

**BODHI TREE MULTIMEDIA LIMITED**

Our Company was incorporated as “Bodhi Tree Multimedia Private Limited” under the provisions of the Companies Act, 1956, vide Certificate of Incorporation dated July 4, 2013 issued by the Registrar of Companies, Mumbai, Maharashtra bearing Corporate Identification Number U22211MH2013PTC245208. The name of our Company was subsequently changed to “Bodhi Tree Multimedia Limited” pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on August 18, 2020 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai, Maharashtra dated September 1, 2020 bearing Corporate Identity Number U22211MH2013PLC245208. For further details, please refer to chapter titled “History and Certain Corporate Matters” beginning on page 95.

Corporate Identification Number: U22211MH2013PLC245208

Registered and Corporate Office: 507, Reliable Business Centre, Jogeshwari (West), Mumbai - 400102, Maharashtra, India.

Contact Person: Mr. Ravi Bhavanishankar Bhatt, Chief Financial Officer, Telephone --+91-22-40101293

Website: [www.bodhitreemultimedia.com](http://www.bodhitreemultimedia.com)

E-mail: [info@bodhitreemultimedia.com](mailto:info@bodhitreemultimedia.com)

PROMOTERS OF OUR COMPANY: MR. MAUTIK AJIT TOLIA AND MR. SUKESH DEVDAS MOTWANI

**THE ISSUE**

INITIAL PUBLIC ISSUE OF UPTO 3,90,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (THE “EQUITY SHARES”) OF BODHI TREE MULTIMEDIA LIMITED (“OUR COMPANY” OR “BTML” OR “THE ISSUER”) FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING TO RS. [●] LAKHS (“THE ISSUE”) OF WHICH 20,400 EQUITY SHARES AGGREGATING TO RS. [●] 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 3,69,600 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH AT AN ISSUE PRICE OF RS. [●] PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●]%, 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 162.

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 169.

All potential Bidders are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts and UPI ID (in case of RIBs), if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. For details, see “Issue Procedure” on page 169.

**ELIGIBLE INVESTORS**

For details in relation to Eligible Investors, please refer to section titled “Issue Procedure” beginning on page 169.

**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 is [●] times of face value 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 56) 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 Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 19.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft 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 Draft 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 Draft Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited (“NSE”)(“NSE EMERGE”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time. Our Company has received an in-principle approval letter dated [●] from NSE for using its name in this offer document for listing of our shares on the NSE EMERGE. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

**LEAD MANAGER TO THE ISSUE**

SHRENI SHARES PRIVATE LIMITED  
Office No. 102, 1<sup>st</sup> Floor, Sea Lord CHS, Plot No. 1/B, 1/A,  
Survey No. A-12, Ram Nagar, Borivali (West),  
Mumbai- 400092, Maharashtra, India  
Telephone: +91-22-28088456  
Email: [shrenishares@gmail.com](mailto:shrenishares@gmail.com)  
Investors Grievance email: [info@shreni.in](mailto:info@shreni.in)  
Contact Person: Mr. Parth Shah  
Website: [www.shreni.in](http://www.shreni.in)  
SEBI Registration Number: INM000012759

**REGISTRAR TO THE ISSUE**

BIGSHARE SERVICES PRIVATE LIMITED  
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (East) Mumbai - 400059, Maharashtra, India.  
Telephone: +91-22-6263 8200  
Facsimile: +91-22-6263 8280  
Email: [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
Investor grievance email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Contact Person: Mr. Swapnil Kate  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
SEBI Registration Number: INR000001385

**ISSUE PROGRAMME**

ISSUE OPENS ON:

[●]

ISSUE CLOSES ON:

[●]

**THIS PAGE HAS BEEN KEPT BLANK PURSUANT  
TO SCHEDULE VI OF  
SECURITIES AND EXCHANGE BOARD OF INDIA  
(ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft 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 Draft Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations 2018, the SCRA 1992, 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 58, 114, 190, 56, 95, 154 and 146 respectively, shall have the meaning ascribed to such terms in the relevant section.*

#### General Terms

| Terms   | Description  |
|---|--|
| “BTML” “the Company”, “our Company” and “Bodhi Tree Multimedia Limited” | Bodhi Tree Multimedia Limited, a Company incorporated in India under the Companies Act, 1956 having its registered office at 507, Reliable Business Centre, Jogeshwari (West), Mumbai - 400102, Maharashtra, India |
| “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

| Terms                                      | Description   |
|--|---|
| AOA / Articles / Articles of Association   | Articles of Association of Bodhi Tree Multimedia Limited as amended from time to time.  |
| Auditors/ Statutory Auditors               | The Statutory Auditors S A R A & Associates of Bodhi Tree Multimedia Limited being Firm Registration No.: 120927W having office at 202, 2nd Floor, May Bldg, 297/299/301 Princess Street, Near Marine Line Flyover, Mumbai - 400 002.INDIA. |
| 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 98.     |
| 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 98.                                       |
| Chief Financial Officer/ CFO               | The Chief Financial Officer of our Company being Mr. Ravi Bhavanishar Bhatt   |
| 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. Saloni Jain   |
| 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 “Our Group Companies” beginning on page 112. |
| Independent Director  | A non-executive & Independent Director as per the Companies Act, 2013 and 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 98.   |
| 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. Mautik Ajit Tolia  |
| Materiality Policy  | The policy on identification of group companies, material creditors and material litigation, adopted by our Board on September 1, 2020 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.   |
| MOA / Memorandum / Memorandum of Association                    | Memorandum of Association of Bodhi Tree Multimedia 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 98.   |
| 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. Mautik Ajit Tolia, and Mr. Sukesh Devdas Motwani. For further details, please refer to section titled “ <i>Our Promoters &amp; Promoter Group</i> ” beginning on page 109.  |
| 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 109.   |
| RBI Act   | The Reserve Bank of India Act, 1934 as amended from time to time.  |
| Registered Office   | 507, Reliable Business Centre, Jogeshwari (West), Mumbai - 400102, Maharashtra, India  |
| Restated Financial Statements                                   | The Restated Financial Information of the Company, which comprises of the Restated Standalone Balance Sheet, the Restated Standalone Statement of Profit and Loss and Restated Standalone Statement of Cash Flow, as at and for the years ended March 31, 2020, 2019 and 2018 together with the annexure and notes   |
| Reserve Bank of India / RBI                                     | Reserve Bank of India constituted under the RBI Act.   |
| RoC/ Registrar of Companies                                     | Registrar of Companies, Maharashtra at Mumbai  |
| SEBI Act  | Securities and Exchange Board of India Act, 1992, as amended from time to time.  |
| SEBI (ICDR) Regulations /ICDR Regulation/                       | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time   |
| 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 | 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.  |

|                                       |   |
|---------------------------------------|---|
| Regulations/SEBI (LODR)               |   |
| 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. Mautik Ajit Tolia, and Mr. Sukesh Devdas Motwani.  |
| 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 "Our Management" beginning on page 98.     |
| Stock Exchange                        | Unless the context requires otherwise, refers to, SME platform of National Stock Exchange of India Limited i.e. NSE EMERGE  |
| WTD or Whole-time Director            | It includes a Director in the whole-time employment of the Company and in our case Mr. Sukesh Devdas Motwani .  |

### Issue Related Terms

| Terms   | Description  |
|---|--|
| 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 and 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 Draft Prospectus.  |
| Application Amount                                      | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft 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)/applicants(s) in this Issue who apply(ies) through the ASBA process in terms of this Draft 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 [●].  |
| Banker to the Issue Agreement                           | Agreement to be entered into amongst the Company, LM, the Registrar, Sponsor Bank/the Banker of the Issue.   |
| Basis of Allotment                                      | The basis on which the Equity Shares will be Allotted, described in "Issue Procedure - Basis of Allotment" beginning on page 183.  |
| 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 Exchange (www.nseindia.com) |
| Broker to the Issue                                     | All recognized members of the stock exchange would be eligible to act as the Broker to the Issue.  |
| NSE Emerge  | The SME platform of National Stock Exchange of India Limited , approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI (ICDR) Regulations, 2018 amended time to time.   |
| 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.  |

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| 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.nseindia.com">www.nseindia.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.nseindia.com">www.nseindia.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                  | National Stock Exchange of India Limited (SME Exchange) ("NSE EMERGE")   |
| DP ID                                      | Depository Participant's Identity number   |
| Draft Prospectus                           | Draft prospectus dated September 2, 2020 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.  |
| 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                    | A Foreign Portfolio Investor who has been registered pursuant to the of  |

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|--|---|
| Investor   | 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. |
| GIR Number   | General Index Registry Number.  |
| IPO  | Initial Public Offering   |
| Issue Agreement  | The Agreement dated September 2, 2020 between our Company and Lead Manager.   |
| Issue/Public Issue / Issue size/ Initial Public Offer/Initial Public Offering/ IPO | The Public Issue of Upto 3,90,000 Equity shares of Rs. 10/- each at issue price of Rs [●]. per Equity share including share premium of Rs. [●]. per Equity share aggregating to Rs. [●]. Lakhs.   |
| Issue Opening Date   | The date on which Issue opens for subscription. In this case being, [●].  |
| Issue Closing Date   | The date on which Issue closes for subscription. In this case being, [●].   |
| Issue Price  | The price at which the Equity Shares are being issued by our Company under the Prospectus being Rs. [●].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 51.  |
| Listing Agreement/ Equity Listing Agreement  | The Listing Agreement to be signed between our Company and NSE.   |
| Market Maker   | Member Brokers of NSE who are specifically registered as Market Makers with NSE SME Platform. In our case Shreni Shares Private Limited is the sole Market Maker.   |
| Market Making Agreement  | The Market Making Agreement dated September 2, 2020 between our Company, LM and Market Maker, Shreni Shares Private Limited.  |
| Market Maker Reservation Portion   | The reserved portion of 20,400 Equity Shares of face value of Rs. 10 each at an issue price of Rs. [●] each aggregating to Rs. [●] 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 3,69,600 Equity Shares of face value of Rs. 10 each at a price of Rs. [●] per Equity Share (the "Issue Price") aggregating to Rs. [●] 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 51.  |
| 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.  |
| 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 the RoC in accordance with the provisions of Section 23, 26 and 32 of the Companies Act, 2013.   |
| Public Issue Account                        | Account to be 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 Bigshare services private limited  |
| Registrar Agreement                         | The Agreement dated September 2, 2020 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 [●] .   |
| Underwriting Agreement                      | The Agreement dated [●] entered into between the Underwriters and our Company.  |
| 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 authorize 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- announcement of Price Band; and Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; 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        |
| APIs | Application Programming Interface     |
| ART  | Acquisition Retention and Transaction |
| AV   | Audio Visual                          |
| CCTV | Close Circuit Television              |
| DCI  | Digital Cinema Initiative             |
| DTH  | Direct-to-Home                        |
| DVD  | Digital Versatile Disc                |
| FCP  | Final Cut Pro                         |
| FM   | Frequency Modulation                  |
| GEC  | General Entertainment Channel         |
| HD   | High Definition                       |
| I&B  | Information & Broadcasting            |
| IMDB | Internet Movie Data Base              |
| IPTV | Internet protocol Television          |
| M&E  | Digital Media & Entertainment         |
| MRP  | Maximum Retail Price                  |
| OOH  | Out OF Home                           |
| OTT  | Over The Top                          |
| PPV  | Pay Per View                          |
| SD   | Standard Definition                   |
| STB  | Set Top Box                           |
| TRAI | Telecom Regulatory Authority of India |
| TV   | Television                            |
| VFX  | Visual Effects                        |
| VOD  | Video on Demand                       |
| VSAT | Very Small Aperture Terminal          |
| Gec  | General Entertainment Channels        |

### 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.E                      | Bachelor of Engineering  |
| 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 Identity 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, 1956) 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   |
| Gol/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   |
| MES                  | Master of Economics and Social Studies   |
| 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  |
| NRIs                 | Non-Resident Indians   |
| NRE Account          | Non-Resident External Account  |
| NRO Account          | Non-Resident Ordinary Account  |
| NSDL                 | National Securities Depository Limited   |
| NSE                  | National Stock Exchange of India 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 United States of America  |
| U.S. GAAP                  | Generally Accepted Accounting Principles in the United States of America   |
| 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 United 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   |
| Willful Defaulter(s)       | Willful defaulter as defined under Regulation 2(1) (lll) of the SEBI (ICDR) Regulations, 2018.   |
| -, ()                      | Represent Outflow  |

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, 1956 and 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”, “and 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 Draft Prospectus to “India” are to the Republic of India. All references in this Draft Prospectus to the “U.S.,” “USA” or “United States” are to the United States of America.

In this Draft Prospectus, the terms “we”, “us”, “our”, “the “Company”, “our Company”, “Bodhi Tree Multimedia Limited”, “BTML”, and, unless the context otherwise indicates or implies, refers to Bodhi Tree Multimedia Limited. In this Draft 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 Draft 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 Draft Prospectus, all figures have been expressed in Rupees and Lakhs. Unless stated otherwise, the financial data in this Draft Prospectus is derived from Restated Financial Statements included under Section titled “*Financial Information of the Company*” beginning on page 114. 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 Draft 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 Draft 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 Draft 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 114.

