure-AA
Capitalisation Statement As Restated	Annexure-AB

2. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
3. We have carried out Re-audit of the financial statements for the Year ended on March 31, 2018 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or for any period subsequent to October 31, 2018. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to October 31, 2018.
4. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
5. In our opinion, the above financial information contained in Annexure I to III and Annexure A to Z of this report read along with the Restated statement of Significant Accounting Policies and Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (“ICAI”) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with the Company. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
6. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
7. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.

8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

## **7. Auditor's Responsibility**

Our responsibility is to express an opinion on these restated 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.

## **8. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, 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, to the extent applicable.

- a) In the case of Restated Statement of Assets and Liabilities of the Company as at March 31, 2016, March 31, 2017, March 31, 2018 and October 31, 2018;
- b) In the case of the Restated Statement of Profit and Loss, of the profit/ (Loss) of the Company for the Years/Period ended on that date; and



- c) In the case of the Restated Cash Flow Statement, of the cash flows of the Company for the Years/Period ended on that date.

**For B. L. Dasharda & Associates.**

Chartered Accountants

FRN 112615W

**Sd/-**

**(Sushant Mehta)**

Partner

Membership No. 112489

Date: 23<sup>rd</sup> March, 2019

Place: Mumbai

## ANNEXURE-I

## STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. in Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>I.EQUITY &amp; LIABILITIES</b>				
<b>(1) Shareholder's Fund</b>				
(a) Share Capital	1.00	1.00	1.00	1.00
(b) Reserves and Surplus	331.54	297.44	199.99	172.69
	<b>332.54</b>	<b>298.44</b>	<b>200.99</b>	<b>173.69</b>
<b>(2) Non-Current Liabilities</b>				
(a) Long-Term Borrowings	-	0.40	81.57	104.63
(b) Other Long Term Liabilities	-	-	-	-
(c) Deferred Tax Liability(Net)	-	-	-	-
(d) Long Term Provisions	-	-	-	-
<b>(3) Current Liabilities</b>				
(a) Short-Term Borrowings	232.82	126.90	64.23	84.20
(b) Trade Payables	57.02	114.44	63.10	45.81
(c) Other Current Liabilities	25.03	70.01	100.43	133.70
(d) Short-Term Provisions	5.60	4.74	2.62	3.55
<b>TOTAL</b>	<b>653.01</b>	<b>614.93</b>	<b>512.94</b>	<b>545.57</b>
<b>II.ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Fixed Assets				
- Tangible Assets	66.39	73.52	82.72	49.03
- Intangible Assets	-	-	-	-
- Capital Work in Progress	-	-	-	-
(b) Non-Current Investments	-	-	-	-
(c) Deferred Tax Assets (Net)	3.23	2.87	0.97	1.20
(d) Long Term Loans And Advances	11.00	11.50	12.50	9.50
(e) Other Non Current Assets	31.64	31.64	33.21	9.62
<b>(2) Current Assets</b>				
(a) Inventories	80.40	-	170.29	294.50
(b) Trade receivables	119.45	134.56	108.86	71.06
(c) Cash and Cash Equivalents	135.52	155.21	88.23	75.57
(d) Short-Term Loans And Advances	200.85	204.60	12.80	29.50
(e) Other Current Assets	4.52	1.03	3.34	5.59
<b>TOTAL</b>	<b>653.01</b>	<b>614.93</b>	<b>512.94</b>	<b>545.57</b>

## ANNEXURE-II

## STATEMENT OF PROFIT &amp; LOSS AS RESTATED

(Rs. In Lakhs)

Particulars	For period ended October 31, 2018	For the year ended		
		March 31, 2018	March 31, 2017	March 31, 2016
<b>A. INCOME</b>				
Revenue From Operations (Net of Taxes)	362.31	1,277.73	606.04	623.02
Other Income	4.73	5.30	4.96	4.97
<b>Total Income(A)</b>	<b>367.04</b>	<b>1,283.03</b>	<b>611.00</b>	<b>627.99</b>
<b>B. EXPENDITURE</b>				
Operating Expenses	193.41	621.2	167.46	281.63
Employee Benefit Expenses	123.38	174.93	142.65	120.94
Finance Cost	14.76	23.36	41.89	43.05
Depreciation and Amortisation Expenses	10.53	22.43	14.09	15.84
Other Expenses	57.63	128.30	78.67	62.24
Change in Inventory	(80.40)	170.29	124.21	87.08
<b>Total Expenses(B)</b>	<b>319.31</b>	<b>1,140.51</b>	<b>568.96</b>	<b>610.79</b>
<b>C. Profit before exceptional ,extraordinary items and tax (A-B)</b>	<b>47.73</b>	<b>142.52</b>	<b>42.04</b>	<b>17.20</b>
Less: Exceptional Items		-	-	-
<b>Profit before extraordinary items and tax</b>	<b>47.73</b>	<b>142.52</b>	<b>42.04</b>	<b>17.20</b>
Extra ordinary items		-	-	-
<b>Profit before tax</b>	<b>47.73</b>	<b>142.52</b>	<b>42.04</b>	<b>17.20</b>
Tax expense :				
Tax Expense for Current Year	14.00	42.00	14.39	7.36
Short/(Excess) Provision of Earlier Year		4.85	-	6.20
Deferred Tax	(0.36)	(1.90)	0.22	0.38
<b>Total Tax Expenses</b>	<b>13.64</b>	<b>44.95</b>	<b>14.61</b>	<b>13.94</b>
<b>Profit/(Loss) for the period After Tax-PAT</b>	<b>34.09</b>	<b>97.57</b>	<b>27.43</b>	<b>3.26</b>

## ANNEXURE-III

## STATEMENT OF CASH FLOWS AS RESTATED

(Rs. In Lakhs)

Particulars	For period ended October 31, 2018	For the year ended		
		March 31, 2018	March 31, 2017	March 31, 2016
<b>Cash Flow From Operating Activities:</b>				
Net Profit before tax as per Profit And Loss A/c	47.73	142.52	42.04	17.19
<b>Adjustments for:</b>				
Depreciation and amortization	10.53	22.43	14.09	15.84
Finance costs	14.76	23.35	41.89	43.06
Interest income	3.89	5.20	4.96	4.97
<b>Operating Profit Before Working Capital Changes</b>	69.13	183.10	93.06	71.12
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Trade receivables	15.11	(25.70)	(37.81)	(34.99)
Short-term loans and advances	(9.72)	(191.80)	(5.51)	38.66
Long-term loans and advances	0.50	1.00	(3.00)	-
Inventory	(80.40)	170.29	124.21	87.08
Other Non current assets	-	-	-	-
Other current assets	(3.50)	2.32	2.25	-
<i>Adjustments for increase / (decrease) in operating liabilities:</i>	-	-	-	-
Short -term provision	0.86	2.12	(0.93)	11.81
Trade payables	(57.42)	51.34	17.29	(35.36)
Other current liabilities	(44.98)	(30.42)	(33.27)	(18.36)
<b>Cash Generated From Operations</b>	(110.41)	162.26	156.29	119.96
Net Income Tax paid/ refunded	0.53	45.28	15.76	45.21
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>(110.94)</b>	<b>116.98</b>	<b>140.52</b>	<b>74.75</b>
<b>Cash Flow From Investing Activities:</b>				
Purchase of fixed assets	(3.39)	(13.23)	(47.78)	(5.98)
Increase in Fixed Deposits		(55.99)	(6.19)	(6.09)
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(3.39)</b>	<b>(69.21)</b>	<b>(53.97)</b>	<b>(12.07)</b>
<b>Cash Flow from Financing Activities:</b>				
Interest Income	3.89	5.20	4.96	4.97
Dividend Paid		(0.10)	(0.10)	(0.10)
Corporate Dividend tax		(0.02)	(0.02)	(0.02)
Short term Borrowings	105.92	62.67	(19.98)	(29.19)
Finance Cost	(14.76)	(23.35)	(41.89)	(43.06)
Repayment of Loans	(0.40)	(81.17)	(23.06)	(43.89)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>94.65</b>	<b>(36.77)</b>	<b>(80.09)</b>	<b>(111.29)</b>

<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(19.69)</b>	<b>10.99</b>	<b>6.47</b>	<b>(48.61)</b>
<b>Cash &amp; Cash Equivalents As At Beginning of the Year</b>	<b>36.94</b>	<b>25.95</b>	<b>19.48</b>	<b>68.09</b>
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>17.25</b>	<b>36.94</b>	<b>25.95</b>	<b>19.48</b>

**Reconciliation of cash and cash equivalents with Balance sheet**

Cash and cash equivalents at end of year	135.52	155.21	88.23	75.57
Less: Balances not considered as cash and cash equivalents in other deposit accounts with original maturity more than 3 months	118.27	118.27	62.28	56.09
Net cash and cash equivalents at the end of year	17.25	36.94	25.95	19.48

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated Consolidated summary financial information.

## SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS

### A. BACKGROUND

The Company was incorporated as a private limited company under the provisions of Companies Act 1956 vide Certificate of Incorporation dated 31<sup>st</sup> December, 2007 issued by the Registrar of Companies, Maharashtra, Mumbai bearing Corporate Identity Number U92100MH2007PTC177175. The name of the Company was subsequently changed to V R Films & Studios Limited pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on 22<sup>nd</sup> February, 2019 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated 11<sup>th</sup> March 2019 bearing Corporate Identity Number U92100MH2007PLC177175.

### B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Restated Summary Statement of Assets and Liabilities of the Company as on October 31, 2018, March 31, 2018, March 31, 2017, and March 31, 2016, and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the period ended on October 31, 2018 and for the year ended on March 31, 2018, March 31, 2017, and March 31, 2016, and the annexure thereto (collectively, the “**Restated Financial Statements**” or “**Restated Summary Statements**”) have been extracted by the management from the Audited Financial Statements for the period ended on October 31, 2018 and for the year ended March 31, 2018, March 31, 2017, and March 31, 2016.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

#### 2. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include value of unbilled revenue and value of WIP stock etc. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

#### 3. FIXED ASSETS

Tangible Assets are stated at cost of acquisition (net of Cenvat and VAT Credit availed) less accumulated depreciation and impairment loss if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Gains and Losses arising from disposal of the fixed assets which are carried at cost are recognised in the Statement of Profit & Loss.

#### **4. DEPRECIATION**

Depreciation on Fixed Assets is provided on Written Down Value Basis as per companies Act 2013 over the useful life of assets estimated by Management. Intangible assets are amortized over their respective individual estimated lives on Written Down Value Basis, commencing from the date the asset is available to the Company for its use.

#### **5. BORROWING COSTS**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **6. IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount.

#### **7. INVESTMENTS**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### **8. REVENUE RECOGNITION**

- i) Revenue from sale of Dubbing, Films Imports and Distribution rights are recognized upon handing over the delivery of the distribution rights / Films to the customer.
- ii) Revenue from contracts priced on a time of material basis are recognized when services are rendered and related costs are incurred.
  - iii) Interest income is recognized on time proportion basis.
  - iv) Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition".

## 9. FOREIGN CURRENCY TRANSACTIONS

### Recording:-

Transactions in foreign currency are recorded at original rates of exchanges in force at the time when the transactions are effected.

### Realization / Payment:-

Exchange differences arising on realization / payment of foreign exchange during the year are accounted in the relevant year as income or expense.

### Year -end adjustment:-

Amount of Foreign currency transactions remaining pending at year-end are recorded at the exchange rate prevailing at that time.

## 10. EMPLOYEE BENEFITS

- i) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is required.
- ii) Employee Benefits such as Salaries, allowances, non-monetary benefits are debited to Profit and Loss account.
- iii) **Provident fund:** The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.
- iv) **Gratuity:** The Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's salary and the tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date.

## 11. SEGMENT ACCOUNTING

### (i) Business Segment

- (a) The business segment has been considered as the primary segment.
- (b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- (c) The Company's primary business includes Film Distribution & Dubbing and accordingly this is the only segment as envisaged in Accounting Standard 17 'Segment Reporting'. Disclosure for Segment reporting is not applicable.



(ii) Geographical Segment

The Company supplies its services in domestic as well as export market, however primary segment is selected as reportable segment since there is no comparatively major difference in risk and reward in above geographical segments.

## 12. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

## 13. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or

b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**14. EARNINGS PER SHARE:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Bonus Share allotment has been considered as if it took place at the beginning of Restatement period.

**15. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

**C. CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS**

There is no change in significant accounting policies except accounting of Gratuity which was previously done on cash basis, has now been accounted based on mercantile system as certified by Independent Actuary.

**D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS**

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

2. The amounts due to Micro, Small and Medium Enterprises suppliers defined under "The Micro Small and Medium Enterprises Development Act 2006" have been identified on the basis of information available with the Company.

**3. Employee benefits:**

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:-

**Gratuity***(Rs in Lakhs)*

Particulars	2017-18	2016-17	2015-16
<b>1.The amounts recognized in the Balance Sheet are as follows:</b>			
Present value of unfunded obligations Recognized	19.55	14.06	11.72
<b>Net Liability</b>	<b>4.62</b>	<b>2.50</b>	<b>3.43</b>
<b>2.The amounts recognized in the Profit &amp; Loss A/c are as follows:</b>			
Current Service Cost	2.14	1.95	1.08
Interest on Defined Benefit Obligation	0.19	0.27	0.27
Net Actuarial Losses / (Gains) Recognized in Year	2.12	(0.94)	3.43
Past Service Cost	2.78	NIL	NIL

Total, Included in “Salaries, Allowances & Welfare”	2.12	(0.93)	3.43
<b>3.Changes in the present value of defined benefit obligation:</b>			
Defined benefit obligation as at the beginning of the year/period	14.06	11.72	9.48
Service cost	2.14	1.95	1.08
Interest cost	1.06	0.92	0.75
Actuarial Losses/(Gains)	0.84	(0.28)	0.40
Gratuity Benefit Paid	(1.33)	(0.25)	NIL
Past Service Cost	2.78	NIL	NIL
<b>Defined benefit obligation as at the end of the year/period</b>	<b>19.55</b>	<b>14.06</b>	<b>11.72</b>
<b>Benefit Description</b>			
Benefit type:		<b>Gratuity Valuation as per Act</b>	
Retirement Age:		<b>58 Years</b>	<b>58 years</b>
Vesting Period:			
<b>The principal actuarial assumptions for the above are:</b>			
Future Salary Rise:		<b>10.00%</b>	<b>10.00%</b>
Discount rate per annum:		<b>7.51%</b>	<b>7.51%</b>
Attrition Rate:			
Mortality Rate:		<b>Indian Assured Lives Mortality (2006-2008)</b>	

**4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)**

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure - Y, for any of the years covered by the statements.

**5. Related Party Disclosure (AS 18)**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – X of the enclosed financial statements.

**6. Accounting For Taxes on Income (AS 22)**

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year/period is reported as under:

(Rs in Lakhs)

Particulars	As at			
	31-Oct-18	31-03-18	31-03-17	31-03-16
<b>Major Components of deferred tax arising on account of timing differences are:</b>				
Timing Difference Due to Depreciation				
Deferred Tax Liability/ (Assets) (A)	1.81	1.49	0.22	0.17

Provision of Gratuity outstanding as on the end of Period	Nil	Nil	Nil	Nil
Cumulative Balance of Expenses Disallowed under Section 43B	Nil	Nil	Nil	Nil
Timing Difference Due to Gratuity and Expenses disallowed U/s 43B	1.64	1.38	0.75	1.03
Deferred Tax Assets (B)	1.64	1.38	0.75	1.03
<b>Cumulative Balance of Deferred Tax Liability/(Assets) (Net) (A-B)</b>	<b>3.44</b>	<b>2.87</b>	<b>0.97</b>	<b>1.19</b>

**7. Earnings Per Share (AS 20):**

Earnings per Share have been calculated is already reported in the Annexure-AA of the enclosed financial statements.

**8. MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS]**

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (losses) of the Company is as under.

**Statement of adjustments in the Financial Statements**

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & losses of the company.

**1. Statement of Profit and Loss after Tax**

**Table -1**

*(Rs in Lakhs)*

Particulars	31-Oct-18	31-Mar-18	31-Mar-17	31-Mar-16
<b>Net Profit After Tax as per audited accounts but before adjustments for restated accounts:</b>	<b>34.69</b>	<b>99.06</b>	<b>26.66</b>	<b>5.55</b>
(Short)/Excess Provision of Gratuity Expenses	(0.86)	(2.12)	0.94	(3.43)
(Short)/Excess Provision of Income Tax				
(Short)/Excess Provision for Deferred Tax Assets	0.26	0.63	(0.28)	1.03
Adjustment of Dividend Tax paid and Dividend tax thereon	-	-	0.12	0.12
(Short)/Excess Provision/Prepaid of Insurance on Mercantile Basis	-	-	-	-
(Short)/Excess Provision/Prepaid of Insurance on Electricity Expenses	-	-	-	-
(Short)/Excess Provision of Professional fee	-	-	-	-
(Short)/Excess Provision of Interest on Bank Loan	-	-	-	-

(Short)/Excess Provision for Interest on Service Tax outstanding Balance	-	-	-	-
<b>Net Adjustment in Profit and Loss Account</b>	<b>(0.60)</b>	<b>(1.49)</b>	<b>0.78</b>	<b>(2.29)</b>
<b>Net Profit After Tax as per Restated Accounts</b>	<b>34.09</b>	<b>97.57</b>	<b>27.43</b>	<b>3.26</b>

The reconciliation of Equity and Reserves as per audited results and the Equity and Reserves as per Restated Accounts is presented below in Table-2. This summarizes the results of restatements made and its impact on the net-worth of the Company.

**Table -2**

**A. Equity Share Capital**

(Rs. In Lakhs)

Particulars	31-Oct-18	31-Mar-18	31-Mar-17	31-Mar-16
<b>Paid Up Equity Share Capital (Audited)</b>	1.00	1.00	1.00	1.00
Changes During Restatement				
<b>Paid Up Equity Share Capital (Restated)</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

**2) Surplus in Profit and Loss account**

(Rs. In Lakhs)

Particulars	31-Oct-18	31-Mar-18	31-Mar-17	31-Mar-16
<b>Surplus in Profit and Loss account (Audited)</b>	<b>34.69</b>	<b>99.06</b>	<b>26.66</b>	<b>5.55</b>
Net Incremental Adjustment in Profit and Loss Account As per Table 1	(0.60)	(1.49)	0.78	(2.29)
Adjustment of Excess provision of Income Tax with Provision for Tax in Statement of Profit and Loss A/c	-	-	-	-
Elimination of Provision for Gratuity Expenses of prior period	-	-	-	-
Elimination of Provision for Interest on service tax of prior period	-	-	-	-
<b>Prior Period Adjustment with Opening Balance of Retained Earnings</b>	-	-	-	-
Less: Opening gratuity Liability as on 01.04.2015	-	-	-	-
Less: Short Provision towards Provident Fund prior to 31.03.2015	-	-	-	-
Add: Excess Provision of Interest	-	-	-	-
Add: Opening Short DTA recognition as on 01.04.2015	-	-	-	-
<b>Net Adjustment</b>	-	-	-	-
<b>Surplus in Profit and Loss account (Restated)</b>	<b>34.09</b>	<b>97.57</b>	<b>27.43</b>	<b>3.26</b>

**a) Adjustment on account of provision for Gratuity and Compensated Absences:**

The Company did not provide gratuity based on the requirement of AS -15 (Revised), rather it has accounted the same on cash basis. Therefore during the restatement of FY 2016-17 and FY 2017-18, provision for gratuity have been done as per the actuarial valuation. There was no gratuity due for the

FY 2014-15 accordingly prior period expenses of Rs. NIL pertaining to period upto 31<sup>st</sup> March 2015 has been adjusted with Opening balance of retained earnings as on 01<sup>st</sup> April 2015.

**b) Adjustment on account of Provision of Deferred Tax Assets:**

Due to Provision for Gratuity (Employee benefits) and certain disallowances in Income Tax Act during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal Tax rate applicable at the end of relevant year. Due to same revised deferred tax assets has been recognized in the restated financial statement of the respective year.

**9. Realizations:**

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

**10. Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

**11. Amounts in the financial statements**

Amounts in the financial statements are reported in rupees and rounded off to second digit of decimal. Figures in brackets indicate negative values.