For additional definitions used in this Draft Prospectus, see the section “*Definitions and Abbreviations*” beginning on page 1. In the section titled “*Main Provisions of Articles of Association*”, beginning on page 190, 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 Draft 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 Draft 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 56 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 Draft 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 19, 79 and 140, respectively unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Companies Act and Indian GAAP. Our Company has presented certain numerical information in this Draft Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

## FORWARD LOOKING STATEMENTS

This Draft Prospectus includes certain “forward-looking statements”. We have included statements in this Draft 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 19, 79 and 140 respectively. By their nature, certain market risk disclosures are only estimating 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 estimate.

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 DRAFT PROSPECTUS

### **SUMMARY OF BUSINESS**

We are engaged in the business of providing complete localization services for television, film and digital industry, which consists of producing, directing, writing, dubbing, mixing, subtitling, content editing and content localization services for movies, documentaries, audio books, games and TV programmers in regional and international languages.

### **SUMMARY OF INDUSTRY**

In FY19 the media industry in India has reached a size of Rs 1,631 billion (US\$ 23.4 billion) in FY19, posting a growth of 13%, clocking a CAGR of 11.5% over the period FY15-19. The M&E business grew 13% in FY19 on the back of quick development in advanced client base and utilization, combined with developing regional demand and monetization. During the year, television increased its reach and engagement with the audience, retaining its position as the default entertainment medium for Indian consumers. During FY19, it reached 780 million viewers on a weekly basis with an average daily time-spent of 226 minutes per individual. The M&E business is expected to post a CAGR of 13.5% over FY19-24, to reach a size of US\$ 43.9 billion in FY24. This will be on the back of a greater focus on monetization of emerging digital business model, strong regional opportunities and favorable regulatory and operating scenarios across traditional business. Advertising revenue in India is expected to grow 15.2% during 2018-2023, to reach US\$ 18.4 billion in FY23 from US\$ 9.4 billion in FY18. India's advertisement market is projected to grow 10.62% year-on-year to US\$ 12.06 billion till 2021. Advertisement spending is projected to grow 15% year-on-year to reach US\$ 10.3 billion in 2019.

For more details please refer chapter titled “*Industry Overview*” beginning on page 62.

### **NAME OF PROMOTERS**

The Promoters of our Company are Mr. Mautik Ajit Tolia and Mr. Sukesh Devdas Motwani.

### **SIZE OF THE ISSUE**

The Issue comprises of an Initial Public Issue of Upto 3,90,000 Equity Shares of face value of Rs. 10 each (The “Equity Shares”) for cash at a price of Rs. [●] per Equity Shares (including a premium of Rs. [●] per Equity Share) aggregating to Rs. [●] Lakhs (“the Issue”) by our Company of which 20,400 Equity Shares of Rs. 10 each aggregating to Rs. [●] Lakhs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and a Net Issue to public of 3,69,600 Equity Shares of Rs. 10 each aggregating to Rs. [●] Lakhs. The Issue and the Net Issue will constitute 31.20% and 29.56% respectively of the post issue paid up Equity Share Capital of the Company.

### **OBJECTS OF THE ISSUE**

The media and entertainment industry is on an upward trend with newer avenues such as OTT opening up and existing medium such as television also slated to grow in India. With the current pandemic, the need for entertainment content is at an all-time high. The television market is showing YoY 10 % growth. It is slated to reach 862 Bn by 2020. The OTT market in India is slated to reach 350 Bn INR by 2023. (\*\*BCG ENTERTAINMENT GOES ONLINE REPORT & KPMG)

BODHITREE is poised to take advantage of this content explosion. It operates in both segments - television as well as OTT content. It has been at the forefront of content creation across multiple genres and platforms.

Till date Bodhi Tree has delivered

- 30+ PROJECTS
- 650+ Hours Content

It has a demonstrated track record with relationships across all major entertainment groups. It has a deep rooted network of talent, vendors and client relationships with established systems and processes honed over the past seven years of its existence formed in 2013.

The main objective of the listing is to do fund raising for working capital requirements. Increase in working capital will expand the company's abilities to pitch and get more business from broadcasters and OTT platforms. The Company works on a commissioned model where by ‘gap funding’ is required for pursuing

projects under production. Typical credit periods are about 90 days from the time the content is delivered operating margins are in the range of 10-15 %.

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

| Sr. No. | Particulars                         | Amount<br>(Rs. in Lakhs) |
|---------|-------------------------------------|--------------------------|
| 1.      | To meet working capital requirement | [•]                      |
| 2.      | General Corporate Purposes          | [•]                      |
| 3.      | To meet Issue Expenses              | [•]                      |
|         | Total                               | [•]                      |

#### 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<br>Equity Shares |
|---------------------------|----------------------|---|
| <b>Promoters</b>          |                      |   |
| Mr. Mautik Ajit Tolia     | 8,54,995             | 99.42                                   |
| Mr. Sukesh Devdas Motwani | 5,000                | 0.58                                    |
| Total                     | 8,59,995             | 99.999                                  |

#### SUMMARY OF FINANCIAL INFORMATION

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

(In Rs.)

| Sr. No. | Particulars                                      | For The year ended |               |               |               |
|---------|--|--------------------|---------------|---------------|---------------|
|         |  | 2020               | 2019          | 2018          | 2017          |
| 1.      | Paid up Share Capital                            | 26,00,000          | 1,00,000      | 1,00,000      | 1,00,000      |
| 2.      | Net worth  | (9,33,349)         | (6,24,90,865) | (6,61,04,757) | (3,26,99,886) |
| 3.      | Total Revenue                                    | 27,46,52,466       | 38,63,34,747  | 17,28,86,827  | 11,30,76,334  |
| 4.      | Profit After Tax                                 | 3,65,57,518        | 36,13,892     | (3,34,04,871) | (2,21,76,120) |
| 5.      | Earnings Per Share - Basic & Diluted (in Rs.)    | 140.61             | 361           | (3,340)       | (2,218)       |
| 6.      | NAV per Equity Share (in Rs.)                    | (4)                | (6,249)       | (6,610)       | (3,270)       |
| 7.      | Total Borrowings (As per Restated Balance Sheet) | 5,99,251           | 2,37,82,053   | 2,39,42,053   | 2,29,42,761   |

#### 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 Draft Prospectus is provided below:

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

| <i>Cases filed against our Promoter</i> |                        |   |          |
|---|------------------------|---|----------|
| 1.                                      | Tax Liabilities        | 2 | 6,43,410 |
|   | Direct Tax Liabilities | - | -        |

For further details of the outstanding litigation proceedings, please refer chapter titled "Outstanding Litigation and Material Developments" beginning on page 146.

## RISK FACTORS

For details relating to risk factors, please refer section titled "Risk Factors" beginning on page 19.

## SUMMARY OF CONTINGENT LIABILITIES OF THE COMPANY

There are no Contingent Liabilities of the Company for the period ended on March 31, 2020 and financial years ended on March 31, 2019, 2018 and 2017

For detailed information on the Contingent Liabilities on our Company, please refer "Annexure - H" appearing under chapter titled "Restated Financial Statements" beginning on page 114.

## SUMMARY OF RELATED PARTY TRANSACTIONS

| Nature of Transactions            | Name of Related Parties         | As at/for the year ended at March 31 |                    |                    |                  |
|-----------------------------------|---------------------------------|--------------------------------------|--------------------|--------------------|------------------|
|                                   |                                 | 2020                                 | 2019               | 2018               | 2017             |
| 1. Directors Remuneration         |                                 | 47,24,532                            | 29,27,652          | 28,99,500          | 82,26,568        |
|                                   | <b>Total</b>                    | <b>47,24,532</b>                     | <b>29,27,652</b>   | <b>28,99,500</b>   | <b>82,26,568</b> |
| 2. Loan A/c Mautik Tolia-Director | Opening Balance                 | 1,95,42,053                          | 1,90,42,053        | 6,60,000           | -                |
|                                   | Loan received / taken / convert | 8,26,100                             | 5,00,000           | 1,86,82,761        | 10,60,000        |
|                                   | Loan Paid during the year       | (1,99,92,063)                        | -                  | (3,00,708)         | (4,00,000)       |
|                                   | <b>Closing Balance</b>          | <b>3,76,090</b>                      | <b>1,95,42,053</b> | <b>1,90,42,053</b> | <b>6,60,000</b>  |
| 3. Loan A/c - Sukesh Motwani      | Opening Balance                 | -                                    | -                  | -                  | -                |
|                                   | Loan received / taken / convert | 2,23,161                             | -                  | -                  | -                |
|                                   | Loan Paid during the year       | -                                    | -                  | -                  | -                |
|                                   | <b>Closing Balance</b>          | <b>2,23,161</b>                      | <b>-</b>           | <b>-</b>           | <b>-</b>         |
| 4. Loan A/c Nautam Tolia          | Opening Balance                 | -                                    | -                  | -                  | -                |
|                                   | Loan received / taken / convert | 16,79,966                            | -                  | -                  | -                |
|                                   | Loan Paid during the year       | (11,75,000)                          | -                  | -                  | -                |
|                                   | <b>Closing Balance</b>          | <b>5,04,966</b>                      | <b>-</b>           | <b>-</b>           | <b>-</b>         |
| 5. Loan A/c Ajit Tolia            | Opening Balance                 | -                                    | -                  | -                  | -                |
|                                   | Loan received / taken / convert | 46,49,656                            | 17,00,000          | -                  | 10,00,000        |
|                                   | Loan Paid during the year       | (23,00,000)                          | (17,00,000)        | -                  | (10,00,000)      |
|                                   | <b>Closing Balance</b>          | <b>23,49,656</b>                     | <b>-</b>           | <b>-</b>           | <b>-</b>         |
| 6. Loan A/c Ajanta Tolia          | Opening Balance                 | -                                    | -                  | -                  | -                |
|                                   | Loan received / taken / convert | 8,00,000                             | -                  | -                  | -                |



*\*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 Draft Prospectus.*

*\*\*As certified by our Statutory Auditor vide their certificate dated September 2, 2020.*

#### **DETAILS OF PRE-ISSUE PLACEMENT**

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

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

We have not issued Equity Shares for consideration other than cash in the preceding one year

#### **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 Draft 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 Draft 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 114, 79 and 140 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 Draft 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 Draft 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.

Some events may not be material individually but may be found material collectively.  
Some events may have material impact qualitatively instead of quantitatively.  
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 Draft 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 19 and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 140 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. Production & Distribution of movies/Serials 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 Produce & 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/serials, the quality and acceptance of other competing programs 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 Produce and distribute films/serials that appeal to audiences or to accurately judge audience acceptance of content, the commercial success of such films/serials will be in doubt, which could result in costs exceeding revenues generated or anticipated profits not being realized, 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 services depends on our scriptwriters, artists and technicians and their loss or unavailability could adversely affect our business.**

The activity and its success is largely depending 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 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 Bodhi Tree Multimedia Private Limited to Bodhi Tree Multimedia Ltd w.e.f. 01.09.2020 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 150.

- 5) **Some of the Properties are not owned are not owned by us**

| Sr. No. | Details of Property  | Name of Owner / Lessor and Agreement      | Rent Amount (in Rs.) | Purpose           |
|---------|--|---|----------------------|-------------------|
| 1.      | Unit No 507, Reliable Business Centre Commercial Premises Co-op. Soc. Ltd., Opp HeeraPanna Mall, Anand Nagar, Oshiwara, Jogeshwari West, Mumbai - 400102 | Mr. Mautik Ajit Tolia (Promoter Director) | Rs. 25,000 per Month | Registered Office |
| 2.      | Unit No 602/603, Reliable Business   | Mr. Mahomed                               | Rs. 65,000 per       | BackOffice        |

|  |  |              |       |  |
|--|--|--------------|-------|--|
|  | Centre Commercial Premises Co-op. Soc. Ltd., Opp Heera Panna Mall, Anand Nagar, Oshiwara, Jogeshwari West, Mumbai - 400102 | Zaheed Moosa | Month |  |
|--|--|--------------|-------|--|

**6) 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.

Moreover we are into an industry where creativity and originality of content matters. Although we take all possible care to ensure that the content we provide to our viewers or customers do not infringe any of the copyright rights of any of the original producer and in case any of the contents or concepts is borrowed from any of the existing material, due approval from the owner is taken. But we may at times, stand to violate any of the rights of any of the owner due to ignorance, which may drag us into the litigation requiring us to pay settlement amount, or to change the content which may not be preferred by our customers, which may have a material adverse effect on our business, results of operations and financial condition.

**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 favorable 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 inventories and trade receivables. As on March 31, 2020, we have been sanctioned working capital of Rs. 500 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 51.

**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 favorable 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 favorable 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 favorable 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, 20136 and the Listing Regulations. For details of transactions, please refer to “Annexure J” on “Related Party Transactions” of the Chapter titled “Financial Information of our Company” and Chapter titled “Capital Structure” beginning on pages 114 and 41 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 Group Medclaim 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 79.



**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.

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 114.

**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 favor 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) 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 continue 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 behavior 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.

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

| Sr. No.                                 | Nature of proceedings  | Number of outstanding cases | Amount involved (Rs. in Lakhs) |
|---|------------------------|-----------------------------|--------------------------------|
| <i>Cases filed against our Company</i>  |                        |                             |                                |
| 1.                                      | Tax Liabilities        | -                           | -                              |
|   | Direct Tax Liabilities | -                           | -                              |
| <i>Cases filed by our Company</i>       |                        |                             |                                |
| 1.                                      | Criminal               | -                           | -                              |
| <i>Cases filed against our Promoter</i> |                        |                             |                                |
| 1.                                      | Tax Liabilities        | -                           | -                              |
|   | Direct Tax Liabilities | 2                           | 6.43                           |

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 146.