**12. Auditors Qualifications –**

Details of Auditors qualifications and their impact on restated financial statement is given below.

a) Qualification which required adjustment in restated financial statements

None

b) Qualification which does not require adjustment in restated financial statements – Details given below

None

## ANNEXURE-A

## DETAILS OF SHARE CAPITAL AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Equity Share Capital</b>				
<b>Authorised:</b>				
Equity Shares of Rs. 10 each	10	10	10	10
<b>Issued, Subscribed and Paid Up</b>				
Equity Shares of Rs. 10 each	1.00	1.00	1.00	1.00
<b>Total</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

(Rs. In Lakhs)

Reconciliation of number of shares outstanding at the end of the year:	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Equity Shares at the beginning of the year	1.00	1.00	1.00	1.00
Add: Shares issued during the year	-	-	-	-
Add: Bonus shares issued during the year				
<b>TOTAL</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

## Details of Shareholders holding more than 5% of the aggregate shares of the company:

Name of Shareholders	As at							
	October 31, 2018		March 31, 2018		March 31, 2017		March 31, 2016	
	No. of Shares	% of Holding	No.	% of Holding	No.	% of Holding	No.	% of Holding
Manish Satprakash Dutt	8,000	80.00	8,000	80.00	8,000	80.00	8,000	80.00
Krishi Satprakash Dutt	1,000	10.00	1,000	10.00	1,000	10.00	1,000	10.00
Pawan Kumar Dutt	1,000	10.00	1,000	10.00	1,000	10.00	1,000	10.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>	<b>10,000</b>	<b>100.00</b>	<b>10,000</b>	<b>100.00</b>	<b>10,000</b>	<b>100.00</b>

## ANNEXURE-B

## DETAILS OF RESERVES AND SURPLUS AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Security Premium</b>				
Opening Balance	48.00	48.00	48.00	48.00
Add: Issue During the year	NIL	NIL	NIL	NIL
Closing Balance	48.00	48.00	48.00	48.00
<b>Surplus</b>				
Opening Balance	249.44	151.99	124.69	121.54
Add: Restated Profit/ (Loss) for the year	34.09	97.57	27.43	3.26
Less: Dividends proposed to be distributed to equity shareholders ( INR 10 per share)	-	0.10	0.10	0.10
Less: Tax on dividend	-	0.02	0.02	0.02
<b>Closing Balance (B)</b>	<b>283.54</b>	<b>249.44</b>	<b>151.99</b>	<b>124.69</b>
<b>TOTAL</b>	<b>331.54</b>	<b>297.44</b>	<b>199.99</b>	<b>172.69</b>

## ANNEXURE-C

## DETAILS OF LONG TERM BORROWING AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Unsecured Loan</b>				
<b>(a) Term loans</b>				
<b>From Banks</b>				
HDFC Bank	-	-	-	8.01
Ratnakar Bank	-	-	0.02	7.93
Deutsche Bank	-	-	4.57	17.10
Standard Chartered Bank	-	-	19.34	39.72
Capital First Limited	-	-	0.72	7.76
Bajaj Finserve	-	-	2.40	8.80
Magna Fincorp	-	-	2.82	9.54
Tata Capital Financial Services Limited	-	-	-	5.77
<b>(b) From directors and their relatives</b>	-	0.40	51.72	-
<b>Total</b>	-	<b>0.40</b>	<b>81.57</b>	<b>104.63</b>



## ANNEXURE-D

## DETAILS OF SHORT TERM BORROWING AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Secured Loan</b>				
<b>From Banks</b>				
IDBI Bank	43.78	-	-	41.36
Standard Chartered Bank	189.04	-	-	-
Kotak Mahindra Bank	-	126.90	64.23	42.84
<b>Total</b>	<b>232.82</b>	<b>126.90</b>	<b>64.23</b>	<b>84.20</b>

## STATEMENT OF PRINCIPAL TERMS OF SECURED AND UNSECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose of Credit Facility	Sanctioned Amount (Lakhs Rs.)	Rate of interest	Securities offered	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books)	
							31-Oct-18	31-03-2018
Kotak Bank	Working Capital	145.00	10%	Residential Property of Director, Manish Dutt	On Demand Repayable	8/20/2018	-	126.90
Standard Chartered Bank	Working Capital	250.00	10.15%	Residential Property of Director, Manish Dutt	On Demand Repayable	4/5/2019	189.04	-
IDBI Bank	FD-OD (Working Capital)	101.00	FD Rate + 2.00%	Hypothecation of Bank FDR	On Demand Repayable	1/23/2020	43.78	-
<b>Total</b>							<b>232.82</b>	<b>126.90</b>

## ANNEXURE-E

## DETAILS OF DEFERRED TAX ASSET/ (LIABILITY) AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Deferred Tax Assets (Net)</b>				
Opening Balance	2.87	0.97	1.20	0.16
Add : Provision made for Current Period	0.36	1.90	(0.23)	1.14
<b>TOTAL</b>	<b>3.23</b>	<b>2.87</b>	<b>0.97</b>	<b>1.20</b>

## ANNEXURE-F

## DETAILS OF TRADE PAYABLES AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31,2018	March 31,2017	March 31,2016
<b>Trade Payable</b>				
Micro, Small and Medium Enterprise	-	-	-	-
Others	57.02	114.44	63.10	45.81
<b>TOTAL</b>	<b>57.02</b>	<b>114.44</b>	<b>63.10</b>	<b>45.81</b>

## ANNEXURE-G

## DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31,2018	March 31,2017	March 31,2016
<b>Other Current Liabilities</b>				
<b>Other Payables</b>				
Employee Related	9.07	9.66	8.91	6.88
Provision For Expenses	0.86	0.64	0.62	0.38
Statutory Payables	5.53	29.85	13.62	28.57
Advance from customers	3.45	-	2.50	-
Current Maturities of Long Term Liabilities	6.12	29.86	74.77	97.87
<b>Total</b>	<b>25.03</b>	<b>70.01</b>	<b>100.43</b>	<b>133.70</b>

## ANNEXURE-H

## DETAILS OF SHORT TERM PROVISION AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31,2018	March 31,2017	March 31,2016
<b>Short Term Provisions</b>				
<b>Provision for Employee Benefits</b>				
Provisions for Gratuity	5.48	4.62	2.50	3.43
<b>Other Provisions</b>				
Provision for Expenses	-	-	-	-
Dividend and Dividend Tax	0.12	0.12	0.12	0.12
Provision for Income Tax (Net of Advance Tax and TDS)	-	-	-	-
<b>Total</b>	<b>5.60</b>	<b>4.74</b>	<b>2.62</b>	<b>3.55</b>

## ANNEXURE-I

## DETAILS OF FIXED ASSETS AS RESTATED

(Rs. In Lakhs)

Particulars	Gross Block			Depreciation					Net Block	
	As at	Additions	Deletions	As at	Upto	During the	Deletion	Total upto	As at	As at
	01-04-2015	during the year	during the year	31-Mar-16	1-Apr-15	year	during the yr	31-Mar-16	31-Mar-16	31-Mar-15
Air Conditions	1.07	1.31	-	2.38	0.24	0.31	-	0.55	2.06	1.07
Civil Work	0.21	-	-	0.21			-	-	0.21	0.21
Computers and Peripherals	1.26	1.83	-	3.08	1.10	1.54	-	2.63	1.54	1.26
Dubbing Studios & Equipment	19.54	0.69	-	20.23	4.98	4.13	-	9.10	16.10	19.54
DVD Player	0.01	-	-	0.01	0.04	0.00	-	0.04	0.01	0.01
Furniture & Fixture	2.97	2.02	-	4.99	0.94	1.00	-	1.94	3.99	2.97
Mobile Phones	0.40	-	-	0.40	0.11	0.07	-	0.18	0.33	0.40
Motor Car	33.08	-	-	33.08	1.59	8.56	-	10.15	24.52	33.08
Office Equipment	0.06	-	-	0.06	0.11	0.02	-	0.14	0.03	0.06
Television	0.30	0.14	-	0.44	0.02	0.19	-	0.21	0.25	0.30
Vaccum Cleaner	0.01		-	0.01	0.01	0.00	-	0.02	0.00	0.01
<b>Total</b>	<b>58.89</b>	<b>5.98</b>	<b>-</b>	<b>64.88</b>	<b>9.12</b>	<b>15.84</b>	<b>-</b>	<b>24.96</b>	<b>49.03</b>	<b>58.90</b>
<i>Previous Year</i>										

**FY 2016-17**

Particulars	Gross Block				Depreciation				Net Block	
	As at 1-Apr-16	Additions during the year	Deletions during the year	As at 31-Mar-17	Upto 1-Apr-16	During the year	Deletion during the yr	Total upto 31-Mar-17	As at 31-Mar-17	As at 31-Mar-16
<b><u>Tangible Asset</u></b>										
Air Conditions	2.77	2.04	-	4.81	0.70	0.43	-	1.13	3.68	2.06
Civil Work	0.21	-	-	0.21			-	-	0.21	0.21
Computers and Peripherals	4.91	2.04	-	6.95	3.37	1.63		5.00	1.96	1.54
Dubbing Studios & Equipment	28.68	42.29	-	70.97	12.59	4.36		16.95	54.02	16.09
DVD Player	0.02	-	-	0.02	0.02	0.00		0.02	0.00	0.01
Furniture & Fixture	6.52	1.23	-	7.75	2.53	1.09		3.62	4.12	3.99
Mobile Phones	0.56	-	-	0.56	0.23	0.06		0.29	0.27	0.33
Motor Car	46.22	-	-	46.22	21.71	6.35		28.05	18.17	24.51
Office Equipment	0.12	-	-	0.12	0.09	0.01		0.10	0.02	0.03
Television	0.45	0.18	-	0.63	0.21	0.16		0.36	0.27	0.24
Vaccum Cleaner	0.01		-	0.01	0.01	0.00		0.01	(0.01)	(0.00)
<b>Total</b>	<b>90.47</b>	<b>47.78</b>	<b>-</b>	<b>138.24</b>	<b>41.45</b>	<b>14.09</b>	<b>-</b>	<b>55.53</b>	<b>82.71</b>	<b>49.02</b>
<i>Previous Year</i>	<i>58.89</i>	<i>5.98</i>	<i>-</i>	<i>64.88</i>	<i>9.12</i>	<i>15.84</i>	<i>-</i>	<i>24.96</i>	<i>49.03</i>	<i>58.90</i>

**FY 2017-18**

Particulars	Gross Block				Depreciation				Net Block	
	As at 1-Apr-17	Additions during the year	Deletions during the year	As at 31-Mar-18	Upto 1-Apr-17	During the year	Deletion during the yr	Total upto 31-Mar-18	As at 31-Mar-18	As at 31-Mar-17
<b><u>Tangible Asset</u></b>										
Air Conditions	4.81	-	-	4.81	1.13	0.67	-	1.79	3.01	3.68

Civil Work	0.21	-	-	0.21	-	-	-	-	0.21	0.21
Computers and Peripherals	6.95	4.74	-	11.69	5.00	3.33	0.00	8.33	3.36	1.96
Dubbing Studios & Equipment	70.97	8.00	-	78.96	16.95	12.38	-	29.32	49.64	54.02
DVD Player	0.02	-	-	0.02	0.02	0.00	-	0.02	0.00	0.00
Furniture & Fixture	7.75	0.49	-	8.24	3.62	1.17	-	4.79	3.45	4.12
Mobile Phones	0.56	-	-	0.56	0.29	0.05	-	0.34	0.22	0.27
Motor Car	46.22	-	-	46.22	28.05	4.70	-	32.76	13.46	18.17
Office Equipment	0.12	-	-	0.12	0.10	0.01	-	0.11	0.01	0.02
Television	0.63	-	-	0.63	0.36	0.12	-	0.48	0.15	0.27
Vaccum Cleaner	0.01	-	-	0.01	0.01	0.00	-	0.01	(0.01)	(0.01)
<b>Total</b>	<b>138.24</b>	<b>13.23</b>	<b>-</b>	<b>151.47</b>	<b>55.53</b>	<b>22.43</b>	<b>0.00</b>	<b>77.96</b>	<b>73.51</b>	<b>82.71</b>
<i>Previous Year</i>	<i>90.47</i>	<i>47.78</i>	<i>-</i>	<i>138.24</i>	<i>41.45</i>	<i>14.09</i>	<i>-</i>	<i>55.53</i>	<i>82.71</i>	<i>49.02</i>

31<sup>st</sup> October 2018

Particulars	Gross Block				Depreciation				Net Block	
	As at 1-Apr-18	Additions during the year	Deletions during the year	As at 31-Oct-18	Upto 1-Apr-18	During the Period	Deletion during the period	Total upto 31-Oct-18	As at 31-Oct-18	As at 31-Mar-18
<b>Tangible Asset</b>										
Air Conditions	4.81	0.25	-	5.06	1.79	0.32	-	2.12	2.94	3.01
Civil Work	0.21	-	0.21	-	-	-	-	-	-	0.21
Computers and Peripherals	11.69	1.58	-	13.28	8.33	1.45	-	9.72	3.50	3.36
Dubbing Studios & Equipment	78.86	1.17	-	80.04	29.22	6.05	-	35.27	44.77	49.64
DVD Player	0.02	-	-	0.02	0.02	0.00	-	0.02	0.00	0.00
Furniture & Fixture	8.24	0.60	-	8.84	4.79	0.60	-	5.39	3.44	3.45
Mobile Phones	0.56	-	-	0.56	0.34	0.02	-	0.36	0.20	0.22
Motor Car	46.2	-	-	46.2	32.76	2.04	-	34.8	11.42	13.4

	2			2				0		6
Office Equipment	0.12	-	-	0.12	0.11	0.00	-	0.11	0.01	0.01
Television	0.63	-	-	0.63	0.48	0.03	-	0.52	0.11	0.15
Vaccum Cleaner	0.01	-	-	0.01	0.01	0.00	-	0.01	(0.01)	(0.01)
<b>Total</b>	<b>151.37</b>	<b>3.60</b>	<b>0.21</b>	<b>154.51</b>	<b>77.86</b>	<b>10.53</b>		<b>88.39</b>	<b>66.39</b>	<b>73.51</b>
Previous Year	90.47	47.78	-	138.24	41.45	14.09	-	55.53	82.71	49.02

ANNEXURE- J

DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Mvat Deposit	0.25	0.25	0.25	0.25
Income Tax Receivable	31.39	31.39	32.96	9.37
<b>TOTAL</b>	<b>31.64</b>	<b>31.64</b>	<b>33.21</b>	<b>9.62</b>

ANNEXURE- K

DETAILS OF LONG TERM LOANS & ADVANCES AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Loans and Advances to Related Parties</b>				
Rent Deposits	11.00	11.00	11.00	8.00
Other Advances	-	0.50	1.50	1.50
<b>TOTAL</b>	<b>11.00</b>	<b>11.50</b>	<b>12.50</b>	<b>9.50</b>

ANNEXURE- L

DETAILS OF INVENTORIES AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Inventories</b>				
Raw Materials and Components	-	-	-	-
WIP/Semi finished	-	-	-	-
Finished Goods	80.40	-	170.29	294.50
<b>TOTAL</b>	<b>80.40</b>	<b>-</b>	<b>170.29</b>	<b>294.50</b>

## ANNEXURE- M

## DETAILS OF TRADE RECEIVABLES AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Outstanding for a period more than 6 months:</b>				
Unsecured, Considered Good	-	0.76	1.14	-
<b>Outstanding for a period less than 6 months:</b>				
Unsecured, Considered Good	119.45	133.80	107.72	71.06
<b>TOTAL</b>	<b>119.45</b>	<b>134.56</b>	<b>108.86</b>	<b>71.06</b>

## ANNEXURE- N

## DETAILS OF CASH &amp; CASH EQUIVALENTS AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Cash in hand	5.76	8.22	9.47	6.87
Bank balance	11.50	28.72	16.47	12.61
Earmarked Fixed deposits Accounts*	118.27	118.27	62.28	56.09
<b>Total</b>	<b>135.52</b>	<b>155.21</b>	<b>88.23</b>	<b>75.57</b>

\*Other Bank Balances includes Term Deposits under lien of Bank against overdraft facility

## ANNEXURE- O

## DETAILS OF SHORT TERM LOANS &amp; ADVANCES AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Unsecured, Considered Good unless otherwise stated</b>				
Advances to Employees	1.78	1.25	1.19	1.06
Prepaid Expenses	20.78	11.49	7.56	4.41
Advances for Movie Rights	136.18	156.58	-	-
<b>Balance with Revenue Authorities</b>				
Service Tax / GST Receivable (ITC Credit)	19.20	13.20	2.23	-
TDS/Income Tax (Net of Income Tax Provision)	22.92	22.09	1.81	24.03
<b>Total</b>	<b>200.85</b>	<b>204.60</b>	<b>12.80</b>	<b>29.50</b>

## ANNEXURE- P

## DETAILS OF OTHER CURRENT ASSETS AS RESTATED

(Rs. In Lakhs)

Particulars	As at			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Accrued Interest on Fixed Deposit	4.52	1.03	2.33	4.06
Balances in Foreign Currency	-	-	1.01	1.53
<b>Total</b>	<b>4.52</b>	<b>1.03</b>	<b>3.34</b>	<b>5.59</b>

## ANNEXURE- Q

## DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

(Rs. In Lakhs)

Particulars	For the year ended			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Revenue from Operations</b>				
Sales of service	362.31	1,277.73	606.04	623.02
Sales of Product	-	-	-	-
Less : Excise Duty/GST	-	-	-	-
Sales (Net of excise duty)	-	-	-	-
<b>Total</b>	<b>362.31</b>	<b>1,277.73</b>	<b>606.04</b>	<b>623.02</b>

## ANNEXURE- R

## DETAILS OF OTHER INCOME AS RESTATED

(Rs. In Lakhs)

Particulars	For the Year Ended			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
<b>Related and Recurring Income:</b>				
Interest Received	3.89	5.20	4.96	4.97
Foreign Exchange Gain/Loss	0.84	-	-	-
<b>Sub Total (a)</b>	<b>4.73</b>	<b>5.20</b>	<b>4.96</b>	<b>4.97</b>
<b>Non Related and Non Recurring Income:</b>				
Short Term Capital Gain	-	-	-	-
Profit on Sale of Motor Car	-	-	-	-
Interest on Income Tax Refund	-	0.10	-	-
<b>Sub Total (b)</b>	<b>-</b>	<b>0.10</b>	<b>-</b>	<b>-</b>
<b>Non Related and Recurring Income:</b>				
Dividend Income From Mutual Fund	-	-	-	-
<b>Sub Total (c)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



<b>Total (a+b+c)</b>	4.73	5.30	4.96	4.97
Other Non Operating Income % to Profit before Tax	9.91%	3.72%	11.80%	28.89%

## ANNEXURE- S

## DETAILS OF OPERATING EXPENSES AS RESTATED

(Rs. In Lakhs)

Particulars	For the Year Ended			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Dubbing Expenses	79.70	409.06	34.7	177.79
Movie Expenses	113.71	212.14	132.76	103.84
<b>Total</b>	<b>193.41</b>	<b>621.2</b>	<b>167.46</b>	<b>281.63</b>

## ANNEXURE- T

## DETAILS OF CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROCESS AS RESTATED

(Rs. In Lakhs)

Particulars	For the Year Ended			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Closing Stock of Finished Goods	80.40	-	170.29	294.50
Closing Stock of Work in progress	-	-	-	-
<b>Less :</b>				
Opening Stock of Finished Goods	-	170.29	294.50	381.58
Opening Stock of Work in Progress	-	-	-	
<b>Total</b>	<b>(80.40)</b>	<b>170.29</b>	<b>124.21</b>	<b>87.08</b>

## ANNEXURE- U

## DETAILS OF EMPLOYEE BENEFITS EXPENSE AS RESTATED

(Rs. In Lakhs)

Particulars	For the Year Ended			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Salaries, Allowanes & Bonus	122.23	172.95	140.84	120.07
Staff Welfare Expenses	1.15	1.98	1.81	0.87
<b>Total</b>	<b>123.38</b>	<b>174.93</b>	<b>142.65</b>	<b>120.94</b>

## ANNEXURE- V

## DETAILS OF FINANCE COST AS RESTATED

(Rs. In Lakhs)

Particulars	For the Year Ended			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Interest expense	10.67	17.73	35.19	37.32
Other Borrowing cost	4.09	5.63	6.70	5.73
<b>Total</b>	<b>14.76</b>	<b>23.36</b>	<b>41.89</b>	<b>43.05</b>

## ANNEXURE- W

## DETAILS OF DEPRECIATION &amp; AMORTIZATION AS RESTATED

(Rs. In Lakhs)

Particulars	For the Year Ended			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Depreciation and amortization	10.53	22.43	14.09	15.84
<b>Total</b>	<b>10.53</b>	<b>22.43</b>	<b>14.09</b>	<b>15.84</b>

## ANNEXURE- X

## DETAILS OF OTHER EXPENSES AS RESTATED

(Rs. In Lakhs)