- 14) We have had certain inaccuracy in relation to regulatory filings and our company has made non-compliances of certain provision under applicable law. We cannot assure you that our Company will not be subjected to any liability on account of such non-compliance and discrepancies.

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all applicable statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. For instance, our Company has violated provisions of Schedule VI of the Companies Act, 2013 read with accounting standards issued by the Institute of Chartered Accountants of India, by failing to mention notes on accounts to the balance sheets filed with the Registrar of Companies (ROC), since incorporation. Further our Company may have not complied with some Accounting Standard for instance, Accounting Standard 18. Further there has been certain clerical errors in the details of meetings, promoters and category of capital entered in forms MGT-7 filed under Section 92 of the Companies Act, 2013 and the related party transactions entered into by our Company with our Directors have not been reported in form AOC-4 filed u/s. 137 of the Act, filed by our Company in past years. Although no show cause notice have been issued against the Company till date in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, penal actions may be taken against the Company and its directors, in which event the financials of the Company and its directors may be affected

- 15) We have experienced negative cash flows and any negative cash flows in the future could adversely affect our financial conditions and results of operations.

The detailed break up of cash flows as restated is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

| Particulars                             | 2020             | 2019            | 2018              | 2017            |
|---|------------------|-----------------|-------------------|-----------------|
| Net Cash flow from Operative Activities | (2,16,65,800)    | (1,79,65,868)   | (59,80,777)       | 2,12,65,753     |
| Net Cash Flow from investing Activities | 22,57,429        | 69,95,752       | (91,60,244)       | (10,71,002)     |
| Net Cash Flow from Financing activities | 2,40,96,572      | 1,13,27,001     | 1,47,92,662       | (1,97,12,063)   |
| <b>Net Cash Flow for the Year</b>       | <b>46,88,201</b> | <b>3,56,885</b> | <b>(3,48,358)</b> | <b>4,82,687</b> |

- 16) Our Company has incurred losses in the financial year 2017-18. Any losses in the future may adversely affect our capacity to declare dividend and earnings available to shareholders.

Our Company has incurred a net loss of Rs. 33.40 Lakh in F.Y. 2017-18. Although we have been able to close at positive growth in the next years, i.e. in F.Y. 2018-19 and 2019-20, we cannot assure you that the Company shall not incur any losses in the future.

For details, please see the chapter titled "Financial Information of our Company" beginning on page 114. Any negative growth in the future could adversely affect our dividend declaration capacity and may result in wipe off of earnings available shareholders.

- 17) We have made application for registration of our logo 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 "corporate logo" 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) We have issued Equity Shares during the last one year at a price that may be below the Issue Price. Furthermore, the average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price.**

During the last one year we have issued Equity Shares at a price that may be lower than the Issue Price. Furthermore, our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as may be decided by the Company, in consultation with the LM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapters “Capital Structure” beginning on page 41 of this Draft Prospectus.

- 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”, beginning on pages 79, 109 and 114 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 98.47 % of our revenue from operations based on Restated Financial Statements for the period ended Fy 2020. 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 98.

- 21. Any failure to retain and attract additional skilled artists or workers, particularly writers and technical personnel, could have a material adverse effect on our business, financial condition and results of operations.**

Our success depends in part on our ability to retain and attract additional skilled artists, particularly script writers, artists and other technical personnel. Without a sufficient number of skilled workers, our company cannot operate. Competition for qualified technical personnel with established customer relationships is intense, both in retaining our existing employees and when replacing or finding additional suitable employees/workers. Any failure to retain and attract additional skilled technical personnel or artists, could have a material adverse effect on our business, financial condition and results of operations. For further details of our business, Please refer to chapter titled “Our Business” beginning on Page 79 of this Draft Prospectus.

- 22. Our Partnership firm and our Promoter Group Companies are engaged in the line of business similar to our Company. There are no non - compete agreements between our Company and Subsidiary Company & Promoter Group Companies. We cannot assure that our Promoters will not favour the interests of such Entities over our interest or that the said entities will not expand which may increase our competition, which may adversely affect business operations and financial condition of our Company.**

Our Limited Liability Partnership firm (LLP) i.e. Phataka Films LLP and our Promoter Group Companies i.e. Sumukha Bodhitree Entertainment Private Limited is engaged in the similar line of business of films and televisions production as of our Company. Further, we have not entered into any non-compete agreement with any of our said entities. We cannot assure that our Promoters who have common interest in said entities will not favour the interest of the said entities As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Subsidiary Company & Promoter Group Companies in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other companies in which our Promoters have interests. There can be no assurance that our Promoters or our LLP & Promoter Group Companies 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. For further details, please refer to “Common Pursuits” under chapter titled “Our Promoter and Promoter Group” on Page 109 of this Prospectus.

- 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 51.

- 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 113.

- 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 68.79 % 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 factors 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 56. 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 Draft 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 realized 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 realized on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognized 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 58.

**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. Shreni Shares Private 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 38.

## **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, investor’s 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 neighboring 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 150. Our 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 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, tsunamis, 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:

| Equity Shares Offered  |   |
|--|---|
| Public Issue of Equity Shares by our Company <sup>(1)(2)</sup> | Upto 3,90,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs   |
| <i>of which</i>  |   |
| Market Maker Reservation Portion                               | 20,400 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs  |
| Net Issue to Public  | 3,69,600 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs  |
| <i>of which</i>  |   |
| A. Retail Portion <sup>(3)</sup>                               | 1,84,800 Equity Shares of face value of Rs. 10 each fully paid- up for cash at price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs i.e. [●] % of the Net Issue shall be available for allocation Retail Individual Investors                           |
| B. Non-Retail Portion <sup>(3)</sup>                           | 1,84,800 Equity Shares of face value of Rs. 10 each fully paid- up for cash at price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs i.e. [●] % of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors. |
| Pre and Post Issue Equity Shares                               |   |
| Equity Shares outstanding prior to the Issue                   | 8,60,000 Equity Shares  |
| Equity Shares outstanding after the Issue                      | 12,50,000 Equity Shares   |
| Use of Net Proceeds  | For details please see the chapter titled " <i>Objects of the Issue</i> " beginning on page 51.   |

- 1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details, please refer to section titled "Issue Related Information" beginning on page 162 .
- 2) The Issue has been authorized by a resolution of our Board of Directors dated September 1, 2020 and by a special resolution of our Shareholders in their EGM dated September 2, 2020.
- 3) As per Regulation 253(2) of the SEBI (ICDR) Regulations, 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 167 and 169 respectively.

**SUMMARY OF OUR FINANCIALS**

| <b>ANNEXURE - A: RESTATED STATEMENT OF ASSETS AND LIABILITIES</b> |  |          |                              |                     |                    |                    |
|---|--|----------|------------------------------|---------------------|--------------------|--------------------|
| (Amount in Rs.)   |  |          |                              |                     |                    |                    |
| Sr. No.   | Particulars  | Note No. | As at 31 <sup>st</sup> March |                     |                    |                    |
|   |  |          | 2020                         | 2019                | 2018               | 2017               |
| <b>A.</b>   | <b>Equity and Liabilities</b>  |          |                              |                     |                    |                    |
| <b>1</b>  | <b>Shareholders' Funds</b>   |          |                              |                     |                    |                    |
|   | Share Capital  | A.1      | 26,00,000                    | 1,00,000            | 1,00,000           | 1,00,000           |
|   | Reserves & Surplus   | A.2      | (35,33,346)                  | (6,25,90,865)       | (6,62,04,757)      | (3,27,99,886)      |
|   | Share application money pending allotment  |          | 73,900                       | -                   | -                  | -                  |
| <b>2</b>  | <b>Non-Current Liabilities</b>   |          |                              |                     |                    |                    |
|   | Long-Term Borrowings   | A.3      | 5,99,251                     | 2,37,82,053         | 2,39,42,053        | 2,29,42,761        |
|   | Other Non-Current Liabilities  | A.4      | 85,00,000                    |                     | -                  | -                  |
|   | Long-Term Provisions   | A.5      | -                            | -                   | -                  | -                  |
|   | Deferred Tax Liabilities (Net)   |          | -                            | -                   | -                  | -                  |
| <b>3</b>  | <b>Current Liabilities</b>   |          |                              |                     |                    |                    |
|   | Short Term Borrowings  | A.6      | 5,24,07,805                  | 2,76,38,155         | 1,48,99,572        | -                  |
|   | Trade Payables :   | A.7      |                              |                     |                    |                    |
|   | (A) total outstanding dues of micro enterprises and small enterprises; and                     |          |                              | -                   | -                  | -                  |
|   | (B) total outstanding dues of creditors other than micro enterprises and small enterprises.".] |          | 4,39,74,787                  | 6,91,58,408         | 5,92,16,572        | 2,96,53,564        |
|   | Other Current Liabilities  | A.8      | 93,54,761                    | 2,23,24,447         | 7,75,470           | 7,46,381           |
|   | Short Term Provisions  | A.9      | 3,36,88,107                  | 3,99,69,270         | 2,43,70,347        | -                  |
|   | <b>Total</b>   |          | <b>14,76,65,265</b>          | <b>12,03,81,468</b> | <b>5,70,99,257</b> | <b>2,06,42,820</b> |
|   |  |          | 15,79,37,139                 | 12,10,30,905        |                    |                    |
| <b>B.</b>   | <b>Assets</b>  |          | (1,02,71,874)                | (6,49,437)          |                    |                    |
| <b>1</b>  | <b>Non-Current Assets</b>  |          |                              |                     |                    |                    |
|   | Property, Plant and Equipment  |          |                              |                     |                    |                    |
|   | Tangible Assets  | A.10     | 4,36,893                     | 2,83,994            | 5,49,314           | 4,98,198           |
|   | Intangible Assets  |          | -                            | -                   | -                  | -                  |
|   | Non-Current Investments  | A.11     | 35,58,652                    | 36,31,352           | 36,17,872          | 35,48,871          |
|   | Deferred Tax Assets  | A.12     | 51,58,155                    | -                   | -                  | -                  |
|   | Long Term Loans & Advances   | A.13     | 89,82,075                    | 1,36,38,681         | 92,21,910          | 5,25,000           |
| <b>2</b>  | <b>Current Assets</b>  |          |                              |                     |                    |                    |
|   | Inventories  | A.14     | 5,35,97,012                  | -                   | -                  | -                  |
|   | Trade Receivables  | A.15     | 6,62,69,394                  | 8,24,93,715         | 3,77,08,294        | 83,49,886          |
|   | Cash and Cash Equivalents  | A.16     | 53,49,839                    | 6,61,634            | 3,04,750           | 6,53,108           |
|   | Short-Term Loans and Advances  | A.17     | 43,13,335                    | 1,96,72,092         | 4,40,000           | 32,20,855          |
|   | Other Current Assets   | A.18     | -                            | -                   | 52,57,118          | 38,46,902          |
|   | <b>Total</b>   |          | <b>14,76,65,355</b>          | <b>12,03,81,467</b> | <b>5,70,99,257</b> | <b>2,06,42,820</b> |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,B & C

**ANNEXURE - B : RESTATED STATEMENT OF PROFIT AND LOSS**

(Amount in Rs.)

| Sr. No    | Particulars  | Note No.     | For The Year Ended 31st March |                     |                      |                      |
|-----------|--|--------------|-------------------------------|---------------------|----------------------|----------------------|
|           |  |              | 2020                          | 2019                | 2018                 | 2017                 |
| <b>A.</b> | <b>Revenue:</b>  |              |                               |                     |                      |                      |
|           | Revenue from Operations  | <b>B.1</b>   | 26,71,34,232                  | 38,45,56,100        | 17,21,94,084         | 11,11,78,505         |
|           | Other income   | <b>B.2</b>   | 75,18,238                     | 17,78,647           | 6,92,743             | 18,97,829            |
|           | <b>Total revenue</b>   |              | <b>27,46,52,470</b>           | <b>38,63,34,747</b> | <b>17,28,86,827</b>  | <b>11,30,76,334</b>  |
| <b>B.</b> | <b>Expenses:</b>   |              |                               |                     |                      |                      |
|           | Cost of Production   | <b>B.3</b>   | 26,89,61,948                  | 36,24,53,256        | 19,19,43,738         | 11,47,28,490         |
|           | Change in Inventories  | <b>B.4</b>   | (5,35,97,012)                 | -                   | -                    | -                    |
|           | Employees Benefit Expenses                                       | <b>B.5</b>   | 58,59,308                     | 38,72,110           | 40,91,936            | 90,19,610            |
|           | Finance costs  | <b>B.6</b>   | 25,64,175                     | 12,51,582           | 11,06,202            | 12,98,914            |
|           | Depreciation and Amortization                                    | <b>B.7</b>   | 1,49,976                      | 3,20,850            | 3,52,251             | 4,93,560             |
|           | Other expenses   | <b>B.8</b>   | 1,35,11,037                   | 1,41,73,619         | 87,97,571            | 97,11,880            |
|           | <b>Total Expenses</b>  |              | <b>23,74,49,432</b>           | <b>38,20,71,417</b> | <b>20,62,91,698</b>  | <b>13,52,52,454</b>  |
|           | <b>Profit before exceptional and extraordinary items and tax</b> |              | <b>3,72,03,038</b>            | <b>42,63,330</b>    | <b>(3,34,04,871)</b> | <b>(2,21,76,120)</b> |
|           | Exceptional Items  |              | -                             | -                   | -                    | -                    |
|           | <b>Profit before extraordinary items and tax</b>                 |              | <b>3,72,03,038</b>            | <b>42,63,330</b>    | <b>(3,34,04,871)</b> | <b>(2,21,76,120)</b> |
|           | Extraordinary items  |              | -                             | -                   | -                    | -                    |
|           | <b>Profit before tax</b>   |              | <b>3,72,03,038</b>            | <b>42,63,330</b>    | <b>(3,34,04,871)</b> | <b>(2,21,76,120)</b> |
|           | <b>Tax expense :</b>   |              |                               |                     |                      |                      |
|           | Current tax  |              | 58,03,674                     | 6,49,438            | -                    | -                    |
|           | Deferred Tax   | <b>A. 11</b> | (51,58,155)                   | -                   | -                    | -                    |
|           | <b>Profit (Loss) for the period from continuing operations</b>   |              | <b>3,65,57,519</b>            | <b>36,13,892</b>    | <b>(3,34,04,871)</b> | <b>(2,21,76,120)</b> |
|           | <b>Earning per equity share in Rs.:</b>                          |              |                               |                     |                      |                      |
|           | (1) Basic  |              | 141                           | 361                 | (3,340)              | (2,218)              |
|           | (2) Diluted  |              | 141                           | 361                 | (3,340)              | (2,218)              |