Particulars	For the Year Ended			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Audit Fees	0.45	0.45	0.25	0.40
Business Promotion Expenses	1.69	0.34	0.52	2.60
Bad Debts	1.80	3.55	-	-
Consultancy / Professional Fees	4.26	33.76	3.42	0.28
Conveyance Charges	0.65	0.65	0.71	0.54
Diwali Expenses	-	0.54	0.35	0.49
Electricity Expenses	1.97	3.84	2.77	2.22
Internet & Cable Expenses	0.67	1.86	1.79	1.48
Membership Fees & Subscriptions	0.42	-	-	0.01
Motor Car Expenses	3.00	4.89	3.91	1.26
News Paper , Books & Publications	-	0.03	0.03	0.01
Office Expenses	0.42	1.16	0.98	0.73
Postage, Telegram and Courier	0.11	0.43	0.67	0.13
Printing & Stationery	0.79	0.88	1.68	1.13
Professional Tax	0.10	0.10	0.10	0.50
Rent on Premises	19.29	33.83	27.24	24.24
Repairs & Maintenance	1.55	2.35	1.83	1.78
Script Writing Charges	4.91-	8.34	6.48	7.79
Sundry Expenses	0.66	1.13	0.51	0.41
Telephone Expenses	0.38	1.14	1.15	1.16
Travelling Expenses	14.52	27.19	23.44	13.42
<b>Total</b>	<b>57.63</b>	<b>128.30</b>	<b>78.67</b>	<b>62.24</b>

## ANNEXURE- Y

## DETAILS OF RELATED PARTY TRANSACTIONS AS RESTATED

(Rs. In Lakhs)

Names of the related parties with whom transaction were carried out during the years and description of relationship:					
(i)	Enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, the issuer	Mikimedia Entertainment LLP			
(ii)	Associates				
(iii)	Individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the issuer, and close members of any such individual's family	None			
(iv)	Key managerial personnel	1. Manish Sat Prakash Dutt (Promoter and Shareholder) 2. Krishi Sat Prakash Dutt (Promoter and Shareholder) 3. Pawan Sat Prakash Dutt (Promoter and Shareholder)			
(v)	Relatives of iii & iv above	1. Nirmal Sat Prakash Dutt 2. Sat Prakash Dutt			
(vi)	Enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in 264[(iii) or (iv)] or over which such a person is able to exercise significant influence and includes enterprises owned by directors or major shareholders of the issuer.	None			
1. Transaction with Subsidiary and Associates					
<b>A. Mikimedia Entertainment LLP (Enterprise that is controlled by the Directors )</b>					
Sr. No.	Nature of transaction	10/31/2018	31-03-2018	31-03-2017	31-03-2016
1	Supply of Services	3.78	6.60	7.20	7.20
2	Current Liabilities- Closing Balance (Cr)/Dr	(3.09)	(0.84)	(1.82)	(1.50)
<b>2. Transaction with KMP</b>					
<b>A. Mr. Manish Dutt (Promoter and Shareholder)</b>					
1	Director Remuneration for the Year	28.88	43.51	33.22	33.16
2	Loans and Advances given				
	Rate of Interest	NIL	NIL	NIL	NIL
	Opening Balance (Cr)/Dr	-	-	-	-
	Loan given	-			
	Loan Repaid	-	-		
	Closing Balance (Cr)/Dr	-	-	-	-

<b>B. Mr. Krishi Dutt (Promoter and Shareholder)</b>					
1	Director Remuneration for the Year	27.13	40.29	30.00	15.00
<b>C. Mr. Pawan Dutt (Promoter and Shareholder)</b>					
1	Professional Fees / Remuneration	-	12.13	9.15	8.92

**ANNEXURE- Z**

**DETAILS OF CONTINGENT LIABILITY AS RESTATED**

(Rs. In Lakhs)

Particulars	For the Year Ended			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Not Applicable				

**ANNEXURE- AA**

**DETAILS OF SIGNIFICANT ACCOUNTING RATIOS AS RESTATED**

(Rs. In Lakhs)

Particulars	For the Year Ended			
	October 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Net Worth (A)	332.54	298.44	200.99	173.69
Restated Profit after tax	34.09	97.57	27.43	3.26
Less: Prior Period Item	-	-	-	-
Adjusted Profit after Tax (B)	34.09	97.57	27.43	3.26
Number of Equity Share outstanding as on the End of Year/Period ( c)	10,000	10,000	10,000	10,000
Weighted average no of Equity shares at the time of end of the year (D) after Considering Bonus Shares	10,000	10,000	10,000	10,000
Current Assets (E)	540.75	495.40	383.54	476.22
Current Liabilities (F)	320.47	316.08	230.37	267.26
Face Value per Share	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/C) (Before Issue of Bonus Share)	340.94	975.70	274.26	32.64
Restated Basic and Diluted Earning Per Share (Rs.) (B/D) (After Bonus Share)	340.94	975.70	0.91	0.11
Return on Net worth (%) (B/A)	10.25%	32.69%	13.65%	1.88%
Net asset value per share (A/C) (Face Value of Rs. 10 Each)	3325.41	2,984.43	2,009.93	1,736.87
Current Ratio (E/F)	1.69	1.57	1.66	1.78
EBITDA	73.02	182.68	91.31	70.36

1. Ratios have been calculated as below  
Basic and Diluted Earnings Per Share  
(EPS) (Rs.)

Restated Profit after Tax available to equity  
Shareholders

Weighted Average Number of Equity Shares at the end  
of the year / period

Return on Net Worth (%)

Restated Profit after Tax available to equity  
Shareholders

Restated Net Worth of Equity Shareholders

Net Asset Value per equity share  
(Rs.)

Restated Net Worth of Equity Shareholders

Number of Equity Shares outstanding at the end of the  
year / period

The Company has allotted 9,900,000 Equity shares as bonus through capitalization of Reserves and surplus dated February 20<sup>th</sup>, 2019 in ratio 99:1.

**ANNEXURE- AB**

**CAPITALISATION STATEMENT AS RESTATED**

(Rs. In Lakhs)

Particulars	Pre Issue	Post Issue*
<b>Debt</b>		
Short Term Debt	232.82	[•]
Long Term Debt	NIL	[•]
Total Debt	232.82	[•]
<b>Shareholders' Fund (Equity)</b>		
Share Capital	1.00	[•]
Reserves & Surplus	331.54	[•]
Less: Miscellaneous Expenses not w/off	-	[•]
Total Shareholders' Fund (Equity)	332.54	[•]
Long Term Debt/Equity	-	[•]
Total Debt/Equity	1.43	[•]

\*The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

## OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As at For the Period year ended October 31, 2018	As at/ For the year ended March 31, 2018	As at/ For the year ended March 31, 2017	As at/ For the year ended March 31, 2016
Basic & Diluted Earnings per Share** (in Rs.)	3.41	9.76	2.74	0.33
Return on Net Worth Ratio	10.25	32.68	13.65	1.87
Net Asset Value Per Share** (in Rs.)	33.25	29.86	20.10	17.37
Earnings before interest, tax, depreciation and amortisation (EBITDA) (Rs. In Lakhs)	73.02	182.68	91.31	70.36

\* The ratios for the period ended on October 31, 2018 are not annualised.

\*\* adjusted for change in Capital.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements as of and for the period ended October 31, 2018 and the three Financial Years ended March 31, 2018, 2017 and 2016, including the notes thereto and the report thereon, which appear elsewhere in this Prospectus. You should also read the section titled "Risk Factors" on page 23 and the chapter titled "Forward Looking Statements" on page 16, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated Financial Statements.*

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the ICDR Regulations and restated as described in the report of our auditor dated March 12, 2019 which is included in this Prospectus under "Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### Significant Developments Subsequent to the Last Financial Period

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

### Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factors" beginning on page 23. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Company's ability to successfully implement our strategy, our growth and expansion, technological changes;
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Audiences taste and behavior
4. Inability to successfully obtain registrations in a timely manner or at all;
5. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
6. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
7. Our failure to keep pace with rapid changes in entertainment sector;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Intensified competition in industries/sector in which we operate;
11. Our ability to attract, retain and manage qualified personnel;
12. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;

13. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
14. Our ability to expand our geographical area of operation.

### Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the restated financial statements for the period ended October 31, 2018 and financial years ended March 2018, March, 2017 and March, 2016.

(Rs. in Lakhs)

Particulars	For the period ended October 31, 2018		FY2018		FY 2017		FY 2016	
	Amount (Rs. In Lakhs)	% of Total Income	Amount (Rs. In Lakhs)	% of Total Income	Amount (Rs. In Lakhs)	% of Total Income	Amount (Rs. In Lakhs)	% of Total Income (%)
<b>Revenue:</b>								
Revenue From Operation (Gross)	362.31	98.71	1,277.73	99.59	606.04	99.19	623.02	99.21
Less: GST/Service Tax	-	-	-	-	-	-	-	-
Revenue From Operation (Net)	362.31	98.71	1,277.73	99.59	606.04	99.19	623.02	99.21
Other Income	4.73	1.29	5.30	0.41	4.96	0.81	4.97	0.79
<b>Total Revenue</b>	<b>367.04</b>	<b>100.00</b>	<b>1,283.03</b>	<b>100.00</b>	<b>611.00</b>	<b>100.00</b>	<b>627.99</b>	<b>100.00</b>
<b>Expenses</b>								
Operating Expenses	193.41	52.69	621.20	48.42	167.46	27.41	281.63	44.85
Employee benefit expenses	123.38	33.61	174.93	13.63	142.65	23.35	120.94	19.26
Finance Cost	14.76	4.02	23.36	1.82	41.89	6.86	43.05	6.86
Depreciation and amortization	10.53	2.87	22.43	1.75	14.09	2.31	15.84	2.52
Other Expenses	57.63	15.70	128.30	10.00	78.67	12.88	62.24	9.91
Changes in Inventory	(80.40)	(21.90)	170.29	13.27	124.21	20.33	87.08	13.87
<b>Total Expenses</b>	<b>319.31</b>	<b>87.00</b>	<b>1,140.51</b>	<b>88.89</b>	<b>568.96</b>	<b>93.12</b>	<b>610.79</b>	<b>97.26</b>
<b>Profit before Tax</b>	<b>47.73</b>	<b>13.00</b>	<b>142.52</b>	<b>11.11</b>	<b>42.04</b>	<b>6.88</b>	<b>17.20</b>	<b>2.74</b>
Tax Expense:								
Tax Expense for Current Year	14.00	3.81	42.00	3.27	14.39	2.35	7.36	1.17
Deferred Tax	(0.36)	(0.10)	(1.90)	(0.15)	0.22	0.04	0.38	0.06
Excess/Short Provisions of earlier year	-	-	4.85	0.38	-	-	6.20	0.99



Net Current Tax Expenses	13.64	3.72	44.95	3.50	14.61	2.39	13.94	2.22
<b>Restated Profit/(Loss) for the period After Tax</b>	<b>34.09</b>	<b>9.29</b>	<b>97.57</b>	<b>7.60</b>	<b>27.43</b>	<b>4.42</b>	<b>3.26</b>	<b>0.52</b>

**Revenue from operations:**

Our principal component of income is from Dubbing and Localization of content services, Sale of Movie Rights and Censor Certificate Application Fees.

**Other Income:**

Our other income primarily comprises of fixed deposit interest, foreign exchange fluctuation.

**Operating Expenses**

Our operating expenses include dubbing expenses and purchase of movie rights.

**Changes in Inventories:**

Our Inventories consist of movie distribution rights.

**Employee benefits expense:**

Our employee benefits expense primarily comprises of Salary and Wages, Contribution to PF & other funds and Staff Welfare Expenses.

**Finance Costs**

Our finance cost includes Interest Expenses and other Borrowing Cost.

**Depreciation and Amortization Expenses**

Depreciation includes depreciation on tangible assets like Dubbing Studios and Equipment, DVD Players, Computers and Peripherals etc.

**Other Expenses**

Other expenses include rent on premises, travelling expenses, script writing charges, consultancy and professional charges etc.

**Financial Performance highlights for the Period ended on October 31, 2018****Total Revenue:**

Our total income for period ended October 31, 2018 is Rs. 367.04 Lakhs which consists of Dubbing Services , sale of movie rights, income

**Revenue from operations:**

The revenue from operations during the period ended October 31, 2018 was Rs. 362.31 Lakhs. The revenue is from Dubbing Services, Censor Certificate Application Fees and Studio hire Charges which comprised 98.71% of Company's total revenue for the period ended October 31, 2018.

**Other Income:**

Our other income stood at Rs. 4.73 Lakhs comprising of 1.29% of total revenue during the period ended October 31, 2018.

**Total Expenses:**

The total expenditure during period ended October 31, 2018 was Rs. 319.31 Lakhs. The total expenditure represents 87.00% of the total revenue. The total expenses are represented by Operating Expenses, employee benefits expense, finance costs and Administrative & Other Expenses.

**Operating expense:**

Our operating expenses were Rs.193.41 Lakhs for the Period ended on October 31, 2018 consisting of Dubbing Expenses and Movie Right Expenses.

**Employee benefits expense:**

Our employee benefits expense were Rs.123.38 Lakhs for the Period ended on October 31, 2018 consisting of Salary, allowances, bonuses and Staff Welfare Expenses.

**Finance Costs**

Our finance cost consisting Interest Expenses and other Borrowing Cost was Rs.14.76 Lakhs, representing 4.02% of the total revenue for the period ended October 31, 2018.

**Profit/ (Loss) before Tax:**

The restated net profit during the period ended October 31, 2018 was Rs.47.73 Lakhs comprising 13.00% of the total revenue of our company.

**Profit/ (Loss) after Tax:**

The restated net profit during the period ended October 31, 2018 was Rs.34.09 Lakhs representing 9.29% of the total revenue of our company.

**Financial Year 2018 Compared to Financial Year 2017**

**Total Income**

Total Income for the financial year 2017-2018 stood at Rs.1283.03 Lakhs whereas in Financial Year 2016-2017 the same stood at Rs.611.00 Lakhs representing an increase of 109.99%.

**Revenue from Operations**

During the financial year 2017-2018 the net revenue from operation of our Company increased to Rs.1277.73 Lakhs as against Rs.606.04 Lakhs in the Financial Year 2016-2017 representing an increase of 110.83%. This increase was majorly due to increase in revenue from Dubbing and localization of content Services, Sale of Movie Rights.

**Other Income:**

During the financial year 2017-2018 the other income of our Company increased to Rs.5.30 Lakhs as against Rs.4.96 Lakhs in the Financial Year 2016-2017 representing an increase of 7.01%. Such increase was primarily due to increase in interest from Bank.

**Total Expenses:**

The Total Expenditure for the financial year 2017-2018 increased to Rs.1140.51 Lakhs from Rs.568.96 Lakhs in the previous financial year representing an increase of 100.46%.

**Operating expense:**

Our operating expenses for the financial year 2017-2018 increased to Rs.621.20 Lakhs from Rs.167.46 Lakhs in the previous financial year representing an increase of 270.95%. The increase was attributable to expansion of our business activities.

**Employee benefits expense:**

Our Company has incurred Rs.174.93 Lakhs as Employee benefits expense during the financial year 2017-2018 as compared to Rs.142.65 Lakhs in the financial year 2016-2017 representing an increase of 22.63% .

**Finance costs:**

These costs were for the financial Year 2017-2018 decreased to Rs.23.36 Lakhs as against Rs.41.89 Lakhs during the previous financial year. The decrease of 44.23% as compared to previous financial year due to repayment of borrowings.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2017-2018 stood at Rs.22.43 Lakhs as against Rs.14.09 Lakhs during the previous financial year. The increase of 59.19% was due to increase in our asset base.

**Other Expenses:**

Our Company has incurred Rs. 128.30 Lakhs during the Financial Year 2017-2018 on other expenses as against Rs. 78.67 Lakhs during the financial year 2016-2017 representing an increase of 63.09%.

**Restated Profit before tax:**

The Company reported Restated profit before tax for the Financial Year 2017-2018 of Rs. 142.52 Lakhs in comparison to Restated profit of Rs.42.04 Lakhs in financial year 2016-2017 representing an increase of 239.03%.

**Restated profit after tax:**

Net Profit after tax for the Financial Year 2017-2018 increased to Rs.97.57 lakhs as compared to Rs.27.43 Lakhs financial year 2016-2017. The increase in profit after tax by 255.73% was majorly due to factors mentioned above.

**Financial Year 2017 Compared to Financial Year 2016****Total Income:**

Total income for the financial year 2016-2017 stood at Rs.611.00 Lakhs whereas in Financial Year 2015-2016 the same stood at Rs.627.99 Lakhs representing a decrease of 2.71%.

**Revenue from Operations**

During the financial year 2016-2017 the net revenue from operation of our Company decreased to Rs.606.04 Lakhs as against Rs.623.02 Lakhs in the Financial Year 2015-2016 representing a decrease of 2.73%. This decrease was due to normal course of business.

**Other Income:**

During the financial year 2016-2017 the other income of our Company stood at Rs.4.96 Lakhs as against Rs.4.97 Lakhs in the Financial Year 2015-2016 representing a decrease of 0.30%.

**Total Expenses:**

The Total Expenditure for the financial year 2016-2017 decreased to Rs.568.96 Lakhs from Rs.610.79 Lakhs in the previous financial year representing a decrease of 6.85% corresponding to decrease in the revenue from operations.

**Operating expense:**

Our operating expenses for the financial year 2016-2017 decreased to Rs.167.46 Lakhs from Rs.281.63 Lakhs in the previous financial year representing a decrease of 40.54%. The decrease was due to corresponding decrease in revenue level.

**Employee benefits expense:**

Our Company has incurred Rs.142.65 Lakhs as Employee benefits expense during the financial year 2016-2017 as compared to Rs.120.94 Lakhs in the financial year 2015-2016. The increase of 17.95% was due to increase in hiring of experienced staff and increase in Head Count with Annual Salary increment.

**Finance costs:**

These costs were for the financial Year 2016-2017 decreased to Rs.41.89 Lakhs as against Rs.43.05 Lakhs during the previous financial year. The decrease of 2.69% as compared to previous financial year was due to decrease in borrowings.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2016-2017 stood at Rs.14.09 Lakhs as against Rs.15.84 Lakhs during the previous financial year reflecting a decrease of 11.05%.

**Other Expenses:**

Our Company has incurred Rs. 78.67 Lakhs during the Financial Year 2016-2017 on other expenses as against Rs. 62.24 Lakhs during the financial year 2015-2016 reflecting increase of 26.40%.

**Restated Profit before tax:**

Net Profit before tax for the financial year 2016-2017 increased to Rs.42.04 Lakhs as compared to Rs.17.20Lakhs in the financial year 2015-2016 representing an increase by 144.42%.

**Restated profit after tax:**

The Company reported Restated profit after tax for the financial year 2016-2017 of Rs.27.43 Lakhs in comparison to Restated Profit of Rs.3.26Lakhs in the financial year 2015-2016 representing an increase of 741.54% due to factors mentioned above.

**OTHER MATTERS****1. Unusual or infrequent events or transactions**

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Other than as described in the section titled "Risk Factors" beginning on page 23 to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Other than as disclosed in the "Risk Factors" beginning on page 23 to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**4. Future relationship between Costs and Income**

Our Company's future costs and revenues will be determined by economic activity, government policies and availability of skilled manpower.

**5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices.**

The increase in revenue is by and large linked to increases in volume of business activity by the Company.

**6. Total turnover of each major industry segment in which the issuer company operates.**

The Company is operating in Entertainment Industry, relevant industry data, as available, has been included in the chapter titled "Industry Overview" beginning on page 86.

**7. Status of any publicly announced new products/projects or business segments**

Our Company has not announced any new projects or business segments, other than disclosed in the Prospectus.

**8. The extent to which the business is seasonal**

Our business operations are not subject to significant seasonal trends.

**9. Any significant dependence on a single or few suppliers or customers.**

For the period ended October 31, 2018 our top five clients contributed approximately 87.12% of our revenue from operations based on Restated Financial Statements.

For the period ended October 31, 2018 our top five suppliers contributed approximately 95.66% of our total dubbing expenses based on Restated Financial Statements.

**10. Competitive Conditions**

We face competition from existing and potential organized and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "*Our Business*" beginning on page 97.

**SECTION-VII LEGAL AND OTHER INFORMATION**  
**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no outstanding:

- A.** (i) criminal proceedings; (ii) actions taken by statutory/regulatory authorities; (iii) any disciplinary action including penalty imposed by SEBI/ Stock exchanges against the promoters in the last five financial years including any outstanding action. (iv) indirect and direct tax proceedings; (v) material litigation(s) involving our Company, our Directors and our Promoter. Our Board, in its meeting held on March 13, 2019, determined that outstanding legal proceedings involving our Company, Directors and Promoters shall be considered material if that litigation by or against our Company/ its Promoter, Directors and its group companies/ entities shall be considered material if,
- i. the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements; or
  - ii. where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of profit after tax – of the Company as per the last audited financial statements, if similar litigations put together collectively exceed 1% of the profit after tax of the Company; or
  - iii. litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.”
- B. Outstanding material dues to creditors of our Company and dues to micro, small and medium enterprises and other creditors (as defined below).**

Our Board, in its meeting held on March 13, 2019 determined that in view of the nature and extent of outstanding dues of our Company and the nature and extent of the business operations undertaken by our Company, the dues owed by our Company to the micro, small and medium enterprises and other creditors exceeding 5% of the Company’s trade payables for the last audited financial statements shall be considered as material dues for our Company. The details of outstanding dues to such micro, small and medium enterprises and other creditors shall be uploaded on the website [www.vrfilms.in](http://www.vrfilms.in) of our Company as required under the SEBI ICDR Regulations.

- C.** (i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoter during the last five years; (ii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company;
- D.** Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by SEBI and no disciplinary action has been taken by SEBI or any stock exchange(s) against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

**I. LITIGATION INVOLVING OUR COMPANY:****A. Litigation against our Company**

1. **Criminal matters:** NIL
2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
3. **Litigation involving Tax Liabilities**
  - a. **Direct Tax Liabilities:**

Our Company has received a Letter dated February 2, 2017 from the Income Tax Department stating that the Company has failed to pay to the credit of Central Government the Tax Deducted at Source within the stipulated time for the Financial Year 2015-16 as required under the applicable provisions of the Income Tax Act, 1961 and the rules made thereunder. The Company has filed a reply dated February 17, 2017 to request adjournment to which the Income Tax authority through its letter dated March 11, 2017 has requested the company to submit various other details. Thereafter, the Company has provided various details as required by the Income Tax Authority. The said case is pending for the Income Tax Officer's side.

- b. **Indirect Taxes Liabilities:** NIL

4. **Other Pending Litigations:** NIL

**B. Litigation filed by our Company**

1. **Criminal matters:**

**Complaint No. 954/SS filed before the court of Metropolitan Magistrate's 30<sup>th</sup> Court at Kurla Mumbai by the Company against T Muruganatham**

The Company has filed a Criminal Complaint bearing No. 954/SS dated August 8, 2015 against T Muruganatham for violation of section 138 of the Negotiable Instrument Act, 1881 read with section 420 of the Indian Penal Code, 1860. The Company was to be paid a sum of Rs. 77,00,000/- towards the minimum guarantee for the region assigned to Mr. T Muruganatham and his Associate Firms under a distribution agreement. He has issued a Cheque of Rs. 5,00,000/- dated February 7, 2015 and another Cheque of Rs. 37,00,000/- dated March 26, 2015 towards part of such payment. The aforesaid cheques were dishonoured and returned for the reason of insufficient funds and consequently the company filed the Criminal Complaint. Four (4) Non-Bailable Warrants are issued against the accused by the Court. The matter is currently pending before the Court and the Company has received a next hearing for the case to be held on May 30, 2019.

2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
3. **Litigation involving Tax Liabilities**
  - a. **Direct Tax Liabilities:** NIL
  - b. **Indirect Taxes Liabilities:** NIL



**4. Other Pending Litigations: NIL**

**II. LITIGATION INVOLVING OUR PROMOTERS**

**A. Litigation against our Promoters**

**1. Criminal matters: NIL**

**2. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

**3. Disciplinary action including penalty imposed by SEBI/ Stock exchanges against the promoters in the last five financial years including any outstanding action: NIL**

**4. Litigation involving Tax Liabilities**

**a. Direct Tax Liabilities:**

Mr. Manish Dutt, Managing Director and Promoter of the Company is the Proprietor of a Sole Proprietorship named M/S Visual Reality. He has received Show-cause Notice from the Commissioner of Income Tax, Mumbai for initiation of prosecution proceeding u/s 276B of the Income Tax Act, 1961 for the failure to deposit deducted TDS within the due date in the account of Central Government for the Financial Year 2012-13. The authority has requested him to furnish reply along with supporting evidence as to why the sanction to file prosecution complaint against him should not be given. Thereafter M/S Himank Desai & Co., Chartered Accountants on behalf of Mr. Manish Dutt has provided various details as required by the Income Tax Authority along with reasons for the said delay. After various hearings an application for Compounding was filed vide letter dated February 2, 2018 after which he received a letter dated June 8, 2018 giving the date of hearing to be held on June 29, 2018 which was adjourned and is still pending before the Income Tax Authority.

**b. Indirect Taxes Liabilities: NIL**

**5. Other Pending Litigations: NIL**

**B. Litigation filed by our Promoters**

**1. Criminal matters: NIL**

**2. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

**3. Litigation involving Tax Liabilities**

**a. Direct Tax Liabilities: NIL**

**b. Indirect Taxes Liabilities: NIL**

**4. Other Pending Litigations: NIL**

**III. LITIGATION INVOLVING OUR DIRECTORS OTHER THAN PROMOTERS:**

**A. Litigation against our Directors**

1. **Criminal matters:** NIL
2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
3. **Litigation involving Tax Liabilities**
  - a. **Direct Tax Liabilities:** NIL
  - b. **Indirect Taxes Liabilities:** NIL
4. **Other Pending Litigations:** NIL

**B. Litigation filed by our Directors**

1. **Criminal matters:** NIL
2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
3. **Litigation involving Tax Liabilities**
  - a. **Direct Tax Liabilities:**
  - b. **Indirect Taxes Liabilities:** NIL
4. **Other Pending Litigations:** NIL

**Litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.**

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

**Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

**Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous Companies enactment in the last 5 (five) years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous Companies enactment in the last 5 (five) years against our Company.

**Material Fraud against our Company in the last 5 (five) years.**

There has been no material fraud committed against our Company in the last 5 (five) years.

### Non-Payment of Statutory Dues

There have been no defaults or outstanding defaults in the payment of statutory dues payable by our Company as of the date of the last audited financial statements of our Company.

### Amounts owed to micro, small and medium enterprises and other creditors

As of March 31, 2019, our Company owes the following amounts to micro, small and medium enterprises and other creditors:

(Amount Rs. In Lakhs)

Particulars	Number of creditors	Amount Involved
Micro, small and medium enterprises	Nil	Nil
Material Due to Creditors	3	29.76

Further, our Company has not received any intimation from creditors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Details in relation to the amount owed by our Company to material creditors, micro, small and medium enterprises and other creditors as on March 31, 2019 are also available on website [www.vrfilms.in](http://www.vrfilms.in)

Complete details about outstanding overdues to material creditors along with name and the amount involved for each such material creditor as on March 31, 2019 are available on the website of the Company at [www.vrfilms.in](http://www.vrfilms.in)

### Material Developments

In the opinion of the Board, there have been no material developments, since the date of the last balance sheet, included in this Prospectus which affects the business and profitability of our Company.

## GOVERNMENT AND OTHER APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*Following statements set out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.*

### **I. APPROVALS FOR THE ISSUE:**

#### **1. CORPORATE APPROVALS**

- a. Our Board of Directors pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at their meeting held on March 12, 2019 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b. The shareholders of our Company pursuant to Section 62(1)(c) of the Companies Act, 2013, by a Special Resolution passed in their Extra Ordinary General Meeting held on March 13, 2019 authorized the Issue subject to the approval of such other authorities as may be necessary.

#### **2. APPROVAL FROM THE STOCK EXCHANGE**

- a. In-principle approval dated March 25, 2019 from the SME Platform of BSE Limited for using the name of the Exchange in the offer document for listing the Equity Shares of our Company pursuant to the Issue.

#### **3. AGREEMENTS WITH NSDL AND CDSL**

- a. The Company has entered into an agreement dated March 16, 2019 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Private Limited for the dematerialization of its shares.
- b. Similarly, the Company has also entered into an agreement dated March 19, 2019 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
- c. The International Securities Identification Number (ISIN) of our Company is INE06LG01010.

### **II. APPROVALS PERTAINING TO INCORPORATION AND NAME OF OUR COMPANY:**

- a. Certificate of Incorporation dated December 31, 2007 issued by the Registrar of Companies, Mumbai, in the name of V R Films & Studios Private Limited.

- b. Fresh Certificate of Incorporation dated March 11, 2019 issued by the Registrar of Companies, Mumbai, in the name of V R Films & Studios Limited pursuant to conversion of Company from Private to Public.
- c. The Corporate Identification Number (CIN) of our Company is U92100MH2007PLC177175.

### III. MATERIAL APPROVALS IN RELATION TO THE BUSINESS OF OUR COMPANY

We have received the following significant government and other approvals pertaining to our business:

#### A. TAX RELATED APPROVALS

Sr. No.	Nature of License/ Approval	Applicable Laws	Registration/ License No.	Issuing Authority	Date of granting License/ Approval	Validity
1.	Permanent Account Number	Income Tax Act, 1961	AACCV6844N	Income Tax Department	Date of Incorporation – April 26, 1984	Valid until cancellation
2.	Tax Deduction Account Number (TAN)	Income Tax Act, 1961	MUMV15594F	Income Tax Department	April 8, 2008	Valid until cancellation
3.	Certificate of Registration	The Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975	27245221714P	Sales Tax Department, Government of Maharashtra	January 1, 2008	Valid until cancellation
4.	Certificate of Enrolment	The Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975	P.T.E.C Number: 99911678736P	Professional Tax Officer, Registration Branch, Mumbai	May 4, 2009	Valid until cancellation
5.	Certificate of Goods and service Tax (GST) Registration, Maharashtra	Central Goods and Service Tax (CGST) Act, 2017	27AACCV6844N1ZO	Government of India Government of Maharashtra	Date of Issue – November 2, 2017 and effective from July 01, 2017	Valid until cancellation
6.	Certificate of Registration under Service Tax	Chapter V of Finance Act, 1994 and Service Tax Rules	AACCV6844NST001	Office of the Assistant Commissioner of Service Tax, Division	May 7, 2008	Valid until cancellation

				IV, Mumbai		
7.	Value Added Tax Registration Certificate	The Maharashtra Value Added tax Act, 2002	27245221714V	Sales Tax Officer, Registration Branch, Mumbai	June 20, 2014	Valid until cancellation
8.	Certificate of registration under the Central Sales Tax	Central Sales Tax Act, 1956	27245221714C	Sales Tax Officer, Registration Branch, Mumbai	June 20, 2014	Valid until cancellation

**B. BUSINESS RELATED APPROVALS**

Sr. No.	Nature of License/ Approval	Applicable Laws	Registration/ License No.	Issuing Authority	Date of granting License/ Approval	Validity
1.	Certificate of Importer-Exporter Code (IEC)	-	0308034309	Foreign Trade Development Officer, Ministry of Commerce and Industry	August 11, 2008	Valid until cancellation
2.	Registration Certificate of Establishment (For premises situated at 108, Abhishek, Off New Link Road, Andheri, Mumbai, 400053)	Maharashtra Shops and Establishments Act, 1948.	KW Ward/ COMMERCIAL II/ 762216033	Inspector under the Maharashtra Shops and Establishments Act, 1948.	June 16, 2017 and renewed on February 28, 2019	
3.	Registration Certificate of Establishment (For premises situated at 101 AB, 107, Abhishek, Dalia Ind. Est., Andheri, Mumbai, 400053)	Maharashtra Shops & Establishment (Regulation of Employment and Condition of Service) Act, 2017	KW Ward/ COMMERCIAL II/ 760088242	Inspector under the Maharashtra Shops and Establishments Act, 1948.	March 04, 2009 and renewed on January 31, 2019	

**DOMAIN REGISTRATION**

<b>Sr. No.</b>	<b>Domain Name and ID</b>	<b>Sponsoring Registrar and IANA ID</b>	<b>Creation Date</b>	<b>Registration Expiry Date</b>
1.	vrfilms.in	GoDaddy.com, LLC IANA ID: 146	September 17, 2012	September 17, 2019

**IV. APPROVALS NOT APPLIED BY OUR COMPANY**

1. Registration under Employees Provident Fund and Miscellaneous Provisions Act, 1952

## **OUR GROUP COMPANY**

As per the SEBI (ICDR) Regulations, for the purpose of identification of Group Companies, our Company has considered companies covered under the applicable accounting standard, i.e., AS-18 as per the Restated Financial Statements and other companies considered material by our Board with which our Company has had related party transactions during the period ended October 31, 2018 and the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016. Pursuant to a resolution of our Board dated March 13, 2019 our Board has adopted a policy for determining material group companies for the purpose of disclosure in the offer documents in connection with the Issue, and as per the said policy, a company shall be considered material and disclosed as a Group Company, if such company is a part of the Promoter Group as defined under the SEBI (ICDR) Regulations and our Company has entered into one or more transactions such that, individually or cumulatively such transaction exceeds 10% of the total revenue of our Company of the previous financial years in respect of which, such financial statements are included in this Prospectus.

Based on the above, as on the date of filing this Prospectus, there are no companies which are considered as material group companies for the purpose of disclosure in this Prospectus.



## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Board of Directors, pursuant to a resolution passed at their meeting held on March 12, 2019 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on March 13, 2019 authorized the Issue.

Our Company has obtained in-principle approval from the SME Platform of BSE for using its name in the Offer Document pursuant to an approval letter dated March 25, 2019. BSE is the Designated Stock Exchange.

### Prohibition by SEBI or other Governmental Authorities

We confirm that there is no prohibition on our Company, our Promoters, our Promoter Group, our Directors, or the person(s) in control of our Company from accessing or operating in the Capital Markets or debarment from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any securities market regulator in any other jurisdiction or any other authority/court.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoters, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 181.

### Association with Securities Market

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors in the past 5 years.

### Prohibition by RBI

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 181.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Prospectus.

Under the SBO Rules certain persons who are ‘significant beneficial owners’, are required to intimate their beneficial holdings to our Company in Form no. BEN-1. However, pursuant to the General Circular no. 8/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India (“MCA”),

filing of Form no. BEN-1 under the SBO Rules has been deferred until further notification from MCA. Therefore, compliance by such Promoters and members of the Promoter Group, with the SBO Rules, to the extent applicable to each of them will be completed only upon further notification by the MCA.

### **Eligibility for the Issue**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as we are an Issuer whose post issue paid up capital is less or equal to Rs. 1000 Lakhs and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of BSE Limited”).

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the LM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled “General Information – Underwriting” beginning on page 42.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
4. In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE. For further details of the arrangement of market making please refer to section titled “General Information – Details of the Market Making Arrangements for this Issue” beginning on page 42.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE:-

1. Our Company was incorporated as V R Films & Studios Private Limited under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated December 31, 2007 issued by the Registrar of Companies, Mumbai bearing Registration Number 177175 of 2007. Our Company has taken over the running business of M/s Visual Reality, a proprietorship concern of one of our Promoter. The name of our Company was subsequently changed to V R Films & Studios Limited pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on February 22, 2019 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated March 11, 2019 bearing Corporate Identity Number U92100MH2007PLC177175.
2. As on the date of this Prospectus, our Company has a Paid-up Capital of Rs. 100.00 Lakhs and the Post Issue Capital will be of Rs. 137.20 Lakhs which is less than Rs. 25 Crores.
3. The Networth of our Company as on October 31, 2018 is Rs. 332.54 Lakhs.
4. The company confirms that it has track record of more than 3 years.
5. Our Company has a website: [www.vrfilms.in](http://www.vrfilms.in).
6. Our company shall facilitate trading in Demat securities and has entered into an agreement with both the Depositories.
7. Mr. Manish Satprakash Dutt, Mr. Krishi Satprakash Dutt and Mr. Pawan Kumar Dutt are the Promoters of the Company since Incorporation and there is no change in the Promoters.
8. The company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on March 31, 2018 is positive.
9. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
10. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
11. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Prospectus was filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the BSE SME platform and has obtained approval from BSE for including its name in the offer document. BSE is the Designated Stock Exchange.
- Our Company has entered into an agreement with both the depositories for dematerialisation of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.

- The entire Equity Shares held by the Promoters are in dematerialised form before opening of the Issue for subscription.
- Our Company has made firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals. For details, please refer the chapter “Objects of the Issue” on page 74.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter.

None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 14, 2019.

The filing of this Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai in terms of sections 26, 32 and 33 of the Companies Act, 2013.

**Statement on Price Information of Past Issues handled by Hem Securities Limited:**

Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 <sup>th</sup> calendar days from listing
1.	ANI Integrated Services Limited	25.656	100.00	November 20, 2017	120.00	67.00% [1.41%]	21% [0.77%]	12% [2.12%]
2.	Dynamic Cables Limited	23.376	40.00	December 14, 2017	48.00	63.13% [4.80%]	25% [1.77%]	0% [7.36%]
3.	Vasa Retail and Overseas Limited	4.8	30.00	February 06, 2018	36.00	104.33% [-2.43]	70% [-2.0]	40% [8.47%]
4.	Hindcon Chemicals Limited	7.728	28.00	March 09, 2018	33.60	[6.61%] [1.49%]	-8.93% [5.29%]	-28.57% [12.65%]
5.	Tara Chand Logistic Solutions Limited	20.46	55.00	March 23, 2018	49.00	-12.73% [5.87]	-16.67% [7.43%]	-43.64% [12.36%]
6.	Dhruv Consultancy Services Limited	23.1984	54.00	May 10, 2018	53.40	-0.19% [69.40%]	-12.58% [0.67%]	-29.62% [6.77%]

7.	Sonam Clock Limited	10.1088	36.00	June 14, 2018	37.00	2.50% [ 1.18%]	2.50% [5.20%]	3.38% [2.40%]
8.	Parin Furniture Limited	18.90	63.00	October 09, 2018	64.00	0.79% [2.75%]	7.30% [4.77%]	N.A
9.	Kritika Wires Limited	15.3984	32.00	October 10, 2018	34.10	9.38% [1.20%]	28.75% [2.98%]	N.A
10.	Mindpool Technologies Limited	3.60	30.00	February 28, 2019	30.00	-28.00% [8.12%]	N.A	N.A

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

**Summary statement of Disclosure:**

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount- calendar days from listing			No. of IPOs trading at Premium- calendar days from listing			No. of IPOs trading at discount- 180 <sup>th</sup> days from listing			No. of IPOs trading at Premium- 180 <sup>th</sup> days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-17	12 <sup>(1)</sup>	99.90	-	-	2	3	3	4	-	-	3	3	2	4
2017-18	16 <sup>(2)</sup>	234.21	-	1	4	6	2	3	-	2	3	5	3	3
2018-19	5 <sup>(3)</sup>	71.205	-	1	1	-	-	3	-	1	-	-	-	1

(1) The scrips of Raghav Ramming Mass Limited, Advance Syntex Limited, Madhya Bharat Agro Products Limited, Aurangabad Distillery Limited, Pansari Developers Limited, Dhanuka Realty Limited, Globe International Carriers Limited, Art Nirman Limited, Krishana Phoschem Limited, Global Education Limited, RMC Switchgears Limited and Laxmi Cotspin Limited were listed on April 13, 2016, July 12, 2016, September 16, 2016, October 17, 2016, October 18th, 2016, October 18th, 2016, October 19th, 2016, October 19th, 2016, February 27, 2017, March 02, 2017, March 14, 2017 and March 31, 2017 respectively.

(2) The Scrips of Dev Information Technology Limited, Vadivarhe Speciality Chemicals Limited, Globe Textiles (India) Limited, Accord Synergy Limited, Captain Technocast Limited, Shanti Overseas (India) Limited, Surevin BPO Services Limited, Pashupati Cotspin Limited, Share India Securities Limited, RKEC Projects Limited, D. P. Abhushan Limited, ANI Integrated Services Limited, Dynamic Cables Limited, Vasa Retail and Overseas Limited, Hindcon Chemicals Limited and Tara Chand Logistic Solutions Limited was listed on April

17, 2017, June 02, 2017, June 23, 2017, July 06, 2017 August 01, 2017, August 03, 2017, August 09, 2017, September 08, 2017, October 05, 2017, October 09, 2017, October 23, 2017, November 20, 2017, December 14, 2017, February 06, 2018, March 09, 2018 and March 23, 2018 respectively.

(3) The scrip of Dhruv Consultancy Services Limited, Sonam Clock Limited, Parin Furniture Limited, Kritika Wires Limited and Mindpool Technologies Limited were listed on May 10, 2018, June 14, 2018, October 09, 2018, October 10, 2018, February 28, 2019 respectively. Further, the scrips of Parin Furniture Limited, Kritika Wires Limited have not completed their 180<sup>th</sup> day from the date of its listing. Further, the scrips of Mindpool Technologies Limited has not completed its 90<sup>th</sup> day from the date of its listing.

Note:

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the LM. Hence, disclosures pertaining to recent 10 issues handled by LM are provided.

**Track Record of past issues handled by Hem Securities Limited**

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: [www.hemsecurities.com](http://www.hemsecurities.com)

**Disclaimer from our Company and the Lead Manager**

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the agreement entered between the LM (Hem securities Limited) and our Company on March 13, 2019 and addendum to the Issue Agreement dated March 22, 2019 and the Underwriting Agreement dated March 13, 2019 and addendum to the Underwriting Agreement dated March 22, 2019 entered into between the Underwriters and our Company and the Market Making Agreement dated March 13, 2019 and addendum to the Market Making Agreement dated March 22, 2019 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager 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 whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

**Note**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs. 2,500.00 Lakhs and pension funds with a minimum corpus of Rs. 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the SME Platform of BSE Limited**

As required, a copy of this Prospectus has been submitted to the SME Platform of BSE Limited (hereinafter referred to as BSE).