**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A&C.

**ANNEXURE - C: RESTATED STATEMENT OF CASH FLOWS**

(Amount. in Rs.)

| Particulars   | For The Year Ended 31st March |                      |                      |                      |
|---|-------------------------------|----------------------|----------------------|----------------------|
|   | 2020                          | 2019                 | 2018                 | 2017                 |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                   |                               |                      |                      |                      |
| Profit/ (Loss) before tax                                       | 3,72,03,038                   | 42,63,330            | (3,34,04,871)        | (2,21,76,120)        |
| Adjustments for:  |                               |                      |                      |                      |
| Depreciation  | 1,49,976                      | 3,20,850             | 3,52,251             | 4,93,560             |
| Interest Expense  | 25,64,175                     | 12,51,582            | 11,06,202            | 12,98,914            |
| on sale of fixed assets   | -                             | -                    | (9,034)              | -                    |
| <b>Operating profit before working capital changes</b>          | <b>3,99,17,189</b>            | <b>58,35,762</b>     | <b>(3,19,55,452)</b> | <b>(2,03,83,646)</b> |
| Movements in working capital :                                  |                               |                      |                      |                      |
| (Increase)/(Decrease in Inventories                             | (5,35,97,012)                 |                      |                      |                      |
| (Increase)/Decrease in Trade Receivables                        | 1,62,24,321                   | (4,47,85,421)        | (2,93,58,408)        | 1,25,54,912          |
| (Increase)/Decrease in Loans & Advances                         | 1,53,58,757                   | (1,92,32,092)        | 27,80,855            | 17,91,833            |
| (Increase)/Decrease in Other Current Assets/ Non Current Assets | -                             | 52,57,118            | 15,83,032            | 94,12,247            |
| Increase/(Decrease) in Trade Payables                           | (1,66,83,621)                 | 99,41,836            | 2,95,63,008          | 1,47,96,369          |
| Increase/(Decrease) in Other Current Liabilities                | (1,29,69,686)                 | 2,15,48,977          | 29,089               | 78,25,992            |
| Increase/(Decrease) in Long Term & Short Term Provisions        | (62,81,163)                   | 1,55,98,923          | 2,43,70,347          | (24,84,026)          |
| <b>Cash generated from operations</b>                           | <b>(1,80,31,215)</b>          | <b>(58,34,898)</b>   | <b>(29,87,529)</b>   | <b>2,35,13,680</b>   |
| Income tax paid during the year                                 | 56,45,025                     | 96,46,944            | 29,93,248            | 22,47,928            |
| <b>Net cash from operating activities (A)</b>                   | <b>(2,36,76,239)</b>          | <b>(1,54,81,842)</b> | <b>(59,80,777)</b>   | <b>2,12,65,753</b>   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                   |                               |                      |                      |                      |
| Sale/(Purchase) of Investements                                 | 72,700                        | (13,480)             | (69,001)             | (7,03,750)           |
| Purchase of Fixed Assets  | (3,02,875)                    | (55,530)             | (4,35,397)           | (3,67,252)           |
| Sale of Fixed Assets  | -                             | -                    | 41,064               | -                    |
| Increase in Other Non Current Assets/Loans & Advances           | 46,56,605                     | 45,80,735            | (86,96,910)          | -                    |
| Proceeds from Issue of Share Capital                            | -                             | -                    | -                    | -                    |
| <b>Net cash from investing activities (B)</b>                   | <b>44,26,431</b>              | <b>45,11,725</b>     | <b>(91,60,244)</b>   | <b>(10,71,002)</b>   |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                   |                               |                      |                      |                      |
| Interest paid on borrowings                                     | (25,64,175)                   | (12,51,582)          | (11,06,202)          | (12,98,914)          |
| Increase/(Decrease) in Short Term Borrowings                    | 2,78,46,766                   | -                    | -                    | (1,82,63,150)        |
| Proceeds/(Repayment) of Borrowings                              | (2,31,82,802)                 | (1,60,000)           | 9,99,292             | (1,50,000)           |
| Proceeds from issue of shares                                   | 2,50,00,000                   |                      |                      |                      |
| Increase / (Decrease) in Bank Overdraft                         | (30,77,116)                   | 1,27,38,583          | 1,48,99,572          | -                    |
| Share application money pending allotment                       | 73,900                        |                      |                      |                      |
| <b>Net cash from financing activities (C)</b>                   | <b>2,40,96,573</b>            | <b>1,13,27,001</b>   | <b>1,47,92,662</b>   | <b>(1,97,12,063)</b> |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>        | <b>48,46,764</b>              | <b>3,56,884</b>      | <b>(3,48,358)</b>    | <b>4,82,687</b>      |
| <b>Cash and cash equivalents at the beginning of the year</b>   | <b>6,61,635</b>               | <b>3,04,750</b>      | <b>6,53,108</b>      | <b>1,70,421</b>      |
| <b>Cash and cash equivalents at the end of the year</b>         | <b>55,08,398</b>              | <b>6,61,635</b>      | <b>3,04,750</b>      | <b>6,53,108</b>      |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure C, A&B.

## GENERAL INFORMATION

Our Company was incorporated as “Bodhi Tree Multimedia Private Limited” under the provisions of The Companies Act, 1956, vide Certificate of Incorporation dated July 4, 2013 issued by the Registrar of Companies, Maharashtra at Mumbai bearing Corporate Identification Number U22211MH12013PTC245208. The name of our Company was subsequently changed to “Bodhi Tree Multimedia Limited” pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on August 18, 2020 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Maharashtra at Mumbai dated September 1, 2020 bearing Corporate Identity Number U22211MH12013PLC245208.

For further details please refer to chapter titled “History and Certain Corporate Matters” beginning on page 95.

### REGISTERED & CORPORATE OFFICE OF OUR COMPANY

#### **BODHI TREE MULTIMEDIA LIMITED**

507, Reliable Business Centre, Jogeshwari (West),

Mumbai - 400102, Maharashtra, India.

CIN: U22211MH2013PLC245208

Website: [www.bodhitreemultimedia.com](http://www.bodhitreemultimedia.com)

Email: [info@bodhitreemultimedia.com](mailto:info@bodhitreemultimedia.com)

Tel No: +91-22-40101293

#### **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](mailto:roc.mumbai@mca.gov.in)

Website: [www.mca.gov.in](http://www.mca.gov.in)

#### **DESIGNATED STOCK EXCHANGE**

Our Company proposed to list its Equity Shares on NSE EMERGE.

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1, G Block,

Bandra - Kurla Complex, Bandra (E)

Mumbai - 400051, Maharashtra, India

Website - [www.nseindia.com](http://www.nseindia.com)

#### **BOARD OF DIRECTORS OF OUR COMPANY**

The Board of Directors of our Company consists of:

| Name                         | Designation                        | DIN      | Address   |
|------------------------------|------------------------------------|----------|---|
| Mr. Mautik Ajit Tolia        | Managing Director                  | 06586383 | Flat-202, Pracheeta CHS, Sakharam Keer Road, Shivaji Park, Mahim, Mumbai- 400016, Maharashtra, India  |
| Mr. Sukesh Devdas Motwani    | Whole time Director                | 06586400 | A-103, Praneel Apartments, New Link Road, Boriveli West Mumbai - 400103, Maharashtra, India   |
| Ms. Saloni Kapadia           | Non Executive Independent Director | 08836105 | 111, 11 <sup>th</sup> Floor, Rushabh Apartment, Parekh Street, Opp. Harkisandas Hospital, Prathnasamj, Girgaon, Mumbai, Maharashtra -400004 |
| Ms. Uma Chidambaram Krishnan | Non Executive Independent Director | 08824361 | Whispering Hights, B-605, 6 <sup>th</sup> Floor, Link Road, Malad West, Mumbai 400064   |
| Ms. Nutan Jha                | Non Executive Independent Director | 08848553 | A-2, Indrajit Society, 17th Road, Santa Cruz (W), Mumbai-54   |

For further details in relation to our Directors, please refer to the chapter titled “Our Management” beginning on page 98.

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

Ms. Saloni Jain  
 BODHI TREE MULTIMEDIA LIMITED  
 507, Reliable Business Centre, Jogeshwari (West),  
 Mumbai - 400102, Maharashtra, India  
 Website: [www.bodhitreemultimedia.com](http://www.bodhitreemultimedia.com)  
 Email: [info@bodhitreemultimedia.com](mailto:info@bodhitreemultimedia.com)  
 Tel No: +91-22-40101293

**CHIEF FINANCIAL OFFICER**

Mr. Ravi Bhatt  
 BODHI TREE MULTIMEDIA LIMITED  
 507, Reliable Business Centre, Jogeshwari (West),  
 Mumbai - 400102, Maharashtra, India  
 Website: [www.bodhitreemultimedia.com](http://www.bodhitreemultimedia.com)  
 Email: [ravibhatt@bodhitreemultimedia.com](mailto:ravibhatt@bodhitreemultimedia.com)  
 Tel No: +91-22-40101293

*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 relating to the ASBA process including UPI may be addressed to the Registrar to the Issue, with a copy to the Designated Intermediary with whom the ASBA Form was submitted, giving full name of the sole or First Applicant, ASBA Form number, Applicant’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of Application Form, address of Applicant, the name and address of the relevant Designated Intermediary, where the Application Form was submitted by the Applicant, ASBA Account number (for Applicants other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Application Amount was blocked or UPI ID in case of RIIs bidding through the UPI mechanism. Further, the Applicant shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or 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 shall be forwarded to the Lead Manager, who shall respond to the same.

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

| LEAD MANAGER TO THE ISSUE   | LEGAL ADVISOR TO THE ISSUE  |
|---|---|
| <b>SHRENI SHARES PRIVATE LIMITED</b><br>Office No. 102, 1 <sup>st</sup> Floor, Sea Lord CHS, Plot No. 1/B, 1/A, Survey No. A-12, Ram Nagar, Borivali (West), Mumbai- 400092, Maharashtra, India<br><b>Telephone:</b> +91-22-28088456<br><b>Email Id:</b> <a href="mailto:shrenishares@gmail.com">shrenishares@gmail.com</a><br><b>Investors Grievance Id:</b> <a href="mailto:info@shreni.in">info@shreni.in</a><br><b>Website:</b> <a href="http://www.shreni.in">www.shreni.in</a><br><b>Contact Person:</b> Mr. Parth Shah<br><b>SEBI Registration Number:</b> INM000012759<br><b>CIN:</b> U67190MH2009PTC195845 | <b>ASHA AGARWAL &amp; ASSOCIATES</b><br>30/24/08, Varun Path, Mansorvar<br>Jaipur-302020, Rajasthan, India<br><b>Tel No.:</b> +91- 9950933137<br><b>Email:</b> <a href="mailto:asha.agarwal6@gmail.com">asha.agarwal6@gmail.com</a><br><b>Contact Person:</b> Ms. Nisha Agarwal   |
| STATUTORY AND PEER REVIEWD AUDITOR  | REGISTRAR TO THE ISSUE  |
| <b>Firm Name :S A R A &amp; Associates*(a)</b><br><b>Address :</b> 202, 2nd Floor, May Bldg, 297/299/301 Princess Street,<br>Near marine line flyover, Mumbai - 400 002<br><b>Tel No:</b> +91 22 - 49227200<br><b>Email:</b> <a href="mailto:domnic@sara-india.com">domnic@sara-india.com</a><br><b>Firm Registration No.:</b> 120927W<br><b>Membership No:</b> 105153<br><b>Peer Review No.:</b> 008964  | <b>BIGSHARE SERVICES PRIVATE LIMITED</b><br>1st Floor, Bharat Tin Works Building,<br>Opp. Vasant Oasis, Makwana Road, Marol,<br>Andheri (East) Mumbai - 400059, Maharashtra, India.<br><b>Telephone:</b> +91-22-6263 8200<br><b>Facsimile:</b> +91-22-6263 8280<br><b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a><br><b>Investor grievance email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a><br><b>Contact Person:</b> Mr. Swapnil Kate |

|   |   |
|---|---|
| Contact Person: Alok Bairaga                  | Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a><br>SEBI Registration Number: INR000001385 |
| <b>BANKER TO THE ISSUE AND SPONSOR BANK**</b> |   |
| [●]   |   |

Note: (a) Renewal of Peer review auditor certificate in process.