BSE Limited (“BSE”) has vide its letter dated March 25, 2019 given permission to V R Films & Studios Limited to use its name in the offer document as the Stock Exchange on whose Small and Medium Enterprises platform (“SME platform”) the Company’s securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner: -



- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this company, its promoters, its management or any scheme or project of this Company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the company is determined by the Company in consultation with the Merchant Banker to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. 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 BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The company has chosen the SME platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and courts exclusively situated in Mumbai.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Listing**

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE. Our Company has obtained in-principle approval from BSE by way of its letter dated March 25, 2019 for listing of equity shares on SME Platform of BSE.

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

### **Consents**

Consents in writing of (a) Our Directors, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Lead Manager, Registrar to the Issue, Banker to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s B. L. Dasharda & Associates, Statutory Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and Restated financial statements as included in this Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Prospectus.

### **Experts Opinion**

Except for the reports in the section “*Financial Information of the Company*” and “*Statement of Tax Benefits*” on page 138 and page 83, from the Statutory Auditors, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

### **Fees, Brokerage and Selling Commission payable to the LM**

The total fees payable to the Lead Manager will be as per the (i) Memorandum of Understanding dated March 13, 2019 and addendum to the Issue Agreement dated March 22, 2019 with the Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated March 13, 2019 and addendum to the Underwriting Agreement dated March 22, 2019 with Underwriters and (iii) the Market Making Agreement dated March 13, 2019 and addendum to the Market Making Agreement dated March 22, 2019 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated March 13, 2019 a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

**Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Prospectus.

**Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled "*Capital Structure*" beginning on page 51.

**Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in last five (5) years.

**Particulars in regard to our Company and other listed subsidiaries/ associates under the same management within the meaning of Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

**Performance vis-a-vis objects – Public/right issue of our Company**

Except as stated in the chapter titled "*Capital Structure*" beginning on page 51 our Company has not undertaken any previous public or rights issue.

**Performance vis-a-vis objects - Last Issue of Subsidiary Companies**

As on the date of this Prospectus, we do not have any Subsidiary Company.

**Option to Subscribe**

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

**Stock Market Data of the Equity Shares**

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

**Mechanism for Redressal of Investor Grievances**

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of this Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, with a copy to the Compliance Officer and with a copy to the relevant Designated Intermediary with whom the Application Form was submitted and the Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, UPI ID (if applicable), date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

#### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

**Our Company has appointed Ms. Nidhi Natani, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**MS. NIDHI NATANI**  
**V R FILMS & STUDIOS LIMITED**  
19, Chhadva Apartments,  
Sion-Trombay Road, Chembur,  
Mumbai – 400071, India  
**Tel No:** 022-25273841  
**Email:** cs@vrfilms.in  
**Website:** www.vrfilms.in

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

#### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

#### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

### **Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "*Statement of Tax Benefits*" beginning on page 83.

### **Purchase of Property**

Other than as disclosed in Section "*Our Business*" beginning on page 97, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

### **Servicing Behavior**

Except as stated in this, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

### **Payment or benefit to officers of our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled "*Our Management*" beginning on page 118 and chapter titled "*Financial Information*" beginning on page 138, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## SECTION VIII-ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the this Prospectus, the Prospectus, the abridged prospectus, any addendum/corrigendum thereto, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorizing the banks to make payment in case of allotment by signing the application forms,*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of 3,72,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 12, 2019 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on March 13, 2019 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being offered/ issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 238.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "*Dividend Policy*" beginning on page 137.

### Face Value and Issue Price

The Equity Shares having a face value of Rs. 10 each are being offered in terms of this Prospectus at the price of Rs. 61 per Equity Share (including premium of Rs. 51 per share).

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under section titled "*Basis for Issue Price*" beginning on page 80. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 238.

### Minimum Application Value, Market Lot and Trading Lot

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 19, 2019 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 16, 2019 between CDSL, our Company and Registrar to the Issue.

The trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2000 Equity Shares is subject to a minimum allotment of 2,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be unblocked forthwith.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.



Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### Period of Subscription List of Public Issue

<b>ISSUE OPENS ON</b>	<b>April 12, 2019</b>
<b>ISSUE CLOSES ON</b>	<b>April 18, 2019</b>

#### Minimum Subscription and Underwriting

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information - Underwriting*” on page 42.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

#### Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulations, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above Rs. 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

- If the Paid up Capital of the company is more than Rs. 10 Crore but below Rs. 25 Crore, Our Company may still apply for migration to the Main Board if our Company fulfils the eligibility criteria for listing laid down by the Main Board of BSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal.

### **Market Making**

The shares offered through this Issue are proposed to be listed on the BSE (SME Platform), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the BSE SME Platform for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to section titled "*General Information - Details of the Market Making Arrangements for this Issue*" on page 42.

### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of 2,000 shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME Platform.

### **As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Option to receive Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

**Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled "*Capital Structure*" beginning on page 51, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 238.

**Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

### ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("*SME Exchange*", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 204 and 213.

The Issue comprises of a Public Issue of 3,72,000 Equity Shares of face value of 10/- each fully paid (The "Equity Shares") for cash at a price of Rs. 61 per Equity Shares (including a premium of Rs. 51 per equity share) aggregating to 226.92 Lakhs ( "the issue") by our Company of which 20,000 Equity Shares of Rs.10 each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 3,52,000 Equity Shares of Rs.10 each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 27.11% and 25.66% respectively of the post issue paid up Equity Share Capital of the Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares available for allocation</b>	3,52,000 Equity Shares	20,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.62 % of the Issue Size	5.38 % of the Issue Size
<b>Basis of Allotment</b>	Proportionate subject to minimum allotment of 2,000 Equity Shares and further allotment in multiples of 2,000 Equity Shares each. For further details please refer to " <i>Issue Procedure - Basis of Allotment</i> " on page 213.	Firm Allotment
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through ASBA Process Only.	Through ASBA Process Only.
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
<b>Minimum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of 2,000 Equity Shares at an Issue price of Rs. 61 each, such that the Application Value exceeds Rs. 2,00,000/-  <b><u>For Retail Individuals Investors:</u></b> 2,000 Equity Shares at an Issue price of Rs. 61 each.	20,000 Equity Shares
<b>Maximum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b>  The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.	20,000 Equity Shares

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
	<p><b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value does not exceed Rs. 2,00,000/-.</p>	
<b>Trading Lot</b>	2,000 Equity Shares	2,000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of Payment</b>	Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the Application Form at the time of submission of the Application Form.	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to “Issue Structure” on page 210.

\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum of 50.00% of the net offer of shares to the public (i.e. 1,76,000 Equity Shares) shall be made available for retail individual investors; and
- b) The balance net issue of shares to the Public shall be made available for allotment to individual applicants other than retail individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

***If the retail individual investor category is entitled to more than the allocated portion on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.***

#### **Withdrawal of the Issue**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs or the Sponsor Bank, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the ROC.

**Issue Programme**

<b>ISSUE OPENING DATE</b>	<b>April 12, 2019</b>
<b>ISSUE CLOSING DATE</b>	<b>April 18, 2019</b>

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Application form, for a particular applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the website of the Stock Exchange and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.*

*Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days. These changes are applicable for all public issues which open on or after January 01, 2016.*

*Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus.*

*This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.*

**Our Company and the Lead Manager are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.**

### Fixed Price Issue Procedure

The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process wherein minimum of 50% (1,76,000 Equity Shares) of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non-Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Applicants are required to submit their Applications to the Designated Intermediaries i.e. SCSBs or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialised subsequent to allotment.

### Phased implementation of Unified Payments Interface

SEBI has issued a circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 in relation to streamlining the process of public issue of equity shares and convertibles ("**UPI Circular**"). Pursuant to the circular, Unified Payments Interface ("**UPI**") is proposed to be introduced in a phased manner (phase I will be effective from January 1, 2019) as an additional mode of payment with ASBA Form for applications by Retail Individual Investors through intermediaries (i.e., Registered Stock Brokers, Registrar and Transfer Agents and Depository Participants) ("**UPI Channel**"). The UPI Channel for making Applications by Retail Individual Investors will be made available in accordance with the UPI Circular.

**Retail Individual Investors should note that the Application using UPI Channel is optional and they can make Applications by submitting Application Forms, in physical form or in electronic mode, SCSBs, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.**

### Application Form

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the investors can apply through ASBA Mode. The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "**Designated Intermediaries**")

No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
3.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
4.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)



The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB without use of UPI for payment:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	<p>After accepting the application form, respective Intermediary shall capture and upload the relevant details, including UPI ID, in the electronic bidding system of the stock exchange.</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

#### Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

#### Who can apply?

In addition to the category of Applicants as set forth under “*General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue*”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

## Maximum and Minimum Application Size

The applicants in this Issue, being a fixed price, will be categorized into two:

### 1. For Retail Individual Applicants

The Application must be for a minimum of 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000. Under existing SEBI Regulations, Retail Individual Investors applying for amount not exceeding Rs.2,00,000 are allowed to withdraw or revise their application until the closure of the Issue.

### 2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of 2,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Applicant cannot withdraw or lower their Application whether in terms of no. of Shares or amount at any stage.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## Participation by Associates /Affiliates of Lead Manager

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the Lead Manager may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of its clients.

## Option to Subscribe in the Issue

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Application by HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

#### **Application by Eligible NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full application amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

#### **Application by FPIs (including FIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their

investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

### **Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual Fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of

subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

#### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA Process.

#### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with Insurance Regulatory Development Authority ("**IRDA**"), certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the "**IRDA Investment Regulations**"), are broadly set forth below:

- a) Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
- c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in infrastructure and housing sectors i.e. 26th December, 2008, providing, among other things, that the exposure of an insurer to an infrastructure Company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

#### **Applications by Banking Companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate

investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

### **Applications by Systemically Important Non-Banking Financial Companies**

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

### **Applications by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs.2,500 Lakhs and pension funds with minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit. The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

#### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of Rs.2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.

#### **Information for the Applicants:**

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridged Prospectus and copies of the Prospectus will be available with the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.

4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected.

7. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
8. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
9. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange. Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **Issue Procedure for Application Supported By Blocked Account (ASBA) Applicants**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.



The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

**Method and Process of Applications**

1. Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
2. The Issue Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. The Designated Intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### **Terms of payment**

The entire Issue price of Rs. 61 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment mechanism for Applicants**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - (i) the applications accepted by them;
  - (ii) the applications uploaded by them;
  - (iii) the applications accepted but not uploaded by them or;
  - (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
  
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) the applications accepted by any Designated Intermediaries;
  - (ii) the applications uploaded by any Designated Intermediaries or;
  - (iii) the applications accepted but not uploaded by any Designated Intermediaries.
  
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
  
6. With respect to applications by Applicants, at the time of registering such applications, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;

- Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in this Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Allocation of Equity shares**

- 1) The Issue is being made through the Fixed Price Process wherein 20,000 Equity Shares shall be reserved for Market Maker, at least 1,76,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Applicants.
- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

### **Signing of Underwriting Agreement and Filing of Prospectus with ROC**

- 1) Our company has entered into an Underwriting Agreement dated March 13, 2019 and addendum to the Underwriting Agreement dated March 22, 2019.
- 2) A copy of Prospectus will be filed with the RoC in terms of Section 26 of Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

**General Instructions****Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

**Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com)

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID.

### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN Nos, UPI ID (if applicable), Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.



In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within three (3) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Impersonation**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*"Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447 of Companies Act, 2013 and shall be treated as Fraud."*

### **Undertakings by our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within the period prescribed by the Board
- 3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 4) That the our Promoters' contribution in full has already been brought in;
- 5) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;

- 6) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 7) That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- 8) Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- 9) There is no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc.;
- 10) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
- 11) That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and
- 12) That none of the promoters or directors of the company is willful defaulter under Section 5(c) of SEBI (ICDR) Regulations, 2018.

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 and Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

**Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated March 19, 2019 between NSDL, the Company and the Registrar to the Issue; and
- b) Agreement dated March 16, 2019 between CDSL, the Company and the Registrar to the Issue;

The Company's equity Shares bear an ISIN No. INE06LG01010.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2017 ("FDI Policy 2017"), with effect from August 28, 2017, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include:

- (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that:
  - (a) the requisite approval of the Government has been obtained; and
  - (b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.;
- (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time;
- (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that:
  - (a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionality's (such as minimum capitalization, etc.), reporting requirements, documentation etc.;
  - (b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant

SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank; and

- (iv) where the investee company is in the financial sector provided that:
- (a) Any fit and proper/due diligence requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and
  - (b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors

followed by passing of a special resolution to that effect by its general body.

**Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

**Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

### PRELIMINARY

1. No regulation contained in Table F in the First Schedule to the Companies Act, 2013 shall apply to this Company, but the regulation for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alterations of, or addition thereto, by Special Resolution as prescribed by the said Act, be as such as are contained in these Articles

### INTERPRETATION

2. In these Articles unless there be something in the subject matter or context inconsistent therewith:

“The Company” or “this Company” means **V R Films & Studios Limited**

“The Act” means the Companies Act, 2013, or any statutory modification or re-enactment, clarifications and notification thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous Company law, so far as may be applicable.

“Annual General Meeting” means a general meeting of the members held as such, in accordance with the provisions of the Act.

“Beneficial Owner” means a person as defined by section 2(1)(a) of the Depositories Act, 1996.

“The Board” or the “Board of Directors” means the collective body of the Directors of the Company.

“Capital” means the Share capital, for the time being, raised or authorised to be raised, for purposes of the Company.

“Debenture” includes debenture stock, bonds or any other instrument of the Company evidencing the debts whether constituting the charge on the assets of the Company or not.

“Depositories Act 1996” means The Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

“Depository” means and includes a Company as defined in section 2(1) (e) of “The Depositories Act, 1996.

“Directors” means a director appointed to the Board of the Company.

“Dividend” includes interim dividend.

“Extra-ordinary General Meeting” means an extraordinary general meeting of the members, duly called and constituted, and any adjourned holding thereof.



“In writing” or “written” include printing, lithography and other modes of representing or reproducing words in a visible form.

“Member” means member as defined under section 2(55) of the Companies Act, 2013

“Office” means the registered office, for the time being, of the Company.

“Ordinary resolution” and “special resolution” shall have the same meaning assigned thereto by the Act.

“Paid-up” means paid up capital as defined under section 2(64) of the Companies Act, 2013.

“Participant” means individual / institutions as defined under Section 2(1)(g) of the Depositories Act, 1996.

“Persons” include corporations and firms as well as individuals.

“Register of Members” means the Register of Members to be kept pursuant to the Act, and includes index of beneficial owners mentioned by a Depository.

“The Registrar” means, Registrar as defined under section 2(75) of the Companies Act, 2013.

“Secretary” means a Company Secretary, within the meaning of clause (c) of sub section (1) of section 2 of Company Secretaries Act, 1980, who is appointed by the Company to perform the functions of the Company Secretary under this Act

“Seal” means the common seal, for the time being, of the Company.

“Share” means a Share in the capital of the Company, and includes stock, except where a distinction between Stock and Shares is express or implied.

“Year” means a calendar year and “financial year” shall have the same meaning as assigned thereto by or under the Companies Act, 2013.

Words importing the singular number include, where the context admits or requires, the plural number and vice versa.

Words importing the masculine gender also include the feminine gender.

The margin notes, if used or incorporated, or, after being used, removed, at any time thereafter, in these Articles shall not affect the construction hereof.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning so far as these Articles are concerned.

The Section number, with relation to the Act, referred to anywhere in these presents, may be deemed to have been replaced by such other number or numbers, as may, after the amendments or modifications effected in the Act or repeal of the Act and introduction of the new Act as such in its place, contain the relevant provisions, in the context or circumstances of that respective Article, as may be proper and justifiable and shall be interpreted in its true intention.

### **GENERAL AUTHORITY**

3. Where the Act requires that the company cannot undertake any act or exercise any rights or powers, unless expressly authorized by its articles, these articles shall in relation to the Company, be deemed to confer such right, authority or power.

### **CAPITAL AND INCREASE AND REDUCTION THEREOF**

4. The Authorized Share Capital of the Company is such amount, as stated, for the time being, or may be varied, from time to time, under the provisions of the Act, in the Clause V of the Memorandum of Association of the Company, divided into such number, classes and descriptions of Shares and into such denominations, as stated therein, and further with such powers to increase the same or otherwise as stated therein.
5. The Company, in general meeting, may, from time to time, increase the capital by the creation of new shares. Such increase in the capital shall be of such aggregate amount and to be divided into such number of Shares of such respective amounts, as the resolution, so passed in that respect, shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting, resolving upon the creation thereof, shall direct, and, if no direction be given, as the Directors shall determine, and, in particular, such Shares may be issued with a preferential, restricted or qualified right to dividends, and in the distribution of assets of the Company, on winding up, and with or without a right of voting at general meetings of the Company, in conformity with and only in the manner prescribed by the provisions of the Act. Whenever capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act.
6. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions contained herein with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting or otherwise.
7. Subject to the provisions of Section 55 of the Act and the rules made thereunder, the Company shall have the power to issue preference shares, which are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.
8. On the issue of Redeemable Preference Shares under the provisions of the preceding Article, the following provisions shall take effect:-
  - (i) No such Shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of the redemption.
  - (ii) No such shares shall be redeemed unless they are fully paid;
  - (iii) The premium, if any, payable on redemption, must have been provided for, out of the profits of the Company or the Share Premium Account of the Company before, the Shares are redeemed; and
  - (iv) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called "Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed and the provisions of the Act, relating to the reduction of the Share Capital of the Company, shall, except as provided in Section 80 of the Act, apply as if "Capital Redemption Reserve Account" were paid up Share capital of the Company.

9. Subject to Section 66 of the Companies Act, 2013, the Company may by special resolution, reduce its capital and any Capital Redemption Reserve Account or Other Premium Account, for the time being, in any manner, authorized by law, and, in particular, without prejudice to the generality of the foregoing powers, the capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power, the Company would have, if it were omitted.
10. Subject to the applicable provisions of the Act, the Company, in general meeting, may, from time to time, sub-divide, reclassify or consolidate its Shares or any of them, and the resolution whereby any Share is sub-divided, may determine that, as between the holders of the Shares resulting from such sub-division, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company, in general meeting, may also cancel shares, which 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.
11. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the applicable provisions of the Act, be modified, commuted, affected or abrogated, or dealt with by an agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified, in writing, by holders of at least three-fourths in nominal value of the issued Shares of the class or is confirmed by a special resolution passed at a separate general meeting of the holders of Shares of that class and all the provisions hereinafter contained as to general meetings, shall, mutatis mutandis, apply to every such meeting.

#### **SHARES AND CERTIFICATES**

12. The Company shall keep or cause to be kept a Register and Index of Members, in accordance with the applicable Sections of the Act. The Company shall be entitled to keep, in any State or Country outside India, a Branch Register of Members, in respect of those residents in that State or Country.
13. The Shares, in the capital, shall be numbered progressively according to their several classes and denominations, and, except in the manner hereinabove mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share may continue to bear the number by which the same was originally distinguished with, or as may be otherwise, as may be decided by the Board of Directors or required by any other authority, as may be, for the time being, in force.
14.
  - (i) Where at the time, it is proposed to increase the subscribed capital of the Company by allotment of further Shares either out of the unissued or out of the increased Share capital then:
    - (a) Such further Shares shall be offered to the persons who at the date of the offer, are holders of the Equity Shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those Shares at that date.
    - (b) Such offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen days and not exceeding thirty days from the date of the offer within which the offer if not accepted, will be deemed to have been declined.
    - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right provided that the Directors may decline,

without assigning any reason to allot any Shares to any person in whose favour any member may, renounce the Shares offered to him.

- (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.
- (ii) Notwithstanding anything contained in sub-clause (i) thereof, the further Shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (i) hereof) in any manner either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a Registered Valuer subject to such conditions prescribed in the rules made thereunder.
- (iii) Nothing in sub-clause (c) of (i) hereof shall be deemed:
- (a) To extend the time within the offer should be accepted; or
- (b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favor the remuneration was first made has declined to take the Shares comprised in the renunciation.
- (iv) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the Debenture issued or loans raised by the Company to convert such Debenture or loans into Shares in the Company. Provided that the terms of issue of such Debentures or the terms of such loans loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.
- 15.** Subject to the provisions of Section 62 of the Companies Act, 2013 and the rules made thereunder and these Articles of the Company for the time being shares shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at part and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.
- 16.** In addition to and without derogating from the powers for that purpose conferred on the Board under the preceding two Articles, the Company, in general meeting, may determine that any Shares, whether forming part of the original capital or of any increased capital of the Company, shall be offered to such persons, whether or not the members of the Company, in such proportion and on such terms and conditions and, subject to compliance with the provisions of applicable provisions of the Act, either at a premium or at par, as such general meeting shall determine and with full power to give any person, whether a member or not, the option to call for or be allotted Shares of any class of the Company either, subject to compliance with the applicable provision of the Act, at a premium or at par, such option being exercisable at such times and for such consideration as may be directed by such general meeting, or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any Shares.