*\*We are in the process of obtaining consent and NOC from Banker to the Company. The same shall be obtained prior to filing of the Prospectus with the RoC.*

*\*\*The Banker to the Issue/Sponsor Bank shall be appointed prior to filing of the Prospectus with the RoC.*

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

Since Shreni Shares Private 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”) AND SYNDICATE SCSB BRANCHES**

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on [www.sebi.gov.in/pmd/scsb.pdf](http://www.sebi.gov.in/pmd/scsb.pdf) For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

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

#### **INVESTORS BANKS OR ISSUER BANKS FOR UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

#### **REGISTERED BROKERS**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE at [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

#### **REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at [www.nseindia.com](http://www.nseindia.com), as updated from time to time and on SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>

#### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at [www.nseindia.com](http://www.nseindia.com), as updated from time to time and SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18>; <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4>

#### **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 Draft Prospectus

Pursuant to Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, the copy of the Draft Prospectus shall also be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Draft Prospectus in terms of regulation 246(2) of the SEBI ICDR 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018; a copy of the Prospectus will be filed online through SEBI Intermediary portal at [www.siportal.sebi.gov.in](http://www.siportal.sebi.gov.in).

The Draft Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would 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 [●], 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 |
|-----------------------------|-----------------------------|------------------------------------|------------------------------------|
| [●]                         | [●]                         | [●]                                | [●]                                |

\*Includes [●] 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 the Issue out of its own account.

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 September 2, 2020 with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

|                                |   |
|--------------------------------|---|
| <b>Name</b>                    | <b>SHRENI SHARES PRIVATE LIMITED</b>  |
| <b>Correspondence Address:</b> | Office No. 102, 1st Floor Sea Lord CHSL, 1/A,1/B, Ram Nagar, Borivali West. Mumbai - 400092, Maharashtra, India.        |
| <b>Tel No.:</b>                | +91-22-2808456  |
| <b>E-mail:</b>                 | <a href="mailto:info@shreni.in">info@shreni.in</a> ; <a href="mailto:shrenishares@gmail.com">shrenishares@gmail.com</a> |
| <b>Website:</b>                | <a href="http://www.shreni.in">www.shreni.in</a>  |
| <b>Contact Person:</b>         | Mr. Hitesh Punjani  |
| <b>SEBI Registration No.:</b>  | INZ000268538  |

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 NSE 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 NSE from time to time.
4. After a period of three 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. 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, NSE 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 NSE and Market Maker will remain present as per the guidelines mentioned under NSE 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 five or as specified by the relevant laws and regulations applicable at that particular point of time.

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

## 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 Draft Prospectus.

| S.N o. | Date             | From  | To  | Reason for Change                |
|--------|------------------|---|---|----------------------------------|
| 1.     | February 8, 2020 | M/s Deepak D Agrawal & Associates<br>Address :Ambica Darshan Society<br>6/A, C.P.Road, Near Station Bus Depot, Near UBI, Kandivali (East)<br>Mumbai 400101<br>Tel No : 022-28856963<br>Firm Registration No: 0126678W<br>Membership No: 107078<br>Contact Person : Mr. Deepak | M/s. S A R A & Associates<br>Address : 202, 2nd Floor,MayBldg,<br>297/299/301 Princess Street,<br>Near Marine Line Flyover, Mumbai -<br>400 002.INDIA.<br>Tel No: +91 22 - 49227200<br>Email: domnic@sara-india.com<br>Firm Registration No.: 120927W<br>Membership No: 105153<br>Peer Review No.: 008964<br>Contact Person: Alok Bairaga | Resignation due to Pre-occupancy |

## CAPITAL STRUCTURE

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

*(Rs.in lakhs except Equity Share data)*

| Sr. No.                    | Particulars   | Aggregate Value at Face Value | Aggregate Value at Issue Price |
|----------------------------|---|-------------------------------|--------------------------------|
| <b>A.</b>                  | <b>Authorized Share Capital</b>   |                               |                                |
|                            | 15,00,000 Equity Shares of face value of Rs. 10 each  | 150.00                        | [●]                            |
| <b>B.</b>                  | <b>Issued, Subscribed and Paid-Up Equity Share Capital before the Issue</b>   | 86.00                         | [●]                            |
|                            | 8,60,000 Equity Shares of Rs. 10 each fully paid-up before the Issue  |                               |                                |
| <b>C.</b>                  | <b>Present Issue to public in terms of this Draft Prospectus*</b>   | 39.00                         | [●]                            |
|                            | Upto 3,90,000 Equity Shares having face value of Rs. 10 each for cash at a price of Rs. [●] per Equity Share at a Premium of Rs. [●] per Equity Share   |                               |                                |
| <b>Which comprises of:</b> |   |                               |                                |
| <b>I</b>                   | <b>Reservation for Market Maker Portion</b>   | 02.04                         | [●]                            |
|                            | 20,400 Equity Shares of Rs. 10 each for cash at a price of Rs. [●] per Equity Share (including a Premium of Rs. [●] per Equity Share)   |                               |                                |
| <b>II</b>                  | <b>Net Issue to the Public</b>  | 36.96                         | [●]                            |
|                            | 3,69,600 Equity Shares of Rs. 10 each for cash at a price of Rs. [●] per Equity Share (including a Premium of Rs. [●] per Equity Share)   |                               |                                |
|                            | <b>of Which:</b>  |                               |                                |
|                            | 1,84,800 Equity Shares of Rs. 10 each at Issue Price Rs. [●] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to Rs. 2.00 Lakhs.  | 18.48                         | [●]                            |
|                            | 1,84,800 Equity Shares of Rs. 10 each at Issue Price of Rs. [●] per Equity Share will be available for allocation for allotment to Investors other than Retail Individual Investors (including Non-Institutional Investors and QIB) | 18.48                         | [●]                            |
| <b>D.</b>                  | <b>Paid-up Equity Capital after the Issue</b>   | 125.00                        | -                              |
| <b>E.</b>                  | <b>12,50,000 Equity Shares of Rs. 10 each</b>   |                               |                                |
|                            | <b>Securities Premium Account</b>   |                               |                                |
|                            | Before the Issue  |                               | 00.00                          |
|                            | After the Issue   |                               | 225.00                         |

*\*The present Issue of Upto 3,90,0000 Equity Shares in terms of this Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated September 1, 2020 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 September 2<sup>nd</sup> 2020.*

### Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10 each. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft 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. 1,00,000 divided into 10,000 Equity Shares of Rs.10 each  |
| March 3 <sup>rd</sup> , 2020 | EGM     | Increase in Authorized Share Capital from Rs. 1,00,000 divided into 10,000 Equity Shares of Rs. 10 each to Rs. 1,50,00,000 divided into 15,00,000 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.) | Cumulative Securities Premium (Rs.) |
|-------------------|-------------------------------|------------------|-------------------|-------------------------|---------------------------------------|---------------------------------|----------------------------------|-------------------------------------|
| July 7, 2013      | 10,000                        | 10               | 10                | Cash                    | Subscription to MOA <sup>(a)</sup>    | 10,000                          | 1,00,000                         | Nil                                 |
| March 31, 2020    | 2,50,000                      | 10               | 100               | Cash                    | Right Issue <sup>(b)</sup>            | 2,60,000                        | 26,00,000                        | 22,50,000                           |
| August 14, 2020   | 6,00,000                      | 10               | 10                | Cash                    | Preferential Allotment <sup>(c)</sup> | 8,60,000                        | 86,00,000                        | 22,50,000                           |

**Notes:**

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

| Names of Subscribers      | Number of Equity Shares Subscribed |
|---------------------------|------------------------------------|
| Mr. Mautik Ajit Tolia     | 5,000                              |
| Mr. Sukesh Devdas Motwani | 5,000                              |
| <b>Total</b>              | <b>10,000</b>                      |

b) Rights Issue of 2,50,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 100/- in proportion of existing capital of 10,000 Equity Shares. The details of Equity Shares Offered, Received, Renounced and Subscribed by the Existing shareholders is as under :

| Sr. No.      | Name of Shareholder       | Equity Shares Offered | Equity Shares Received/ (Renounced) | Net Balance of Equity Shares | Equity Shares Subscribed | Lapse of Equity Shares |
|--------------|---------------------------|-----------------------|-------------------------------------|------------------------------|--------------------------|------------------------|
| 1            | Mr. Mautik Ajit Tolia     | 1,25,000              | 2,50,000                            | 2,50,000                     | 2,50,000                 | -                      |
| 2            | Mr. Sukesh Devdas Motwani | 1,25,000              | (1,25,000)                          | -                            | -                        | -                      |
| <b>Total</b> |                           |                       |                                     |                              | 2,50,000                 | -                      |

c) *Allotment of 6,00,000 Equity Shares of Face Value of ₹ 10/- each fully paid:*

| Sr. No.      | Name of Allottee      | Number of Shares Allotted |
|--------------|-----------------------|---------------------------|
| 1            | Mr. Mautik Ajit Tolia | 6,00,000                  |
| <b>Total</b> |                       | <b>6,00,000</b>           |

As on the date of this Draft 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 Draft Prospectus:*

| 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.) | Cumulative Securities Premium (Rs.) |
|-------------------|-------------------------------|------------------|-------------------|-------------------------|------------------------|---------------------------------|----------------------------------|-------------------------------------|
| March 31, 2020    | 2,50,000                      | 10               | 100               | Cash                    | Right Issue            | 2,60,000                        | 26,00,000                        | 22,50,000                           |
| August 14, 2020   | 6,00,000                      | 10               | 10                | Cash                    | Preferential Allotment | 8,60,000                        | 86,00,000                        | 22,50,000                           |

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

5. Our Company has not issued Equity Shares lower than the Issue Price during the preceding 1(One) year:

| 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.) | Cumulative Securities Premium (Rs.) |
|-------------------|-------------------------------|------------------|-------------------|-------------------------|------------------------|---------------------------------|----------------------------------|-------------------------------------|
| August 14, 2020   | 6,00,000                      | 10               | 10                | Cash                    | Preferential Allotment | 8,60,000                        | 86,00,000                        | 22,500,000                          |

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 Draft Prospectus, our Promoters Mr. Mautik Ajit Tolia and Mr. Sukesh Devdas Motwani hold 8,54,995 and 5,000 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 and made fully paid up /transfer | Nature of Issue        | No. of Equity Shares | Face Value Per Equity Share (Rs.) | Issue /Acquisition/ Transfer Price per Equity Share (Rs.)* | Pre-Issue Shareholding % | Post-Issue Shareholding % | Lock in Period |
|--|------------------------|----------------------|-----------------------------------|--|--------------------------|---------------------------|----------------|
| July 07, 2013                                      | On Incorporation       | 5,000                | 10                                | 10   | 0.58                     | 0.40                      | 1 Year         |
| March 31, 2020                                     | Right Issue            | 2,50,000             | 10                                | 100  | 29.07                    | 20.00                     | 3 Year         |
| August 14, 2020                                    | Preferential Allotment | 6,00,000             | 10                                | 10   | 69.77                    | 48.00                     | 1 Year         |
| August 17, 2020                                    | Transfer*              | 5                    | 10                                | -  | 0.00                     | 0.00                      | -              |
| <b>Total (A)</b>                                   |                        | <b>8,54,995</b>      |                                   |  | <b>99.42</b>             | <b>68.40</b>              |                |
| July 07, 2013                                      | On Incorporation       | 5,000                | 10                                | 10   | 0.58                     | 0.40                      | 1 Year         |
| <b>Total (B)</b>                                   |                        | <b>5,000</b>         |                                   |  | <b>0.58</b>              | <b>0.40</b>               |                |

9) Details of Transfer of Share by Mr. Mautik Ajit Tolia August 17, 2020:

| S. No. | Date of Transfer | Name of Transferor (Exiting shareholder) | No. of shares Transfer | Name of Transferee |
|--------|------------------|--|------------------------|--------------------|
| 1      | August 17, 2020  | Mautik Ajit Tolia                        | 1                      | Persis Signporia   |
| 2      | August 17, 2020  | Mautik Ajit Tolia                        | 1                      | Ravi Bhatt         |
| 3      | August 17, 2020  | Mautik Ajit Tolia                        | 1                      | Amol Chavan        |
| 4      | August 17, 2020  | Mautik Ajit Tolia                        | 1                      | Sunil Chikale      |
| 5      | August 17, 2020  | Mautik Ajit Tolia                        | 1                      | Raul Singh         |

The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:

| Name of the Promoter  | No. of Shares held | Average Cost of Acquisition per Share (In Rs.)* |
|-----------------------|--------------------|---|
| Mautik Ajit Tolia     | 8,54,995           | 36.32   |
| Sukesh Devdas Motwani | 5,000              | 10  |

\*As certified by our Statutory Auditor vide their certificate dated September 2, 2020.

10) Except as provided below there are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of the Draft Prospectus :

| Date of Transaction | Number of Equity Shares Allotted/ Acquired/Sold | Face Value (Rs.) | Issue Price/ Acquired Price (Rs.)* | Nature                 | Nature of Consideration | Name of the Allottees/ Transferor/transfer ee | Category              |
|---------------------|---|------------------|------------------------------------|------------------------|-------------------------|---|-----------------------|
| March 31, 2020      | 2,50,000  | 10               | 100                                | Rights Issue of Shares | Cash                    | Mr. Mautik Ajit Tolia                         | Promoter and Director |
| August, 14, 2020    | 6,00,000  | 10               | 10                                 | Preferential Allotment | Cash                    | Mr. Mautik Ajit Tolia                         | Promoter and Director |
| August 17, 2020     | (5)   | 10               | 10                                 | Transfer               | Cash                    | Mr. Mautik Ajit Tolia                         | Promoter and Director |

\*The maximum and minimum price at which the aforesaid transaction was made is Rs. 100 and Rs. 10 per Equity Share

11) Details of the Pre and Post Issue Shareholding of our Promoter and Promoter Group as on the date of the Draft Prospectus is as below: -

| S.No | Names                     | Pre Issue       |               | Post Issue      |               |
|------|---------------------------|-----------------|---------------|-----------------|---------------|
|      |                           | Shares Held     | % Shares Held | Shares Held     | % Shares Held |
|      | <b>Promoter</b>           |                 |               |                 |               |
| 1.   | Mr. Mautik Ajit Tolia     | 8,54,995        | 99.42         | 8,54,995        | 68.40         |
| 2.   | Mr. Sukesh Devdas Motwani | 5,000           | 0.58          | 5,000           | 00.40         |
|      | <b>TOTAL</b>              | <b>8,59,995</b> | <b>99.999</b> | <b>8,59,995</b> | <b>68.80</b>  |

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

Pursuant to Regulation 236 and Regulation 237 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% 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 237 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:

| Date of Allotment / transfer of fully paid up Equity Shares | Date when made Fully paid up | Nature of Allotment / Acquired/ Transfer | No. of Equity Shares Allotted/ Acquired Transferred | Face Value (Rs.) | Issue Price/ Transfer Price (Rs.) | % of Pre Issue Shareholding | % of Post Issue Shareholding | Lock in Period |
|---|------------------------------|--|---|------------------|-----------------------------------|-----------------------------|------------------------------|----------------|
| Mr. Mautik Ajit Tolia                                       |                              |  |   |                  |                                   |                             |                              |                |
| March 31, 2020  | March 31, 2020               | Right Issue                              | 2,50,000  | 10               | 100                               | 29.07                       | 20.00                        | 3 Years        |
| <b>Total</b>  |                              |  | <b>2,50,000</b>                                     |                  |                                   | <b>29.07</b>                | <b>20.00</b>                 |                |

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 in the chapter titled "Capital Structure" beginning on page 41.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 236 of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-Issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Our Promoters, Mr. Mautik Ajit Tolia has, by a written undertaking, consented to has 2,50,000 Equity Shares held by him to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and will not be disposed/sold/transferred by the promoter during the period starting from the date of filing this Draft Prospectus with SME Platform of NSE till the date of commencement of lock-in period as stated in this Draft Prospectus. The Equity Shares under the Promoters contribution will constitute 20% of our post-Issue paid up share capital.

Our Promoters have also consented that the Promoters contribution under Regulation 236 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

#### Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 237 of SEBI (ICDR) Regulations, 2018

| Reg. No.         | Promoters' Minimum Contribution Conditions   | Eligibility Status of Equity Shares forming part of Promoter's Contribution   |
|------------------|--|---|
| 237 (1) (a) (i)  | Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction  | The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <b>Hence Eligible</b> |
| 237 (1) (a) (ii) | Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution                     | The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>   |
| 237 (1) (b)      | Specified securities acquired by the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the | The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible.</b>  |



| Reg. No.    | Promoters' Minimum Contribution Conditions  | Eligibility Status of Equity Shares forming part of Promoter's Contribution  |
|-------------|---|--|
|             | preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer.   |  |
| 237 (1) (c) | Specified securities allotted to the promoters and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management | The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>  |
| 237 (1) (d) | Specified securities pledged with any creditor.   | Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b> |

In terms of Regulation 236 and 237 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for 3 (three) years, as specified above, the entire pre-issue Equity Share capital held by promoters and entire pre-issue capital held by persons other than promoters of our Company i.e. Promoter Group members and Public constituting 6,10,000 Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.

The Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

**Other requirements in respect of lock-in:**

- a) In terms of Regulation 242 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- b) In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable

## 1. Our Shareholding patterns

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Draft Prospectus:

### I - Summary of Shareholding Pattern:-

| Category | Category of shareholder    | Nos. of share holders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (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 encumbered |                                 | Number of equity shares held in dematerialized form |
|----------|----------------------------|-----------------------|---|--|--|------------------------|--|---|-----------------|-------------------------|--|--|----------------------------|---------------------------------|--|---------------------------------|---|
|          |                            |                       |   |  |  |                        |  | No of Voting Rights                                       |                 | Total as a % of (A+B+C) |  |  | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |   |
|          |                            |                       |   |  |  |                        |  | Class Equity Shares of Rs.10/- each^                      | Total           |                         |  |  |                            |                                 |  |                                 |   |
| I        | II                         | III                   | IV                                      | V  | VI   | VII = IV+V+VI          | VIII   | IX  |                 |                         | X  | XI=VII+X   | XII                        | XIII                            | XIV  |                                 |   |
| (A)      | Promoter & Promoter Group  | 2                     | 8,59,995                                | -  | -  | 8,59,995               | 99.999   | 8,59,995  | 8,59,995        | 99.999                  | -  | 99.999   | -                          | -                               | -  |                                 |   |
| (B)      | Public                     | 5                     | 5                                       | -  | -  | 5                      | 0.001  | 5   | 5               | 0.001                   | -  | 0.001  | -                          | -                               | -  |                                 |   |
| I        | Non-Promoter Non Public    | -                     | -                                       | -  | -  | -                      | -  | -   | -               | -                       | -  | -  | -                          | -                               | -  |                                 |   |
| (C1)     | Shares underlying DRs      | -                     | -                                       | -  | -  | -                      | -  | -   | -               | -                       | -  | -  | -                          | -                               | -  |                                 |   |
| (C2)     | Shares held by Emp. Trusts | -                     | -                                       | -  | -  | -                      | -  | -   | -               | -                       | -  | -  | -                          | -                               | -  |                                 |   |
|          | <b>Total</b>               | <b>7</b>              | <b>8,60,000</b>                         | <b>-</b>                                 | <b>-</b>                                     | <b>8,60,000</b>        | <b>100.00</b>  | <b>8,60,000</b>   | <b>8,60,000</b> | <b>100.00</b>           | <b>-</b>   | <b>100.00</b>  | <b>-</b>                   | <b>-</b>                        |  |                                 |   |

## 2. 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 Draft Prospectus:

| Sr. No. | Name of shareholders  | No. of Equity Shares held* | % of Paid up Capital |
|---------|-----------------------|----------------------------|----------------------|
| 1.      | Mr. Mautik Ajit Tolia | 8,54,995                   | 99.42                |

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

| Sr. No. | Name of shareholders      | No. of Equity Shares Held | % of Paid up Equity Share Capital two years prior |
|---------|---------------------------|---------------------------|---|
| 1.      | Mr. Mautik Ajit Tolia     | 5,000                     | 50.00   |
| 2.      | Mr. Sukesh Devdas Motwani | 5,000                     | 50.00   |

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

| Sr. No. | Name of shareholders      | No. of Equity Shares Held | % of Paid up Equity Share Capital one year prior |
|---------|---------------------------|---------------------------|--|
| 1.      | Mr. Mautik Ajit Tolia     | 5,000                     | 50.00  |
| 2.      | Mr. Sukesh Devdas Motwani | 5,000                     | 50.00  |

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

| Sr. No. | Name of shareholders  | No. of Equity Shares Held | % of Paid up Capital |
|---------|-----------------------|---------------------------|----------------------|
| 1.      | Mr. Mautik Ajit Tolia | 8,54,995                  | 99.42                |

## 3. 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 Draft Prospectus.

| Sr. No. | Names of our Directors and KMP | No. of Equity Shares | % of Pre Issue paid up Equity Shares |
|---------|--------------------------------|----------------------|--------------------------------------|
| 1.      | Mr. Mautik Ajit Tolia          | 8,54,995             | 99.42                                |
| 2.      | Mr. Sukesh Devdas Motwani      | 5,000                | 00.58                                |
| 3.      | Ravi Bhatt                     | 1                    | 00.00                                |
|         | Total                          | 8,59,996             | 100.00                               |

4. 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 Draft Prospectus.

5. 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.

6. As on the date of filing of this Draft 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.

7. As on the date of this Draft Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
8. Since the entire Issue price per Equity Share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
9. As on the date of this Draft Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
10. The Lead Manager i.e. Shreni Shares Private Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Prospectus. 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.
11. 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 Draft Prospectus until the Equity Shares offered have been listed or application moneys refunded on account of failure of Issue.
12. 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.
13. 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 Draft Prospectus is filed with National Stock Exchange (India) Limited.
14. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
15. 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. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
16. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
17. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
18. 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.
19. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
20. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
21. As on the date of this Draft 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.
22. There are no Equity Shares against which depository receipts have been issued.
23. 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 Draft Prospectus.

| Date of Allotment/ Transfer | Name                  | Category | Nature of Transaction             | No. of Equity Shares |
|-----------------------------|-----------------------|----------|-----------------------------------|----------------------|
| March 31, 2020              | Mr. Mautik Ajit Tolia | Promoter | Allotment through Rights Issue    | 2,50,000             |
| August 14, 2020             | Mr. Mautik Ajit Tolia | Promoter | Preferential Allotment by Company | 6,00,000             |
| August 17, 2020             | Mr. Mautik Ajit Tolia | Promoter | Transfer                          | (5)                  |

24. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of this Draft Prospectus.
25. We have 7 Shareholders as on the date of filing of this Draft Prospectus.
26. There are no safety net arrangements for this Public issue.
27. Our Promoters and Promoter Group will not participate in this Issue.
28. This Issue is being made through Fixed Price method.
29. Except as disclosed in this Draft 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 Draft Prospectus.
30. 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.
31. 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.
32. 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.
33. As per RBI regulations, OCB's are not allowed to participate in the Issue.
34. 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 NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guideline.

## OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of upto 3,90,000 Equity Shares of our Company at an Issue Price of Rs. [●] 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 NSE Emerge. 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                  | Amount (Rs. in Lakhs) |
|------------------------------|-----------------------|
| Gross Proceeds of Issue      | [●]                   |
| Less: Issue Related Expenses | [●]                   |
| Net Issue Proceeds           | [●]                   |

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

The Net 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 | [●]                   |
| 2      | General Corporate Expenses          | [●]                   |
| 3      | To meet the Issue Expenses          | [●]                   |
| 4      | Total                               | [●]                   |

### Means of Finance:

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

| Particulars        | Amount (Rs. in Lakh) |
|--------------------|----------------------|
| Net Issue Proceeds | [●]                  |
| Total              | [●]                  |

*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 utilized for repayment of any Part of unsecured loan outstanding as on date of this Draft 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 19.

#### Details of Use of Net Issue Proceeds:

- To meet the Working Capital requirement

Our business is working capital intensive. The Company will meet the requirement to the extent of Rs. [●] 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)

| S. No. | Particulars                              | Actual      | Provisional | Estimated & Forecasted |
|--------|--|-------------|-------------|------------------------|
|        |  | 31-March-18 | 31-March-19 | 31-March-20            |
| I      | Current Assets                           |             |             |                        |
|        | Inventories                              | -           | [●]         | [●]                    |
|        | Trade receivables                        | [●]         | [●]         | [●]                    |
|        | Cash and cash equivalents                | [●]         | [●]         | [●]                    |
|        | Short Term Loans and Advances            | [●]         | [●]         | [●]                    |
|        | Other Current Assets                     | [●]         | [●]         | [●]                    |
|        | Total(A)                                 | [●]         | [●]         | [●]                    |
| II     | Current Liabilities                      |             |             |                        |
|        | Trade payables                           | [●]         | [●]         | [●]                    |
|        | Other Current Liabilities                | [●]         | [●]         | [●]                    |
|        | Short Term Provisions                    | [●]         | [●]         | [●]                    |
|        | Total (B)                                | [●]         | [●]         | [●]                    |
| III    | Total Working Capital Gap (A-B)          | [●]         | [●]         | [●]                    |
| IV     | Funding Pattern                          |             |             |                        |
|        | Short term borrowing & Internal Accruals | [●]         | [●]         | [●]                    |
|        | IPO Proceeds                             |             |             | [●]                    |

Justification:

| Particulars       | Holding Period  |
|-------------------|---|
| Trade receivables | 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 [●] days for Fiscal 2018. We expect Debtors Holding days to be at [●] days and [●] days in Fiscal 2019 and 2020 respectively based on existing rising trend in debtor collection period.  |
| Trade Payables | 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 [●] days for Fiscal 2018. We expect Trade Payables outstanding days to be at [●] days and [●] 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. [●] 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 Draft 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. [●], which is [●] % 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   | [●]             | [●]                                | [●]                  |
| Underwriting Commission  | [●]             | [●]                                | [●]                  |
| Market Making Charges for first year of Listing  | [●]             | [●]                                | [●]                  |
| Fees Payable to Registrar to the Issue   | [●]             | [●]                                | [●]                  |
| Fees Payable to Advertising and Marketing Expenses   | [●]             | [●]                                | [●]                  |
| Fees Payable to Regulators including Stock Exchange  | [●]             | [●]                                | [●]                  |
| Payment for Printing & Stationery, Distribution, Postage, etc.   | [●]             | [●]                                | [●]                  |
| Others (Fees Payable to Auditor, Fees to Legal Advisors, Marketing Expenses, Brokerage*, Processing Fees for Application and Miscellaneous Expenses) | [●]             | [●]                                | [●]                  |
| Total  | [●]             | [●]                                | [●]                  |

\* Includes commission/Processing fees of Rs. [●] per valid application forms for SCSB"s. In case the total Processing fees payable to SCSBs exceeds Rs. [●] 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. [●] Lakhs.