17. Any application signed by or on behalf of an applicant for subscription 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 entered on the Registered shall, for the purpose of these Articles, be a member.
18. The money, if any, which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.
19. Every member or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his Share or Shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time, in accordance with the Regulations of the Company, require or fix for the payment thereof.
- 20.
- (i) Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within two (2) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one (1) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 of Shares to one of several joint holders shall be sufficient delivery to all Shareholders. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a power of attorney and the Secretary or some other person appointed by the Board for the purpose, and such two Directors or their attorneys, and the Secretary or other person shall sign the Share Certificates, provided that, if the composition of the Board permits, provided that, of it, at least one of the aforesaid two Directors shall be a person other than Managing Director or a Wholetime Director. Particulars of every Share certificates issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.
  - (ii) Any two or more joint allottees, in respect of a Share, shall, for the purpose of this Article, be treated as a single member, and the certificate of any Share, which may be subject of joint ownership, may be delivered to the person named first in the order or otherwise even to any one of such joint owners, on behalf of all of them. For any further certificate, the Board shall be entitled but shall not be bound to prescribe a charge not exceeding Rupee 50(fifty) per such certificate. In this respect, the Company shall comply with the applicable provisions, for the time being, in force, of the Act.
  - (iii) A director may sign a Share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

21.

- (i) The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to receive from any member willing to advance the same, all or any part of the amount of his Shares beyond the sums actually called up and upon the monies so paid in advance or upon so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advances has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The Provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

- (ii) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is “Issued in lieu of Share Certificate No..... sub-divided/replaced/on consolidation of Shares”.
- (iii) If any certificate be worn out, defaced, mutilated, or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 50/- (Fifty) for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

- (iv) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is “DUPLICATE. Issued in lieu of Share Certificate No. ....” The word “DUPLICATE” shall be stamped or punched in bold letters across the face of the Share certificate.
- (v) Where a new Share certificate has been issued in pursuance of clause (i) or clause (iii) of this Article, particulars of every such Share certificate shall be entered in a Register of Renewed and Duplicate Share Certificates, indicating against the names of the person or persons to whom the certificate is issued, the number and date of issue of the Share certificate, in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the “Remarks” column.
- (vi) All blank forms to be issued for issue of Share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively numbered, whether by machine, hand or otherwise, and the forms and the blocks,

engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary, where there is no Secretary, the Managing Director or Whole time Director, and where there is no such director, the Chairman of the Board, for the time being, or otherwise of such other person, as the Board may appoint for the purpose, and the Secretary, such director, Chairman or such other person shall be responsible for rendering an account of these forms to the Board.

- (vii) The Managing Director of the Company, for the time being, or, if the Company has no Managing Director, every director of the Company shall be severally responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of Share certificates except the blank forms of Share certificates referred to in Clause (vi) of this Article.
  - (viii) All books referred to in clause (vii) of this Article shall be preserved in good order permanently, or for such period as may be prescribed by the Act or the Rules made thereunder.
22. If any Share stands in the names of two or more persons, the person first named, in the Register, shall, as regards receipt of dividends or bonus or service of notices and all or any matter connected with the Company, except voting at meetings and the transfer of the Shares, be deemed the sole holder thereof but the joint holders of a Share shall be severally as well as jointly liable for the payment of all installments of calls due in respect of such Share and for all incidents otherwise.
23. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any Share, or, except only as is, by these presents, otherwise expressly provided, any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person, from time to time, registered as the holder thereof, but the Board shall be, at liberty, at their sole discretion, to register any Share in the joint names of any two or more persons or the survivor or survivors of them.
24. Subject to the provisions of Sections 68 to 70 of the Act 2013 and the rules thereunder, the Company may purchase its own Shares or other specified securities out of free reserves, the securities premium account or the proceeds of issue of any Share or specified securities.
25. Subject to the provisions contained in sections 68 to 70 and all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including the Securities and Exchange Board of India and the Reserve Bank of India, if any, the Company may, by passing a special resolution at a general meeting, purchase its own Shares or other specified securities (hereinafter referred to as 'buy-back') from its existing Shareholders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots), and/or the securities issued to the employees of the Company pursuant to a scheme of stock options or sweat Equity, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, on such terms, conditions and in such manner as may be prescribed by law from time to time; provided that the aggregate of the securities so bought back shall not exceed such number as may be prescribed under the Act or Rules made from time to time.

#### **COMMISSION AND BROKERAGE**

26. Subject to the provisions of Section 40 of the Act 2013 and the rules thereof, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in or Debentures of the Company or procuring or agreeing to procure the subscribers, whether absolutely or conditional, for any Shares in or Debentures of the Company, but so that the commission shall not exceed, in the case of Shares, five per cent of the price at which the Shares are issued and, in the case of Debentures two and half per cent of the price at which the Debentures

are issued, and such commission may be satisfied in any such manner, including the allotment of the Shares or Debentures, as the case may be, as the Board thinks fit and proper.

27. Subject to the provisions of the Act, the Company may pay a reasonable sum for brokerage.

### **CALLS**

28. The Board may, from time to time, subject to the terms on which any Shares may have been issued and subject to the conditions of allotment, by a resolution passed only at a duly constituted meeting of the Board, make such call, as it thinks fit, upon the members in respect of all moneys unpaid on the Shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installments.
29. At least fifteen days' notice, in writing, of any call, shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call be paid.
30. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board.
31. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members whom owing to their residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favor.
32. A call may be revoked or postponed at the discretion of Board.
33. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
34. If any members fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall, from time to time, be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
35. Any sum, which, by the terms of issue of a Share, becomes 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 the purposes of these Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and, in the case of non-payment, all the relevant provisions of these Articles 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.
36. On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the member, in respect of whose Shares the money is sought to be recovered, appears or is entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of which money is sought to be recovered, and that the resolution making the call is duly recorded in the minute book, and that notice, of which call, was duly given to the member or his representatives and used in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, and not that a quorum of Directors was present at the meeting of the Board at which any



call was made, and nor that the meeting, at which any call was made, has duly been convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

37. 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.

38.

- (i) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same all or any part of the amounts of his respective Shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and, at any time thereafter, as exceeds the amount of the calls then made upon and due in respect of the Shares on account of which such advances are made, the Board may pay or allow interest at such rate, as the member paying the sum in advance and the Board agrees upon, subject to the provisions of the Act. The Board may agree to repay, at any time, any amount so advanced or may, at any time, repay the same upon giving to the member 3 (Three) months' notice, in writing, provided that moneys paid, in advance of calls, on any Shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (ii) No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable.

#### LIEN

39.

- (i) The Company shall have a first and paramount lien upon all the Shares/Debentures (other than fully paid-up Shares/Debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/Debentures and no equitable interest in any Shares shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in all respect of such Shares/Debentures. Unless otherwise agreed, the registration of a transfer of Shares/Debentures shall operate as a waiver of the Company's lien, if any, on such Shares/ Debentures. The Directors may at any time declare any Shares/Debentures wholly or in part to be exempt from the provisions of this clause.
- (ii) Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares

40. For the purpose of enforcing such lien, the Board may sell the Shares, subject thereto, in such manner, as it shall think fit, and, for that purpose, may cause to be issued a duplicate certificate in respect of such Shares, and may authorize one of their members to execute a transfer thereof, on behalf of and in the name of such manner. No sale shall be made until such period, as aforesaid, shall have arrived and until notice, in writing, of the intention to sell, shall have been served on such member or his representatives and the default, whether express or implied, shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements, for such further days allowed, after the service of such notice, and stated therein.

41. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount, in respect of which the lien exists, as is presently payable, and the residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the persons entitled to the Shares at the date of the sale.

#### **FORFEITURE OF SHARES**

42. If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
43. The notice shall name a day, not being less than 14 (Fourteen) days from the date of the notice, and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state, that, in the event of the non-payment at or before the time and at the place appointed, the Shares, in respect of which the call was made or installment is payable, will be liable to be forfeited.
44. If the requirements of any such notice, as aforesaid, shall not be complied with, every or any Share, in respect of which such notice has been given, may, at any time thereafter, before payment of all calls or installments, interest and expenses, as may be due in respect thereof, be forfeited by a resolution of the Board to that effect. Subject to the provisions of the Act, such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
45. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the member, in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall, forthwith, be made in the Register of Members. But no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
46. Any Share, so forfeited, shall be deemed to be the property of the Company, and may be sold, reallocated or otherwise disposed off, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.
47. Any member, whose Shares have been forfeited, shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereof, until payment, at such rate, as the Board may determine, and the Board may enforce the payment thereof, if it thinks fit.
48. The forfeiture of a Share shall involve extinction, at the time of the forfeiture, of all interests in and all claims and demands against the Company, in respect of such Share and all other rights, incidental to the Share, except only such of those rights as by these presents are expressly saved.
49. A declaration, in writing, that the declarant is a director or Secretary of the Company and that a Share in the Company has duly been forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares.
50. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the 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 to 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 exclusively against the Company and no one else.

51. Upon any sale, allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued, in respect of the relative 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, and the Directors shall be entitled to issue a duplicate certificate or certificates, in respect of the said Shares, to the person or persons entitled thereto.

### **TRANSFER AND TRANSMISSION OF SHARES**

52. The Company shall keep the “Register of Transfers” and therein shall fairly and distinctly enter particulars of every transfer or transmission of any Share.
53. No transfer shall be registered, unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer shall be duly stamped, under the relevant provisions of the Law, for the time being, in force, and shall be signed by or on behalf of the transferor and the transferee, and in the case of a Share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint holders or by all such joint transferees, as the case may be, and the transferor or the transferors, as the case may be, shall be deemed to remain the holder or holders of such Share, until the name or names of the transferee or the transferees, as the case may be, is or are entered in the Register of Members in respect thereof. Several executors or administrators of a deceased member, proposing to transfer the Share registered in the name of such deceased member, or the nominee or nominees earlier appointed by the said deceased holder of Shares, in pursuance of the Article 73, shall also sign the instrument of transfer in respect of the Share, as if they were the joint holders of the Share.
54. Shares in the Company may be transferred by an instrument, in writing, in the form, as shall, from time to time, be approved by the Directors provided that, if so required by the provisions of the Act, such instrument of Transfer shall be in the form prescribed thereunder, and shall be duly stamped and delivered to the Company within the prescribed period. All the provisions of Section 56 of the Act, 2013 shall be duly complied with in respect of all transfers of Shares and registration thereof.
55. The Board shall have power, on giving 7 (Seven) days’ previous notice, by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is, for the time being, situated, to close the transfer books, the Register of Members of Register of Debenture holders, at such time or times and for such periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may seem expedient.
56. Subject to the provisions of Section 58 and 59 of the Companies Act 2013, these Articles Section 22A of the Securities Contract (Regulation) Act, 1956 and any other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a member in, or Debentures of the Company, the Board shall within one month from the date on which the instrument of transfer, or the intimation of such transmission as the case may be, was delivered to the Company, send to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal to register such transfer, giving reasons for such refusal provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the Shares. Transfer of Shares/ Debentures in

whatever lot shall not be refused.

57. An application for the registration of a transfer of Shares in the Company may be made either by the transferor or the transferee. Where such application is made by a transferor and relates to partly paid Shares, the Company shall give notice of the application to the transferee. The transferee may, within two weeks from the date of the receipt of the notice and not later, object to the proposed transfer. The notice to the transferee shall be deemed to have been duly given, if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time when it would have been delivered in the ordinary course of post.
58. In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him jointly with any other person.
59. Subject to the provisions of Article 72 hereunder, the executors or administrators or holders of a such Succession Certificate or the legal representative of a deceased member, not being one of two or more joint holders, shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such member, and the Company shall not be bound to recognize such executors or administrators or holders of a Succession Certificate or the legal representatives, unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that, in cases, the Board may dispense with production of probate or letters of Administration or Succession Certificate upon such terms as to indemnify or otherwise, as the Board, in its absolute discretion, may think necessary, in the circumstances thereof, and, in pursuance of the Article 61 hereunder, register the name of any person, who claims to be absolutely entitled to the Shares standing in the name of a deceased member, as a member.
60. No Share shall, in any circumstances, be transferred to any infant, insolvent or person of unsound mind, and that no Share, partly paid up, be issued, allotted or transferred to any minor, whether alone or along with other transferees or allottees, as the case may be.
61. So long as the director having unlimited liability has not discharged all liabilities, whether present or future, in respect of the period for which he is and continues to be, so long, liable, he shall not be entitled to transfer the Shares held by him or cease to be a member of the Stock Exchange(s) to the end and intent that he shall continue to hold such minimum number of Shares as were held by him prior to his becoming a director with unlimited liability.
62. Subject to the provisions of Articles 57, 58 and 72 hereof, any person becoming entitled to Shares in consequences of the death, lunacy, bankruptcy or insolvency or any member, or the marriage of any female member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Board, which it shall not be under any obligation to give, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Article or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person, nominated by him and approved by the Board, registered as such person, provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favor of his nominee an instrument of transfer in accordance with the provisions herein to in these Articles as "The Transmission Article".

63. Subject to the provisions of the Act, a person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividend or money as hereinafter provided, be entitled to receive and may be given a discharge for, any dividends or other moneys payable in respect of the Share.
64. No fees shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar document.
65. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of Shares 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 of such transfer, and may have entered such notice, referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.
- 65A. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its Securities and to offer Securities in a dematerialized form pursuant to the Depositories Act, 1996.
- 65B. Every holder of or subscriber to Securities of the Company shall have the option to receive Security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any Security in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed, issued to the beneficial owner the required Certificates for the Securities. If a person opts to hold its Security with a Depository, the Company shall intimate such Depository the details of allotment of the Security.
- 64C. All Securities of the Company held by the Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 186 of the Act 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.
- 64D. (i) Notwithstanding anything to the contrary contained in the Act, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (i) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- (iii) Every person holding Securities of the Company and whose name is entered as the beneficial owner in the record of the Depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a Depository.

**CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

- 66.** The Company, by resolution in general meeting, may convert any paid up Shares into stock, or may, at any time, reconvert any stock into paid up Shares of any denomination. When any Shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interest, in the same manner and, subject to the same regulations as to which Shares in the Company may be transferred or as near thereto as circumstances will admit. But the Directors may, from time to time, if they think fit, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, but with full power nevertheless, at their discretion, to waive such rules in any particular case. The notice of such conversion of Shares into stock or reconversion of stock into Shares shall be filed with the Registrar of Companies as provided in the Act.
- 67.** The Stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and, for other purposes, as would have been conferred by Shares of equal amount in the capital of the Company of the same class as the Shares from which such stock was converted but no such privilege or advantage, except the participation in profits of the Company, or in the assets of the Company on a winding up, shall be conferred by any such aliquot part or, consolidated stock as would not, if existing in Shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the Shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to Shares and the words “Share” and “Shareholder” in these presents shall include “stock” and “stock-holder”.
- 68.** The Company may issue Share warrants in the manner provided by the said Act and accordingly the Directors may, in their discretion, with respect to any fully paid up Share or stock, on application, in writing, signed by the person or all persons registered as holder or holders of the Share or stock, and authenticated by such evidence, if any, as the Directors may, from time to time, require as to the identity of the person or persons signing the application, and on receiving the certificate, if any, of the Share or stock and the amount of the stamp duty on the warrant and such fee as the Directors may, from time to time, prescribe, issue, under the Seal of the Company, a warrant, duly stamped, stating that the bearer of the warrant is entitled to the Shares or stock therein specified, and may provide by coupons or otherwise for the payment of future dividends, or other moneys, on the Shares or stock included in the warrant. On the issue of a Share warrant the names of the persons then entered in the Register of Members as the holder of the Shares or stock specified in the warrant shall be struck off the Register of Members and the following particulars shall be entered therein.
- (i) fact of the issue of the warrant.
  - (ii) a statement of the Shares or stock included in the warrant distinguishing each Share by its number, and
  - (iii) the date of the issue of the warrant.
- 69.** A Share warrant shall entitle the bearer to the Shares or stock included in it, and, notwithstanding anything contained in these articles, the Shares or stock shall be transferred by the delivery of the Share-warrant, and the provisions of the regulations of the Company with respect to transfer and transmission of Shares shall not apply thereto.
- 70.** The bearer of a Share-warrant shall, on surrender of the warrant to the Company for cancellation, and on payment of such fees, as the Directors may, from time to time, prescribe, be entitled, subject to the discretion of the Directors, to have his name entered as a member in the Register of Members in respect of the Shares or stock included in the warrant.

71. The bearer of a Share-warrant shall not be considered to be a member of the Company and accordingly save as herein otherwise expressly provided, no person shall, as the bearer of Share-warrant, sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company of meetings or otherwise, or qualified in respect of the Shares or stock specified in the warrant for being a director of the Company, or have or exercise any other rights of a member of the Company.
72. The Directors may, from time to time, make rules as to the terms on which, if they shall think fit, a new Share warrant or coupon may be issued by way of renewal in case of defacement, loss, or destruction.

#### **NOMINATION BY SECURITY HOLDER**

- 73.
- (i) Every holder of Securities in the Company may, at any time, nominate, in the prescribed manner, a person to whom his Securities in the Company, shall vest in the event of his death.
  - (ii) Where the Securities in the Company are held by more than one person jointly, the joint-holders may together nominate, in the prescribed manner, a person to whom all the rights in the Securities in the Company shall vest in the event of death of all joint holders.
  - (iii) Notwithstanding anything contained in these Articles or any other law, for the time being, in force, or in any disposition, whether testamentary or otherwise, in respect of such Securities in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Securities in the Company, the nominee shall, on the death of the Shareholders of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the Securities of the Company or, as the case may be, all the joint holders, in relation to such securities in the Company, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
  - (iv) In the case of fully paid up Securities in the Company, where the nominee is a minor, it shall be lawful for the holder of the Securities, to make the nomination to appoint in the prescribed manner any person, being a guardian, to become entitled to Securities in the Company, in the event of his death, during the minority.
- 74.
- (i) Any person who becomes a nominee by virtue of the provisions of the preceding Article, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either -
    - (a) to be registered himself as holder of the Share(s); or
    - (b) to make such transfer of the Share(s) as the deceased Shareholder could have made.
  - (ii) If the person being a nominee, so becoming entitled, elects to be registered as holder of the Share(s), himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder.
  - (iii) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as

aforesaid as if the death of the member had not occurred and the notice or transfer has been signed by that Shareholder.

- (iv) A person, being a nominee, becoming entitled to a Share by reason of the death of the holder, shall be entitled to the same dividends and other advantages which he would be entitled if he were the registered holder of the Share except that he shall not, before being registered a member in respect of his Share be entitled in respect of it to exercise any right conferred by membership in relation to meetings 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(s) and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share(s) or until the requirements of the notice have been complied with.

### **MEETING OF MEMBERS**

**75.**

- (i) The Company shall, in each year, hold a general meeting as its Annual General Meeting. Any meeting, other than Annual General Meeting, shall be called Extra-ordinary General Meeting.
- (ii) Not more than 15 (Fifteen) months or such other period, as may be prescribed, from time to time, under the Act, shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend time within which any Annual General Meeting may be held.
- (iii) Every Annual General Meeting shall be called for a time during business hours i.e., between 9 a.m. and 6 p.m., on a day that is not a National Holiday, and shall be held at the Office of the Company or at some other place within the city, in which the Office of the Company is situated, as the Board may think fit and determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- (iv) Every member of the Company shall be entitled to attend, either in person or by proxy, and by way of a postal ballot whenever and in the manner as may permitted or prescribed under the provisions of the Act, and the Auditors to the Company, who shall have a right to attend and to be heard, at any general meeting which he attends, on any part of the business, which concerns him as the Auditors to the Company, further, the Directors, for the time being, of the Company shall have a right to attend and to be heard, at any general meeting, on any part of the business, which concerns them as the Directors of the Company or generally the management of the Company.
- (v) At every Annual General Meeting of the Company, there shall be laid, on the table, the Directors' Report and Audited Statements of Account, Auditors' Report, the proxy Register with forms of proxies, as received by the Company, and the Register of Directors' Share holdings, which Register shall remain open and accessible during the continuance of the meeting, and therefore in terms of the provisions of Section 96 of the Act, the Annual General Meeting shall be held within six months after the expiry of such financial year. The Board of Directors shall prepare the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with the applicable provisions of the Act.