## Proposed Schedule of Implementation:

Our Company plans to deploy the funds towards the above stated Objects during FY [●], 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)

| S.No. | Particulars                          | Amount to be deployed and utilized in F.Y. [●] |
|-------|--------------------------------------|--|
| 1.    | To meet working capital requirements | [●]  |
| 2.    | General Corporate Expense            | [●]  |
|       | Total                                | [●]  |

#### Funds Deployed and Source of Funds Deployed:

Our Statutory Auditors, M/s SARA & Associates vide their certificate dated September 2, 2020 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

| Particulars    | Amount (Rs. in Lakhs) |
|----------------|-----------------------|
| Issue Expenses | 2.00                  |
| Total          | 2.00                  |

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

Our Statutory Auditors, M/s SARA & Associates vide their certificate dated September 2, 2020 have confirmed that as on date of the certificate the following funds have been deployed for the proposed object of the Issue:

| Particulars       | Amount (Rs. in Lakhs) |
|-------------------|-----------------------|
| Internal Accruals | 2.00                  |
| Total             | 2.00                  |

#### 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 Draft 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 Draft 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 are 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 19, 79 and 114 respectively including important profitability and return ratios, as set out in "Annexure - I" under the section titled Financial Information of the Company on page 114 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
6. Focused on driving innovation

For further details, refer to chapter titled "Our Business" beginning on page 79.

### 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)

| Particulars               | Basic EPS<br>(Rupees) | Diluted EPS<br>(Rupees) | Weight |
|---------------------------|-----------------------|-------------------------|--------|
| Year ended March 31, 2020 | 140.61                | 3421.41                 | 4      |
| Year ended March 31, 2019 | 361.39                | 361.39                  | 3      |
| Year ended March 31, 2018 | -3,340.49             | -3,340.49               | 2      |
| Year ended March 31, 2017 | -2,217.61             | -2,217.61               | 1      |
| <b>Weighted Average</b>   | <b>-725.20</b>        | <b>587.12</b>           |        |

#### 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) The face value of each Equity Share is Rs.10/- each.
- c) 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. [●] per Equity Share of face value Rs. 10/- each fully paid up.

On the basis of Restated Financials

| Particulars               | Basic EPS<br>(Rupees) | Diluted EPS<br>(Rupees) | P/E Basic | P/E Diluted |
|---------------------------|-----------------------|-------------------------|-----------|-------------|
| Year ended March 31, 2020 | 140.61                | 3,421.41                | [●]       | [●]         |
| Year ended March 31, 2019 | 361.39                | 361.39                  | [●]       | [●]         |
| Year ended March 31, 2018 | -3,340.49             | -3,340.49               | [●]       | [●]         |
| Year ended March 31, 2017 | -2,217.61             | -2,217.61               | [●]       | [●]         |

### 3. Return on Net Worth (RONW)

| Particulars               | RONW %        | Weight |
|---------------------------|---------------|--------|
| Year ended March 31, 2020 | -39.17        | 4      |
| Year ended March 31, 2019 | -0.06         | 3      |
| Year ended March 31, 2018 | 0.51          | 2      |
| Year ended March 31, 2017 | 0.68          | 1      |
| <b>Weighted Average</b>   | <b>-15.51</b> |        |

\*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.

### 4. Net Asset Value (NAV) per Equity Share based on the last Balance Sheet

| Particulars                                      | Amount in Rs. |
|--|---------------|
| Year ended March 31, 2020                        | -23.43        |
| Year ended March 31, 2019                        | -6,249.09     |
| Year ended March 31, 2018                        | -6,610.48     |
| Year ended March 31, 2017                        | -3,269.99     |
| Net Asset Value per Equity Share after the issue | [●]           |
| Issue Price                                      | [●]           |

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

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

### 5. Comparison with industry peers

| Sr. No. | Name of the Company       | Result Type | Face Value | EPS (Rs.) | PE     | RoCE (%) |
|---------|---------------------------|-------------|------------|-----------|--------|----------|
| 1.      | VR FILMS & STUDIOS LTD    | Standalone  | 10         | 12.64     | 5.93   | 35.67    |
| 2.      | BALAJI TELEFILMS LTD      | Standalone  | 2          | 5.72      | 14.93  | 2.65     |
| 3.      | BAG FILMS & MEDIA LTD.    | Standalone  | 2          | 0.03      | 112.30 | 1.72     |
| 4       | Bodhi Tree Multimedia Ltd | Standalone  | 10         | 140.61    | [●]    | [●]      |

\*<https://www.financialexpress.com/> (Data taken as on 28<sup>th</sup> Aug, 2020)

6. The Issue Price of Rs. [●] 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 Draft Offer

## STATEMENT OF TAX BENEFITS

The Board of Directors,  
Bodhi Tree MultiMedia Limited  
Office No. 507, Reliable Business Centre,  
Anand Nagar, Oshiwara,  
Jogeshwari (W),  
Mumbai -400102.

Dear Sirs,

**Subject: Statement of possible special tax benefits available to Bodhi Tree Multi Media Limited (“the Company”) and shareholders prepared in accordance with applicable requirements of the SEBI (ICDR) Regulations, 2018 (“SEBI ICDR Regulations”)**

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company and shareholders of the Company (hereinafter referred to as “the Statement”) under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2020 presently in force in India (together referred to as the “Direct Tax Laws”) and The Goods and Service Tax Act, 2017 & Customs Act, 1962 (read with rules, circulars, notifications) presently in force in India (together referred to as the “Indirect Tax Laws”).

These possible special tax benefits are dependent on the Company and / or the Company’s shareholders fulfilling the conditions prescribed under the relevant Direct Tax Laws, Indirect Tax Laws and other laws. Hence, the ability of the Company or the Company’s shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives that the Company may face in the future and accordingly, the Company or the Company’s shareholders may or may not choose to fulfil. The Company does not have any Subsidiary as on date of the Draft Prospectus/ Prospectus.

The benefits discussed in the enclosed Statement are not exhaustive and only cover the possible special direct and indirect tax benefits available to the Company and the Company’s shareholders. The Statement is neither designed nor intended to be a substitute for professional tax advice and 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 of the Company. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on the enclosed Statement.

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

- a) the Company or its shareholders will continue to obtain these possible special tax benefits in future; or
- b) the conditions prescribed for availing the possible special tax benefits, where applicable, have been/would be met with; and

We conducted our examination in accordance with the “Guidance Note on Reports in Company Prospectuses (Revised 2019)” (“Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby give consent to include the Statement in the Draft Prospectus and Prospectus in connection with the proposed initial public offering of the Company provided that the below statement of limitation is included in the Offer documents.

This statement is issued on specific request made by the Management of the company and for the limited purpose of inclusion in the Draft Red Herring Prospectus by the Lead Manager for the purpose of application for Initial Public Offer on the Small & Medium Enterprise platform of National Stock Exchange of India Limited.

### Limitation

*The contents of this Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on*

*the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the offer relying on the enclosed Statement.*

*The Statement has been prepared solely in connection with the offer under the above mentioned Regulations as amended from time to time, and is not to be used, referred to or distributed for any other purpose.*

**For S A R A & Associates**  
Chartered Accountants  
Firm Registration No: 120927W

**Alok Bairagra**  
Partner  
Membership No: 105153

Mumbai, September 2, 2020  
UDIN:

Encl: Annexure I & II

## Annexure I

### STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND COMPANY'S SHAREHOLDERS

Outlined below are the possible special tax benefits available to Bodhi Tree Multi Media Limited ("the Company") and to its Shareholders under the direct and indirect Tax Laws in force in India.

#### A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

##### 1. Direct Tax

There are no special direct tax benefits available to the Company.

##### 2. Indirect Tax

There are no special indirect tax benefits available the Company.

#### B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

##### 1. Direct Tax

There are no special direct tax benefits available to the shareholders of the Company.

##### 2. Indirect Tax

There are no special indirect tax benefits available the Company.

## Annexure - II

### General Benefits to Company

- As per the provisions of section 80JJAA of the Income-tax Act, 1961 ('I.T. Act'), a company subject to tax audit under section 44AB of the Act and whose gross total income includes any profit and gains derived from business shall be entitled to claim a deduction of an amount equal to thirty percent of additional employee cost incurred in the course of such business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided. The eligibility to claim the deduction is subject to fulfillment of prescribed conditions specified in sub-section (2) of section 80JJAA of the I.T. Act.
- As per section 10(2A) of the I.T. Act, share of profit received by a partner from a firm is exempt from tax in the hands of the partner. Further, share of profit received by a partner of LLP from the LLP will be exempt from tax in the hands of such partner. This exemption is limited only to share of profit and does not apply to interest on capital and remuneration received by the partner from the LLP.
- As per section 115-O (as amended by Finance Act 2020), dividend distributed by a domestic company will no longer be subject to Dividend Distribution Tax.
- Donations made by the Company towards certain specified funds and/ or charitable institutions as prescribed under section 80G of the I.T. Act shall be eligible for 100%/50% deduction subject to the conditions as prescribed therein.

#### **Note:**

- As per section 115BAA of the I.T. Act, the Company has an option to pay income-tax in respect of its total income at a concessional/ beneficial tax rate of 22% (plus applicable surcharge and cess) subject to satisfaction of certain conditions with effect from Financial Year 2019-20 (i.e. Assessment Year 2020-21). The Company might exercise the option under this section on or before the due date of filing the returns under sub-section (1) of Section 139 of the I.T. Act for the Previous Year relevant to the Assessment Year 2020-2021. Such option once exercised shall apply to subsequent assessment years. In such a case, the Company may not be allowed to claim any of the following deductions/exemptions:
  - (i) Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
  - (ii) Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
  - (iii) Deduction under section 32AD, section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
  - (iv) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
  - (v) Deduction under section 35AD or section 35CCC (deduction for specified business, agricultural extension project)
  - (vi) Deduction under section 35CCD (expenditure on skill development)
  - (vii) Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M
  - (viii) No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause i) to vii) above
  - (ix) No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause i) to vii) above

Further, it was clarified by CBDT vide Circular No. 29/ 2019 dated 2 October 2019 that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.

- In the case of Red Chillies Entertainment, the assessee had gifted certain items to its business associates who had worked for a film. The Mumbai Tribunal held that the provisions of section 194J could not apply where the professional or technical fees are paid in kind. While deciding the issue, relying on certain judicial precedents of the Supreme Court and High Courts,<sup>24</sup> the Tribunal categorically concluded that the term "any sum" under the relevant provisions would only mean cash amount of money, and since payments are made in kind, there was no requirement to withhold tax.