- 76.** The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting and it shall do so upon a requisition, in writing, by any member or members holding, in aggregate not less than one-tenth or such other proportion or value, as may be prescribed, from time to time, under the Act, of such of the paid-up capital as at that date carries the right of voting in regard to the matter, in respect of which the requisition has been made.
- 77.** Any valid requisition so made by the members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office, provided that such requisition may consist of several documents, in like form, each of which has been signed by one or more requisitionists.
- 78.** Upon receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within 21 (Twenty-one) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of the requisition, being deposited at the office, to cause a meeting to be called on a day not later than 45 (Forty-five) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid up Share capital held by all of them or not less than one-tenth of such of the paid up Share Capital of the Company as is referred to in Section 100(4) of the Act, whichever is less, may themselves call the meeting, but, in either case, any meeting so called shall be held within 3 (Three) months or such other period, as may be prescribed, from time to time, under the Act, from the date of the delivery of the requisition as aforesaid.
- 79.** Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible as that in which such meetings are to be called by the Board.
- 80.** At least 21 (Twenty-one) days' notice, of every general meeting, Annual or Extra-ordinary, and by whomsoever called, specifying the day, date, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company, provided that in the case of an General Meeting, with the consent of members holding not less than 95 per cent of such part of the paid up Share Capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting of the Shareholders of the Company, if any business other than
- (i) the consideration of the Accounts, Balance Sheet and Reports of the Board and the Auditors thereon,
  - (ii) the declaration of dividend,
  - (iii) appointment of directors in place of those retiring,
  - (iv) the appointment of, and fixing the remuneration of, the Auditors,
- is to be transacted, and in the case of any other meeting, in respect of any item of business, a statement setting out all material facts concerning each such item of business, including, in particular, the nature and extent of the interest, if any, therein of every director and manager, if any, where any such item of special business relates to, or affects any other company, the extent of shareholding interest in that other company or every director and manager, if any, of the Company shall also be set out in the statement if the extent of such Share-holding interest is not less than such percent, as may be prescribed, from time to time, under the Act, of the paid-up Share Capital of that other Company.

Where any item of business consists of the according of approval of the members to any document at the meeting, the time and place, where such document can be inspected, shall be specified in the statement aforesaid.

- 81.** The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.
- 82.** No general meeting, whether Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.
- 83.** Subject to the provisions of the Act and these Articles, five(5) shareholders shall constitute quorum in Shareholder's Meetings of the Company if number of shareholders as on date of meeting is not more than One Thousand; Fifteen (15) shareholders shall constitute quorum in Shareholder's Meetings of the Company if number of shareholders as on date of meeting is more than One Thousand but not more than Five Thousand; Thirty (30) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting exceeds five thousand.
- 84.** A body corporate, being a member, shall be deemed to be personally present, if it is represented in accordance with and in the manner as may be prescribed by, the applicable provisions of the Act.
- 85.** If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, then the meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case, it shall stand adjourned to such time on the following day or such other day and to such place, as the Board may determine, and, if no such time and place be determined, to the same day in the next week, at the same time and place in the city or town in which the office of the Company is, for the time being, situate, as the Board may determine, and, if at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.
- 86.** The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, whether Annual or Extra-ordinary. If there be no such Chairman, or, if, at any meeting, he shall not be present within 15 (Fifteen) minutes of the time appointed for holding such meeting, then the members present shall elect another director as the Chairman of that meeting, and, if no director be present, or if all the Directors present decline to take the Chair, then the members present shall elect one among them to be the Chairman.
- 87.** No business shall be discussed at any general meeting, except the election of a Chairman, whilst the Chair is vacant.
- 88.** The Chairman, with the consent of the meeting, may adjourn any meeting, from time to time, and from place to place, in the city or town, in which the office of the Company is, for the time being, situate, but no business shall be transacted at any adjourned meeting, other than the business left unfinished, at the meeting, from which the adjournment took place.
- 89.** At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is demanded, before or on the declaration of the result of the show of hands, by any member or members present in person or by proxy and holding Shares in the Company, which confer a power to vote on the resolution not being less than one-tenth or such other proportion as may statutorily be prescribed, from time to time, under the Act, of the total voting power, in respect of the resolution or on which an aggregate sum of not less than Rs. 500,000/- or such other sum as may statutorily be prescribed, from time to time, under the Act, has been paid up, and unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or has been lost

and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

90. In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll, if any, have a casting vote in addition to the vote of votes, if any, to which he may be entitled as a member, if he is.
91. If a poll is demanded as aforesaid, the same shall, subject to Article 93 hereinafter, be taken at Mumbai or, if not desired, then at such other place as may be decided by the Board, at such time not later than 48 (Forty-eight) hours from the time when the demand was made and place in the city or town in which the office of the Company is, for the time being, situate, and, either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the persons, who made the demand.
92. Where a poll is to be taken, the Chairman of the meeting shall appoint one or, at his discretion, two scrutineers, who may or may not be members of the Company to scrutinise the votes given on the poll and to report thereon to him, subject to that one of the scrutineers so appointed shall always be a member, not being an officer or employee of the Company, present at the meeting, provided that such a member is available and willing to be appointed. The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutineer from office and fill the vacancy so caused in the office of a scrutineer arising from such removal or from any other cause.
93. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment of the meeting shall be taken forthwith at the same meeting.
94. The demand for a poll, except on questions of the election of the Chairman and of an adjournment thereof, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

### **VOTES OF MEMBERS**

95. No member shall be entitled to vote either personally or by proxy at any general meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, or has exercised, any right of lien.
96. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions so to voting, for the time being, attached to any class of Shares, for the time being, forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present, speak and vote at such meeting, and, on a show of hands, every member, present in person, shall have one vote and, upon a poll, the voting right of every member present in person or by proxy shall be in proportion to his Share of the paid-up Equity Share Capital of the Company. Provided, however, if any preference Shareholder be present at any meeting of the Company, subject to the provision of section 47, he shall have a right to vote only on resolutions, placed before the meeting, which directly affect the rights attached to his Preference Shares.
97. On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes, he uses.

- 98.** A member of unsound mind or in respect of whom an order has been made by a 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 may, on a poll, vote by proxy. If any member be a minor, the vote, in respect of his Share or Shares, be used by his guardian, or any one of his guardians, if more than one, to be selected, in the case of dispute, by the Chairman of the meeting.
- 99.** If there be joint registered holders of any Shares, any one of such persons may vote at any meeting or may appoint another person, whether a member or not, as his proxy, in respect of such Shares, as if he were solely entitled thereto, but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, then one of the said persons so present, whose name stands higher on the Register, shall alone be entitled to speak and to vote in respect of such Shares, but the other of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name Shares stand shall, for the purpose of these Articles, be deemed joint holders thereof.
- 100.** Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate, being a member, may vote either by a proxy or by a representative, duly authorised, in accordance with the applicable provisions, if any, of the Act, and such representative shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate, which he represents, as that body corporate could exercise, if it were an individual member.
- 101.** Any person entitled, under the Article 61 hereinabove, to transfer any Share, may vote, at any general meeting, in respect thereof, in the same manner, as if he were the registered holder of such Shares provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such Shares and give such indemnity, if any, as the Directors may require or the Directors shall have provisionally admitted his right to vote at such meeting in respect thereof.
- 102.** Every proxy, whether a member or not, shall be appointed, in writing, under the hand of the appointer or his attorney, or if such appointer is a body corporate under the common seal of such corporate, or be signed by an officer or officers or any attorney duly authorised by it or them, and, for a member of unsound mind or in respect of whom an order has been made by a court having jurisdiction in lunacy, any committee or guardian may appoint such proxy. The proxy so appointed shall not have a right to speak on any matter at the meeting.
- 103.** An instrument of Proxy may state the appointment of a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
- 104.** A member, present by proxy, shall be entitled to vote only on a poll.
- 105.** The instrument appointing a proxy and a Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Office not later than 48 (Forty-eight) hours before the time for holding the meeting at which the person named in the Instrument proposes to vote, and, in default, the Instrument of Proxy shall not be treated as valid. No instrument appointing a proxy shall be a valid after the expiration of 12 (Twelve) months or such other period as may be prescribed under the Laws, for the time being, in force, or if there shall be no law, then as may be decided by the Directors, from the date of its execution.

**106.** Every Instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances thereto will admit, be in any of the forms as may be prescribed from time to time.

**107.** A vote, given in accordance with the terms of an Instrument of Proxy, shall be valid notwithstanding the previous death of insanity of the principal, or revocation of the proxy or of any power of Attorney under which such proxy was signed or the transfer of the Share in respect of which the vote is given, provided that no intimation, in writing, of the death or insanity, revocation or transfer shall have been received at the Office before the meeting.

**108.** No objections shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, or not disallowed at such meeting or on a poll, shall be deemed as valid for all purposes of such meeting or a poll whatsoever.

**109.** The Chairman, present at the time of taking of a poll, shall be the sole judge of the validity of every vote tendered at such poll.

**110.**

- (i) The Company shall cause minutes of all proceeding of every general meeting to be kept by making, within 30 (Thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.
- (ii) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a director duly authorised by the Board for that purpose.
- (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings there at.
- (v) All appointments made at any meeting aforesaid shall be included in the minutes of the meeting.
- (vi) Nothing herein contained shall require or to be deemed to require the inclusion, in any such minutes, of any matter, which, in the opinion of the Chairman of the meeting, (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (vii) Any such minutes shall be conclusive evidence of the proceedings recorded therein.
- (viii) The book containing the minutes of proceedings of general meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than 2 (Two) hours, in each day, as the Directors determine, to the inspection of any member without charge.

## DIRECTORS

111. Until otherwise determined by a general meeting of the Company and, subject to the applicable provisions of the Act, the number of Directors) shall not be less than three nor more than fifteen.

The First Directors of the Company are:

1. **Mr. Manish Kumar Dutt**
2. **Mr. Krishi Kumar Dutt**
3. **Mr. Pawan Kumar Dutt**

112.

- (i) Whenever, Directors enter into a contract with any Government, whether central, state or local, bank or financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever or in case of Promoters of the Company (hereinafter referred as “Promoters”), the Directors shall have, subject to the provisions of Section 152 and other applicable provisions, if any, of the Act, the power to agree that such appointer or Promoters shall have the right to appoint or nominate by a notice, in writing, addressed to the Company, one or more Directors on the Board (hereinafter referred to as “Special Director”) for such period and upon such terms and conditions, as may be mentioned in the agreement if any, and that such Director or Directors may or may not be liable to retire by rotation, nor be required to hold any qualification Shares. The Directors may also agree that any such Director or Directors may be removed, from time to time, by the appointer or Promoter, entitled to appoint or nominate them and the appointer or Promoter may appoint another or others in his or their place and also fill in vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reasons whatsoever. The directors, appointed or nominated under this Article, shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the directors of the Company including payment of remuneration, sitting fees and travelling expenses to such director or directors, as may be agreed by the Company with the appointer.
- (ii) The Special Directors, appointed under the preceding Article, shall be entitled to hold Office until required by the Government, person, firm, body corporate promoters or financial institution/s who may have appointed them. A Special Director shall not be required to hold any qualification Share(s) in the Company. As and when a Special Director vacates Office, whether upon request as aforesaid or by death, resignation or otherwise, the Government, person, firm or body corporate promoters or financial institution, who appointed such Special Director, may appoint another director in his place. Every nomination, appointment or removal of a Special Director or other notification, under this Article, shall be in writing and shall, in the case of the Government, be under the hand of a Secretary or some other responsible and authorised official to such Government, and in the case of a company or financial institution, under the hand of director of such company or institution duly authorised in that behalf by a resolution of the Board of Directors. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same of obligations as any other director of the Company.

113. If it is provided by the 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 and every such issue of Debentures, the person or persons having such power may exercise such

power, from time to time, and appoint a director accordingly. Any director so appointed is hereinafter referred to as “the Debenture Director”. A Debenture Director may be removed from Office, at any time, by the person or 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 required to hold any qualification Share(s) in the Company.

**114.** Subject to the provisions of section 161(2) of the Act, 2013, The Board may appoint an alternate director to act for a director (hereinafter called “the Original Director”) during his absence for a period of not less than 3 (Three) months or such other period as may be, from time to time, prescribed under the Act, from the India, in which the meetings of Board are ordinarily held. An alternate director appointed, under this Article, shall not hold Office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate Office, if and when the Original Director returns to that State. If the term of Office of the Original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic re-appointment of a retiring director, in default of another appointment, shall apply to the original director and not to the alternate director.

**115.** Subject to the provisions of section 161(1) of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not, at any time, exceed the maximum fixed under these Articles. Any such Additional Director shall hold Office only upto the date of the next Annual General Meeting.

**116.** Subject to the provisions of section 152 and 162 of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be a director to fill a casual vacancy. Any person so appointed shall hold Office only upto the date, upto which the director in whose place he is appointed would have held Office if it had not been vacated by him.

**117.** A director shall not be required to hold any qualification Share(s) in the Company.

**118.**

(i) Subject to the provisions of section 196, 197 and read with schedule V of the Companies Act, 2013, a Managing Director or Director who is in the Whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, or in any other manner, as may be, from time to time, permitted under the Act or as may be thought fit and proper by the Board or, if prescribed under the Act, by the Company in general meeting.

(ii) Subject generally to the provisions of the Act, and, in the case of the Managing Director, subject to the provisions of the Articles herein below, as may be applicable, the Board shall have power to pay such remuneration to a director for his services, Whole-time or otherwise, rendered to the Company or for services of professional or other nature rendered by him, as may be determined by the Board. If any director, being willing, shall be called upon to perform extra services or make any special exception in going to or residing at a place other than the place where the director usually resides, or otherwise in or for the Company’s business or for any of the purpose of the Company, then, subject to the provisions of the Act, the Board shall have power to pay to such director such remuneration, as may be determined by the Board.

(iii) Subject to the provisions of the Act, a director, who is neither in the Whole-time employment nor a Managing Director, may be paid remuneration either;

(a) by way of monthly, quarterly or annual payment with the approval of the Central Government; or

- (b) by way of commission, if the Company, by a special resolution, authorizes such payment.
- (iv) The fee payable to a director, excluding a Managing or Whole time Director, if any, for attending a meeting of the Board or Committee thereof shall be such sum, as the Board may, from time to time, determine, but within and subject to the limit prescribed by the Central Government pursuant to the provisions, for the time being, under the Act.
- 119.**The Board may allow and pay to any director such sum, as the Board may consider fair compensation, for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any director be called upon to go or reside out of the ordinary place of his residence for the Company's business, he shall be entitled to be repaid and reimbursed of any travelling or other expenses incurred in connection with business of the Company. The Board may also permit the use of the Company's car or other vehicle, telephone(s) or any such other facility, by the director, only for the business of the Company.
- 120.**The continuing Directors may act, notwithstanding, any vacancy in their body but if, and so long as their number is not reduced below the minimum number fixed by Article 111 hereof. the continuing Directors, not being less than two, may only act, for the purpose of increasing the number of Directors to that prescribed minimum number or of summoning a general meeting but for no other purpose.
- 121.**The office of director shall be vacated, pursuant to the provisions of section 164 and section 167 of the Companies Act, 2013. Further, the Director may resign his office by giving notice to the Company pursuant to section 168 of the Companies Act, 2013
- 122.**The Company shall keep a Register, in accordance with Section 189(1) of the Act, and within the time as may be prescribed, enter therein such of the particulars, as may be relevant having regard to the application thereto of Section 184 or Section 188 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each director of the Company, names of the bodies corporate and firms of which notice has been given by him, under the preceding two Articles. The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and the extracts may be taken there from and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 189(3) of the Act shall apply accordingly.
- 123.**A director may be or become a director of any other 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 except in so far as the provisions of the Act may be applicable.
- 124.**
- (i) 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 or if their number is not three or a multiple of three, the number nearest to one-third shall retire from Office. The Independent, Nominee, Special and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions, if any, of the Act.
- (ii) Subject to Section 152 of the Act, the directors, liable to retire by rotation, at every annual general meeting, shall be those, who have been longest in Office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire



by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot.

**125.** A retiring director shall be eligible for re-election and shall act as a director throughout the meeting at which he retires.

**126.** Subject to Section 152 of the Act, the Company, at the general meeting at which a director retires in manner aforesaid, may fill up the vacated Office by electing a person thereto.

**127.**

- (i) If the place of retiring director is not so filled up and further the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day, which is not a public holiday, at the same time and place.
- (ii) If at the adjourned meeting also, the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meetings, unless:-
  - (a) at that meeting or at the previous meeting, resolution for the re-appointment of such director has been put to the meeting and lost;
  - (b) the retiring director has, by a notice, in writing, addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;
  - (c) he is not qualified, or is disqualified, for appointment.
  - (d) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
  - (e) Section 162 of the Act is applicable to the case.

**128.** Subject to the provisions of Section 149 of the Act, the Company may, by special resolution, from time to time, increase or reduce the number of directors, and may alter their qualifications and the Company may, subject to the provisions of Section 169 of the Act, remove any director before the expiration of his period of Office and appoint another qualified person in his stead. The person so appointed shall hold Office during such time as the director, in whose place he is appointed, would have held, had he not been removed.

**129.**

- (i) No person, not being a retiring director, shall be eligible for appointment to the office of director at any general meeting unless he or some member, intending to propose him, has, not less than 14 (Fourteen) days or such other period, as may be prescribed, from time to time, under the Act, before the meeting, left at the Office of the Company, a notice, in writing, under his hand, signifying his candidature for the Office of director or an intention of such member to propose him as a candidate for that office, along with a deposit of Rupees One lakh or such other amount as may be prescribed, from time to time, under the Act, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.

(ii) Every person, other than a director retiring by rotation or otherwise or a person who has left at the Office of the Company a notice under Section 160 of the Act signifying his candidature for the Office of a director, proposed as a candidate for the Office of a director shall sign and file with the Company, the consent, in writing, to act as a director, if appointed.

(iii) A person, other than a director re-appointed after retirement by rotation immediately on the expiry of his term of Office, or an Additional or Alternate Director, or a person filling a casual vacancy in the Office of a director under Section 161 of the Act, appointed as a director or reappointed as a director immediately on the expiry of his term of Office, shall not act as a director of the Company, unless he has, within thirty days of his appointment, signed and filed with the Registrar his consent, in writing, to act as such director.

**130.**The Company shall keep at its Office a Register containing the particulars of its directors and key managerial personnel and their shareholding as mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

**131.**Every director and Key Managerial Personnel within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association which are required to be included in the register under that section 189 of the Companies Act, 2013.

#### **MANAGING DIRECTOR**

**132.**

(i) Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint, from time to time, any of its member as a Managing Director or Managing Directors of the Company for a fixed term, not exceeding 5 (Five) years at a time, and upon such terms and conditions as the Board thinks fit, and subject to the provisions of the succeeding Article hereof, the Board may, by resolution, vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such period or periods; and upon such conditions and subject to such restrictions, as it may determine. The remuneration of a Managing Director may be by way of salary and/or allowances, commission or participation in profits or perquisites of any kind, nature or description, or by any or all of these modes, or by any other mode(s) not expressly prohibited by the Act or the Rules made thereunder, or any notification or circular issued under the Act.

(ii) The Board shall have power to appoint an individual as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company at the same time.

**133.**Subject to the superintendence, directions and control of the Board, the Managing Director or Managing Directors shall exercise the powers, except to the extent mentioned in the matters, in respect of which resolutions are required to be passed only at the meeting of the Board, under Section 179 of the Act and the rules made thereunder

- 134.** Subject also to the other applicable provisions, if any, of the Act, the Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing or Whole-time Director who :-
- (i) is below the age of twenty-one years or has attained the age of seventy years
  - (ii) is an undischarged insolvent, or has any time been adjudged an insolvent;
  - (iii) suspends, or has at any time suspended, payment to his creditors, or makes or has, at any time, made, a composition with them; or
  - (iv) is or has, at any time, been convicted by a Court and sentenced for a period of more than six months.

### **PROCEEDINGS OF THE BOARD OF DIRECTORS**

- 135.** Unless decided by the Board to the contrary, depending upon the circumstances of the case, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, in accordance with the Article 124 hereof. If he ceases to hold the office of director, he shall ipso-facto and forthwith ceases to hold the office of Managing Director.
- 136.** The Directors may meet together as a Board for the despatch of business, from time to time, and shall so meet at least once in every 3 (Three) months and at least 4 (Four) such meetings shall be held in every year in such a manner that not more than one hundred and twenty days (120) days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit, subject to the provisions of the Act. The Board of directors may participate in a meeting of the Board either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time subject to the rules as may be prescribed.
- 137.** Not less than seven (7) days Notice of every meeting of the Board may be given, in writing, in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means. Subject to the provisions of section 173(3) meeting may be called at shorter notice.
- 138.** Subject to Section 174 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength, excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one, or two directors, whichever 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.
- 139.** If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned for 30 minutes in the same day and at same place.
- 140.** A director may, at any time, or Secretary shall, as and when directed by the any of the Directors to do so, convene a meeting of the Board, by giving a notice, in writing, to every other director.
- 141.** The Board may, from time to time, elect one of their member to be the Chairman of the Board and determine the period for which he is to hold the office. If at any meeting of the Board, the Chairman is not present at a time appointed for holding the same, the directors present shall choose one of them, being present, to be the Chairman of such meeting.

- 142.** Subject to the restrictive provisions of any agreement or understanding as entered into by the Company with any other person(s) such as the collaborators, financial institutions, etc., the questions arising at any meeting of the Board shall be decided by a majority of the votes of the directors present there at and, also subject to the foregoing, in the case of an equality of votes, the Chairman shall have a second or casting vote.
- 143.** A meeting of the Board, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions, which, by or under the Act or the Articles of the Company, are, for the time being, vested in or exercisable by the Board generally.
- 144.** Subject to the restrictions contained in Section 179 of the Act 2013 and the rules made thereunder, the Board may delegate any of their powers to the committee of the Board, consisting of such number of its body, as it thinks fit, and it may, from time to time, revoke 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 fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if were done by the Board.
- 145.** The meetings and proceedings of any meeting of such Committee of the Board, consisting of two or more members, shall be governed by the provisions contained herein for regulating the meetings and proceedings of the meetings 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.
- 146.** No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors or to all the members of the Committee, then in India, not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be, and to all the directors or to all the members of the Committee, at their usual addresses in India and has been approved, in writing, by such of the directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.
- 147.** All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a director shall notwithstanding that it shall, afterwards, be discovered that there was some defect in the appointment of such director or persons acting as aforesaid or that they or any of them were or was, as the case may be, disqualified or had vacated office or that the appointment of any of them was disqualified or had vacated office 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 duly been appointed and was qualified to be a director and had not vacated his office or his appointed had not been terminated, provided that nothing in this Article shall be deemed to give validity to any act or acts done by a director or directors after his or their appointment(s) has or have been shown to the Company to be invalid or to have terminated.
- 148.**
- (i) The Company shall cause minutes of all proceedings of every meeting of the Board and the Committee thereof to be kept by making, within 30 (Thirty) days of the conclusion of each such meeting, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.

- (ii) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (iii) In no case, the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (v) All appointment made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (vi) The minutes shall also contain:-
  - (a) the names of the Directors present at the meeting; and
  - (b) in the case of each resolution passed at the meeting, the names of the directors, if any dissenting from or not concurring in the resolution.
- (vii) Nothing contained in sub-clauses (i) to (vii) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting -
  - (a) is, or could reasonably be regarded as, defamatory of any person;
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interests of the Company;and that the Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub-clause.
- (viii) Minutes of the meetings kept in accordance with the aforesaid provisions shall be an evidence of the proceedings recorded therein.

**149.** Without prejudice to the general powers as well as those under the Act, and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles or otherwise, it is hereby declared that the Directors shall have, inter alia, the following powers, that is to say, power -

- (i) to pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- (ii) to pay and charge, to the account of the Company, any commission or interest lawfully payable thereon under the provision of the Act;
- (iii) subject to the provisions of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges, which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and being in the interests of the Company, and in any such purchase or other acquisition to accept such title or to obtain such right as the directors may believe or may be advised to be reasonably satisfactory;
- (iv) at their discretion and subject to the provisions of the Act, to pay for any property, right or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in Shares, Bonds, Debentures, mortgages, or other securities of the Company, and any such

Shares may be issued either as fully paid up, with such amount credited as paid up thereon, as may be agreed upon, and any such bonds, Debentures, mortgages or other securities may either be specifically charged upon all or any part of the properties of the Company and its uncalled capital or not so charged;

- (v) to secure the fulfilment of any contracts or engagement entered into by the Company or, in the interests or for the purposes of this Company, by, with or against any other Company, firm or person, by mortgage or charge of all or any of the properties of the Company and its uncalled capital, for the time being, or in such manner and to such extent as they may think fit;
- (vi) to accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, whether under buy-back or otherwise, on such terms and conditions as shall be agreed mutually, and as may be permitted, from time to time, under the Act or any other Law or the Regulations, for the time being, in force,
- (vii) to appoint any person to accept and hold in trust, for the Company, any property belonging to the Company, in which it is interested, or for any other purposes, and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- (viii) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts, due and of any differences to arbitration and observe and perform any awards made thereon;
- (ix) to act on behalf of the Company in all matters relating to bankruptcy and insolvents;
- (x) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;
- (xi) subject to the applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security, not being Shares of this Company, or without security and in such manner, as they may think fit, and from time to time, to vary or realise such investments, save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;
- (xii) to execute, in the name and on behalf of the Company, in favour of any director or other person, who may incur or be about to incur any personal liability whether as principal or surety, for the benefit or purposes of the Company, such mortgages of the Company's property, present and future, as they may think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- (xiii) to determine from time to time, who shall be entitled to sign, on behalf of the Company, bills, invoices, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and or any other document or documents and to give the necessary authority for such purpose, and further to operate the banking or any other kinds of accounts, maintained in the name of and for the business of the Company;
- (xiv) to distribute, by way of bonus, incentive or otherwise, amongst the employees of the Company, a Share or Shares in the profits of the Company, and to give to any staff, officer or others employed by the Company a commission on the profits of any particular business or transaction,

and to charge any such bonus, incentive or commission paid by the Company as a part of the operational expenditure of the Company;

- (xv) to provide for the welfare of directors or ex-directors, Shareholders, for the time being, or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses or dwellings, or grants of moneys, whether as a gift or otherwise, pension, gratuities, allowances, bonus, loyalty bonuses or other payments, also whether by way of monetary payments or otherwise, or by creating and from time to time, subscribing or contributing to provident and other association, institutions, funds or trusts and by providing or subscribing or contributing towards places of worship, instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality or place of operations, or of public and general utility or otherwise;
- (xvi) before recommending any dividend, to set aside out of the profits of the Company such sums, as the Board may think proper, for depreciation or to a Depreciation Fund, or to an Insurance Fund, a Reserve Fund, Capital Redemption Fund, Dividend Equalisation Fund, Sinking Fund or any Special Fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes, including the purposes referred to in the preceding clause, as the Board may, in their absolute discretion, think conducive to the interests of the Company and, subject to the provisions of the Act, to invest the several sums so set aside or so much thereof, as required to be invested, upon such investments, other than shares of the Company, as they may think fit, and from time to time, to deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes, as the Board, in their absolute discretion, think conducive to the interests of the Company, notwithstanding, that the matter, to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds, as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or divisions of a Reserve Fund and with full powers to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase of or repayment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, subject to the provisions of the applicable laws, for the time being, in force.
- (xvii) to appoint and at their discretion, remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants or other employees, in or for permanent, temporary or special services, as they may, from time to time, think fit, and to determine their powers and duties and to fix their salaries, emoluments or remuneration of such amount, as they may think fit.
- (xviii) to comply with the requirements of any local laws, Rules or Regulations, which, in their opinion, it shall, in the interests of the Company, be necessary or expedient to comply with.

- (xix) at any time, and from time to time, by power of attorney, under the Seal of the Company, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys, and for such period and subject to such conditions as the Board may, from time to time, think fit, and any such appointment may, if the Board thinks fit, be made in favour of the members or in favour of any Company, or the Share-holders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection of convenience of person dealing with such Attorneys, as the Board may think fit, and may contain powers enabling any such delegates all or any of the powers, authorities and discretions, for the time being, vested in them;
- (xx) Subject to the provisions of the Act, for or in relation to any of the matters, aforesaid or otherwise, for the purposes of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company, as they may consider expedient;
- (xxi) from time to time, make, vary and repeal bylaws for the regulation of the business of the Company, its Officers and Servants.

#### **MANAGEMENT**

**150.** The Company shall not appoint or employ, at the same time, more than one of the following categories of managerial personnel, namely

- (i) Managing Director, and
- (ii) Manager

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

**151.** Subject to the provisions of the Act,—

- (i) A chief executive officer, manager, company secretary, chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary, chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary, chief financial officer.

**152.** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary, chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary, chief financial officer.



## **COPIES OF MEMORANDUM AND ARTICLES**

### **TO BE SENT TO MEMBERS**

**153.** Copies of the Memorandum and Articles of Association of the Company and other documents, referred to in Section 17 of the Act, shall be sent by the Company to every member, at his request, within 7 (Seven) days of the request, on payment, if required by the Board, of the sum of Re.1/- (Rupee One Only) or such other higher sum, as may be prescribed, from time to time, under the Act and further decided, from time to time, by the Board, for each such copy.

### **SEAL**

**154.**

- (i) The Board shall provide a Common Seal for the purposes of the Company, and shall have power, from time to time, to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal, for the time being, and that the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Common Seal of the Company shall be kept at its office or at such other place, in India, as the Board thinks fit.
- (ii) The Common Seal of the Company shall be used by or under the authority of the Directors or by a Committee of the Board of Directors authorised by it in that behalf in the presence of at least one director, or Secretary or any other responsible officer of the Company as may be expressly authorised by the Board by way of a resolution passed at their duly constituted meeting, who shall sign every instrument to which the seal is affixed. Such instruments may also be counter-signed by other officer or officers, if any, appointed for the purpose. However, the certificates, relating to Shares or Debentures in or of the Company, shall be signed in such manner as may be prescribed in the Act and/or any Rules thereunder.

### **DIVIDEND**

**155.** The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and further subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up to the Shares held by them respectively.

**156.** The Company, in general meeting, may declare that dividends be paid to the members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company may, in general meeting, declare a smaller dividend than was recommended by the Board.

**157.** Subject to the applicable provisions of the Act, no dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that :-

- (i) if the Company has not provided for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
- (ii) if the Company has incurred any loss in any previous financial year or years the amount of loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid as against the profits of the Company for any

financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of schedule II of the Act

- 158.**The Board may, from time to time, pay to the members such interim dividend, as in their judgement, the position of the Company justifies.
- 159.**Where capital is paid in advance of calls, such capital may carry interest as may be decided, from time to time, by the Board, but shall not, in respect thereof, confer a right to dividend or to participate in profits.
- 160.**All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during which any portion or portions of the period in respect of which the dividend is paid up; but if any Share is issued on the terms providing that it shall rank for dividend as from a particular date or on such preferred rights, such Share shall rank for dividend accordingly.
- 161.**The Board may retain the dividends payable upon Shares in respect of which any person is, under the Article 61 hereinabove, entitled to become a member, or which any person under that article is entitled to transfer until such person shall become a member in respect of such Shares, or shall duly transfer the same and until such transfer of Shares has been registered by the Company, notwithstanding anything contained in any other provision of the Act or these Articles, the provisions of Section 206A of the Act or the corresponding section of Act, 2013 as and when notified shall apply.
- 162.**Any one of several persons, who are registered as joint holders of any Share, may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such Shares.
- 163.**No member shall be entitled to receive payment of any interest or dividend in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct, from the interest or dividend payable to any member, all sums of money so due from him to the Company.
- 164.**Subject to the applicable provisions, if any, of the Act, a transfer of Shares shall not pass the right to any dividend declared thereon and made effective from the date prior to the registration of the transfer.
- 165.**Unless otherwise directed, any dividend may be paid up by cheque or warrant or by a pay-slip sent through the post to the registered address of the member or person entitled, or, in the case of joint holders, to that one of them first named in the Register in respect of the joint holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay-slip lost in transmission or for any dividend lost to the member or person entitled thereto due to or by the forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.
- 166.**
- (i) If the Company has declared a dividend but which has not been paid or claimed within 30 (Thirty) days from the date of declaration the Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 (Thirty) days a special account to be opened by the Company in that behalf in any scheduled Bank called “the Unpaid Dividend Account of V R Films & Studios Limited”. The Company shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the

Central Government, for this purpose. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

- (ii) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (Seven) years, from the date of such transfer shall be transferred by the Company to the Fund known as the Investor Education and Protection Fund established under Section 125 of the Act 2013.

**167.** Subject to the provisions of the Act, no unpaid dividend shall bear interest as against the Company.

**168.** Any general meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting decides, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls.

### CAPITALISATION

**169.**

- (i) The Company, in general meeting, may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account or in the hands of the Company and available for dividend, or representing premium received on the issue of Shares and standing to the credit of the Share Premium Account, be capitalised and distributed amongst such of the Shareholders as would be entitled to receive the same, if distributed by way of dividend, and in the same proportion on the footing that they become entitled thereto as capital, and that all or any part of such capitalised fund be applied, on behalf of such Shareholders, in paying up in full either at par or at such premium, as the resolution may provide, any unissued Shares or Debentures or Debenture stock of the Company which shall be distributed accordingly on or towards payment of the uncalled liability on any issued Shares or Debentures, stock and that such distribution or payment shall be accepted by such Shareholders in full satisfaction of their interest in the said capitalised sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied for the paying of any unissued Shares to be issued to members of the Company as, fully paid up, bonus Shares.
- (ii) A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company, not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.
- (iii) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty, which may arise, in regard to the distribution, as it thinks expedient, and, in particular, may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of value less than Rs.10/- (Rupees Ten Only) may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalized funds, as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act and the Board may appoint any person to sign such contract, on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective.

## ACCOUNTS

**170.**The Company shall keep at the Office or at such other place in India, as the Board thinks fit and proper, books of account, in accordance with the provisions of the Act with respect to :-

- (i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
- (ii) all sales and purchases of goods by the Company;
- (iii) the assets and liabilities of the Company;
- (iv) such particulars, if applicable to this Company, relating to utilization of material and/or labour or to other items of cost, as may be prescribed by the Central Government.

Where the Board decides to keep all or any of the books of account at any place, other than the Office of the Company, the Company shall, within 7 (Seven) days, or such other period, as may be fixed, from time to time, by the Act, of the decision, file with the Registrar, a notice, in writing, giving the full address of that other place.

The Company shall preserve, in good order, the books of account, relating to the period of not less than 8 (Eight) years or such other period, as may be prescribed, from time to time, under the Act, preceding the current year, together with the vouchers relevant to any entry in such books.

Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article, if proper books of account, relating to the transaction effected at the branch office, are kept at the branch office, and the proper summarized returns, made up to day at intervals of not more than 3 (Three) months or such other period, as may be prescribed, from time to time, by the Act, are sent by the branch office to the Company at its Office or other place in India, at which the books of account of the Company are kept as aforesaid.

The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain the transactions represented by it. The books of account and other books and papers shall be open to inspection by any director, during business hours, on a working day, after a prior notice, in writing, is given to the Accounts or Finance department of the Company.

**171.**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 of them shall be open to the inspection of members, not being the directors, and no member, not being a director, shall have any right of inspecting any account or books or document of the Company, except as conferred by law or authorised by the Board.

**172.**The Directors shall, from time to time, in accordance with sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting of the Shareholders of the Company, such Balance Sheets, Profit and Loss Accounts, if any, and the Reports as are required by those Sections of the Act.

**173.**A copy of every such Profit & Loss Accounts and Balance Sheets, including the Directors' Report, the Auditors' Report and every other document(s) required by law to be annexed or attached to the Balance Sheet, shall at least 21 (Twenty-one) days, before the meeting, at which the same are to be laid before the

members, be sent to the members of the Company, to every trustee for the holders of any Debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such member or trustees being persons so entitled.

**174.** The Auditors, whether statutory, branch or internal, shall be appointed and their rights and duties shall be regulated in accordance with the provisions of the Act and the Rules made thereunder.

## **DOCUMENTS AND NOTICES**

**175.**

- (i) A document or notice may be served or given by the Company on any member either personally or by sending it, by post or by such other means such as fax, e-mail, if permitted under the Act, to him at his registered address or, if he has no registered address in India, to the address, if any, in India, supplied by him to the Company for serving documents or notices on him.
- (ii) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying, wherever required, and posting a letter containing the document or notice, provided that where a member has intimated to the Company, in advance, that documents or notices should be sent to him under a certificate of posting or by registered post, with or without the acknowledgement due, and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner and, such service shall be deemed to have been effected, in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted, and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

**176.** A document or notice, whether in brief or otherwise, advertised, if thought fit by the Board, in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day, on which the advertisement appears, on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

**177.** A document or notice may be served or given by the Company on or to the joint holders of a Share by serving or giving the document or notice on or to the joint holder named first in the Register of Members in respect of the Share.

**178.** A document or notice may be served or given by the Company on or to the person entitled to a Share, including the person nominated in the manner prescribed hereinabove, in consequence of the death or insolvency of a member by sending it through the post as a prepaid letter addressed to them by name or by the title or representatives of the deceased, or assigned of the insolvent or by any like description, at the address, if any, in India, supplied for the purpose by the persons claiming to be entitled, or, until such an address has been so supplied, by serving the document or notice, in any manner in which the same might have been given, if the death or insolvency had not occurred.

**179.** Documents or notices of every general meeting shall be served or given in some manner hereinafter authorised on or to (i) every member, (ii) every person entitled to a Share in consequence of the death or insolvency of member, (iii) the Auditor or Auditors of the Company, and (iv) the directors of the Company.

**180.** Every person who, by operation of law, transfer or by other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which, previously to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derives his title to such Shares.

**181.** Any document or notice to be served or given by the Company may be signed by a director or some person duly authorised by the Board for such purpose and the signature thereto may be written, printed or lithographed.

**182.** All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post, under a certificate of posting or by registered post, or by leaving it at the Office, or by such other means such as fax, e-mail, if permitted under the Act.

#### **WINDING UP**

**183.** The Liquidator, on any winding up, whether voluntary or under supervision or compulsory, may, with the sanction of a special resolution, but subject to the rights attached to any Preference Share Capital, divide among the contributories, in specie, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, as the liquidators, with the like sanction, shall think fit.

#### **INDEMNITY AND RESPONSIBILITY**

**184.** Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

#### **SECRECY**

**185.**

- (i) Every director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with the individuals and in matters relating thereto, and shall, by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these presents or the Memorandum of Association of the Company.
- (ii) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors, or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and, which in the opinion of the Directors, it would be inexpedient in the interests of the Company to disclose.

## SECTION X-OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus delivered to the Registrar of Companies, Mumbai for registration, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office of our Company from 10.00 am to 5.00 pm on Working Days from the date of this Prospectus until the Issue Closing Date.

#### A Material Contracts to the Issue

1. Issue Agreement dated March 13, 2019 and addendum dated March 22, 2019 entered into among our Company and the Lead Manager.
2. Agreement dated March 13, 2019 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated March 19, 2019 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated March 16, 2019 entered into among our Company, CDSL and the Registrar to the Issue.
5. Public Issue Account Agreement dated March 22, 2019 between our Company, the Lead Manager, Banker to the Issue/Sponsor Bank and the Registrar to the Issue.
6. Market Making Agreement dated March 13, 2019 and addendum dated March 22, 2019 between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated March 13, 2019 and addendum dated March 22, 2019 between our Company, the Lead Manager and the Underwriters.

#### B Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation dated December 31, 2007 issued by the Registrar of Companies, Mumbai. Fresh Certificate of Incorporation dated March 11, 2019 issued by the Registrar of Companies, Mumbai consequent upon conversion of the Company to Public Company.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated March 12, 2019 and March 13, 2019 respectively, authorizing the Issue and other related matters.
4. Copies of the Audited Financial Statements of our Company for the Stub Period ended October 31, 2018 and for the year ended March 31, 2018, March 31, 2017 and March 31, 2016
5. Copy of Restated Financial statements for the Stub Period ended October 31, 2018 and for the year ended March 31, 2018, March 31, 2017 and March 31, 2016 and Auditors Report on Restated Financials dated March 23, 2019.
6. Copy of the Statement of Tax Benefits dated March 12, 2019 as included in this Prospectus from the Statutory Auditor M/s B. L. Dasharda & Associates, Chartered Accountants.
7. Consents of Bankers to our Company, Banker to the Issue and Sponsor Bank, the Lead Manager, Market Maker, Underwriters, Registrar to the Issue, Legal advisor, Promoters of our Company, Directors of our Company, Chief Financial Officer and Company Secretary and Compliance Officer and Statutory Auditor.
8. Board Resolutions dated March 14, 2019 for approval of Draft Prospectus.
9. Board Resolutions dated April 03, 2019 for approval of this Prospectus.
10. Due Diligence Certificate from Lead Manager dated March 14, 2019.
11. In-principle approval from BSE vide letter dated March 25, 2019 to use their name in the offer document for listing the Equity Shares on the SME Platform of BSE.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
<b>Manish Satprakash Dutt</b> <i>Managing Director</i>	Sd/-

Date: April 03, 2019

Place: Mumbai

**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
<b>Krishi Satprakash Dutt</b> <i>Whole-Time Director</i>	Sd/-

Date: April 03, 2019

Place: Mumbai

**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
<b>Pawan Kumar Dutt</b> <i>Non-Executive Director</i>	Sd/-

Date: April 03, 2019

**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
<b>Vishnu Vithalbhai Patel</b> <i>Independent Director</i>	Sd/-

Date: April 03, 2019

Place: Mumbai

**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
<b>Vaneeta Sridhar</b> <i>Independent Director</i>	Sd/-

Date: April 03, 2019

Place: Mumbai

**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

**SIGNED BY CHIEF FINANCIAL OFFICER:**

Sd/-

**Prasad Jagannat Sawant**  
*Chief Financial Officer*

Date: April 03, 2019

Place: Mumbai

**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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 this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

**SIGNED BY COMPANY SECRETARY AND COMPLIANCE OFFICER:**

Sd/-

**Nidhi Natani**

*Company Secretary and Compliance Officer*

Date: April 03, 2019

Place: Mumbai