### General Benefits to Resident Individual Shareholders

- Option to avail the New Taxation regime (however the assessee cannot claim Chapter-VI A deductions, salary allowances, etc under the said regime)
- Sale of listed equity shares held for more than 12 months to be specifically governed by the provisions of Section 112A (exemption limit of Rs 1,00,000/-)
- Sale of listed equity shares held more less than 12 months to be specifically governed by the provisions of Section 111A.
- Capital gains arising to the shareholders on buy back of shares is exempt



## **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**

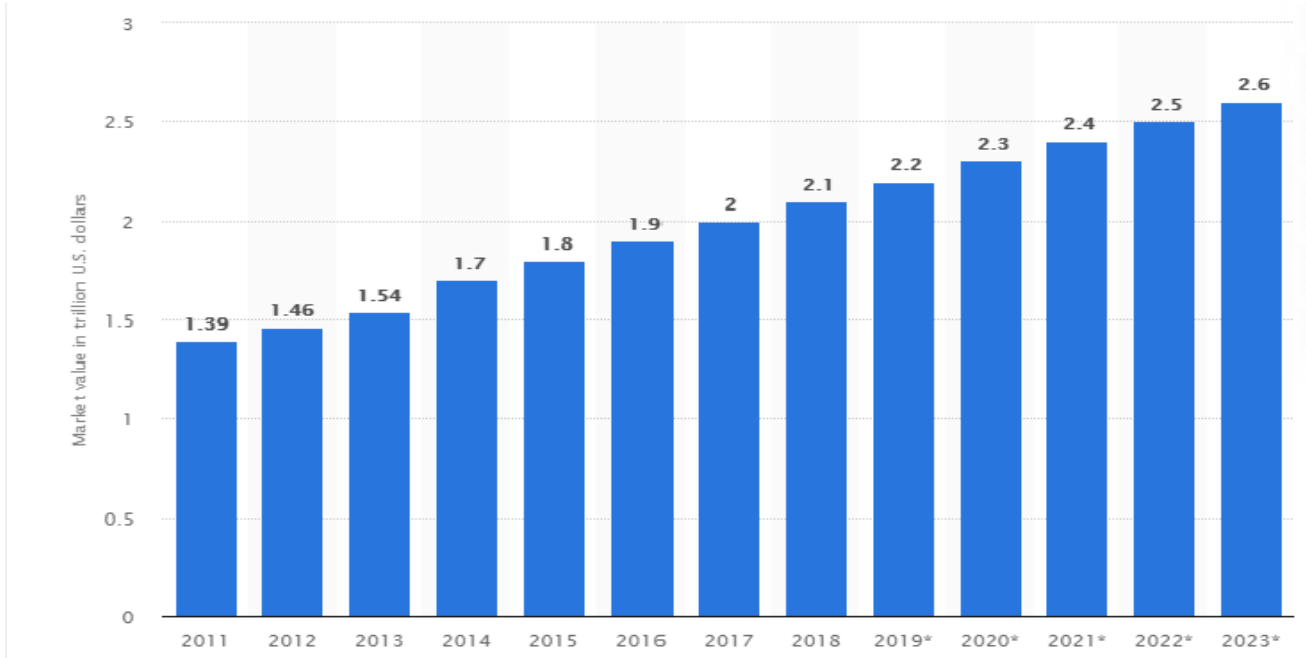
Global growth has gained further momentum, supported by both advanced and emerging market economies. World trade growth has outpaced global growth after lagging behind for two years. Inflation remains subdued and below target levels across most regions despite improving demand and firming up of crude oil prices. The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making high growth strides. Proving its resilience to the world, the Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenues. The industry has been largely driven by increasing digitization and higher internet usage over the last decade. Internet has almost become a mainstream media for entertainment for most of the people.

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. 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**

World 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.

## Value of the global entertainment and media market from 2011 to 2023



This timeline presents the value of the global entertainment and media market from 2011 to 2018, as well as a forecast for the period 2019 to 2023. In 2023, the market is expected to reach a worth of 2.6 trillion U.S. dollars.

According to PwC’s Global Entertainment & Media Outlook 2019-2023, the Indian entertainment and media industry is expected to reach INR 451,373 Cr by 2023, growing at a compound annual growth rate (CAGR) of 11.28% between 2018 and 2023. India is the fastest growing entertainment and media market globally and is expected to keep that momentum. Our research shows that in the next 5 years India will see significant growth in OTT, Online Gaming and Internet advertising. Growth in these sub-sectors spurs from the growing trends around personalization and increased digitalization.

\*<https://www.pwc.in/press-releases/2019/global-entertainment-and-media-outlook-2019-2023.html>

## Global Media and Entertainment

Chart 1

Ratings distribution by region

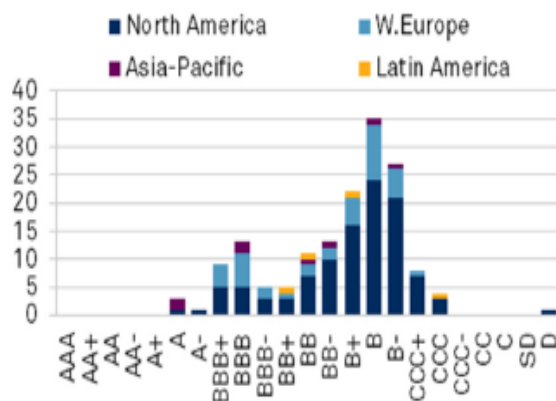


Chart 2

Ratings distribution by subsector

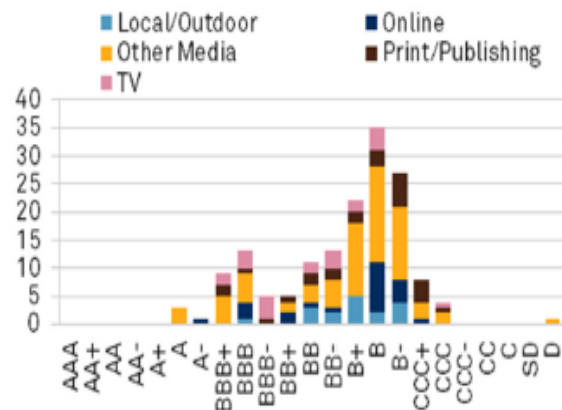


Chart 3  
Ratings outlooks by region

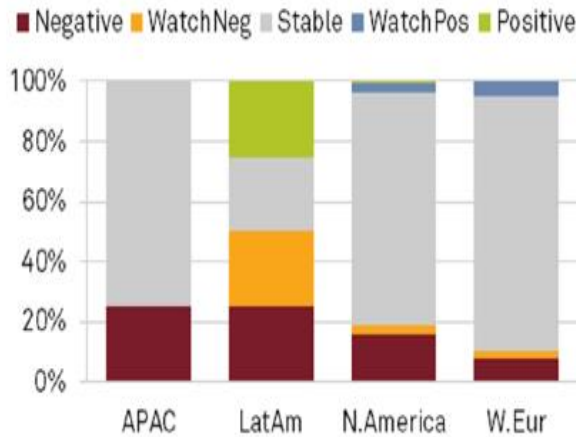


Chart 4  
Ratings outlooks by subsector

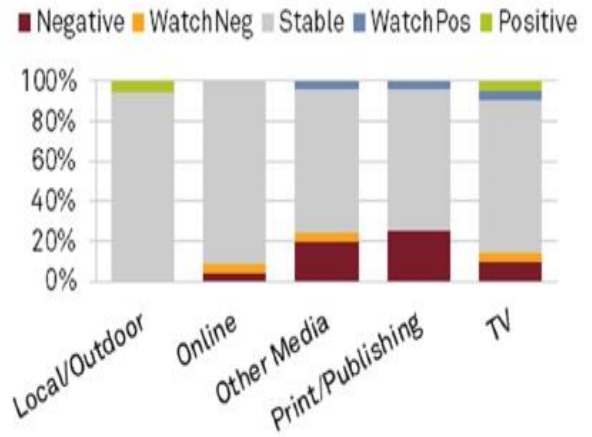


Chart 5  
Ratings outlooks net bias by region



Chart 6  
Ratings net outlook bias by subsector

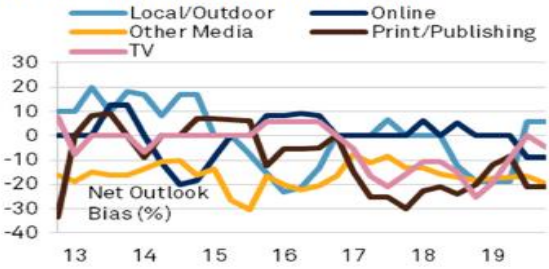


Chart 7  
Ratings outlooks

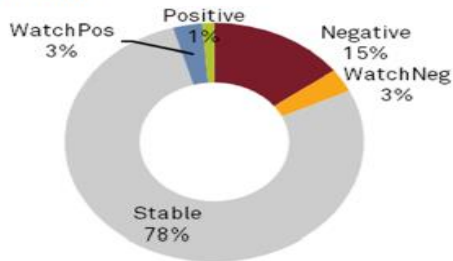
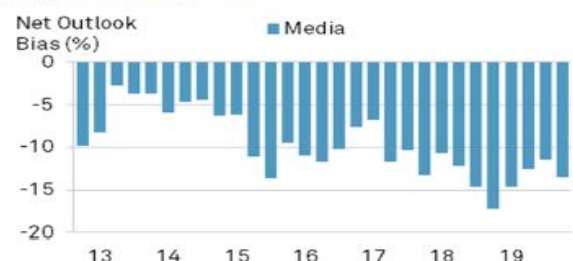


Chart 8  
Ratings net outlook bias



Source: S&P Global Ratings. Ratings data measured at quarter end. Data for Q4 2019 is end October, 2019

# Industry forecasts

## Global Media and Entertainment

Chart 9  
Revenue growth (local currency)

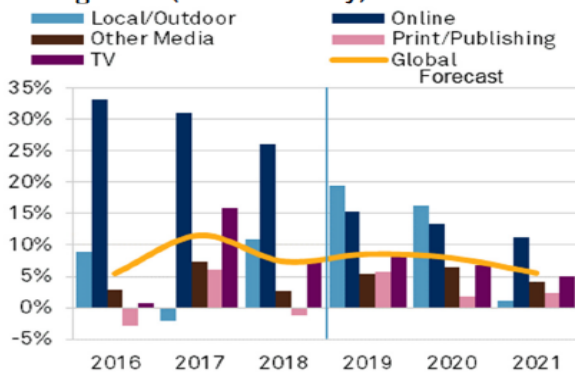


Chart 10  
EBITDA margin (median, adjusted)

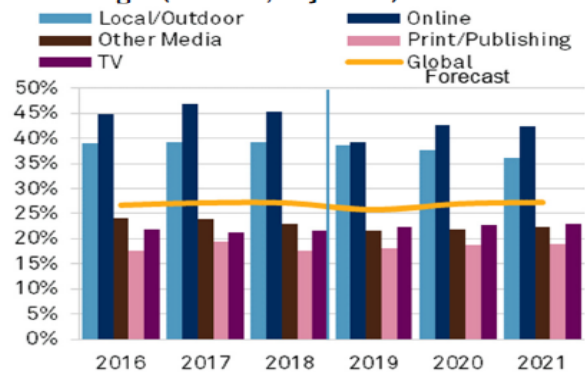


Chart 11

**Debt / EBITDA (median, adjusted)**

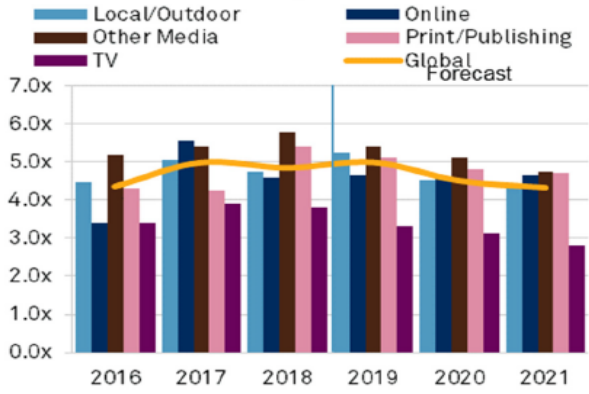
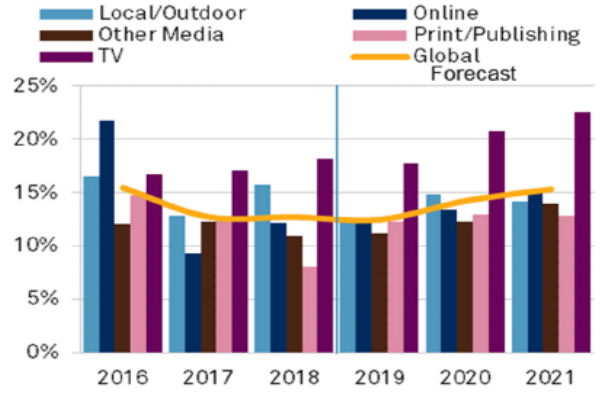


Chart 12

**FFO / Debt (median, adjusted)**



Source: S&P Global Ratings. Revenue growth shows local currency growth weighted by prior-year common-currency revenue-share. All other figures are converted into U.S. Dollars using historic exchange rates. Forecasts are converted at the last financial year-end spot rate. FFO--Funds from operations.

# Cash, debt, and returns

## Global Media and Entertainment

Chart 13

**Cash flow and primary uses**

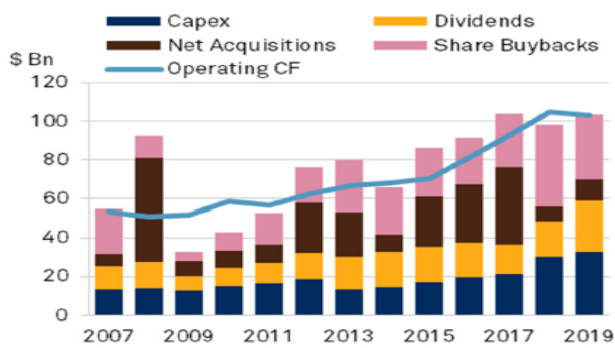


Chart 14

**Return on capital employed**

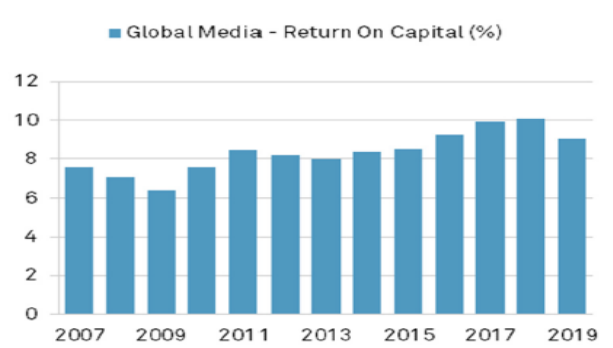


Chart 15

**Fixed versus variable rate exposure**

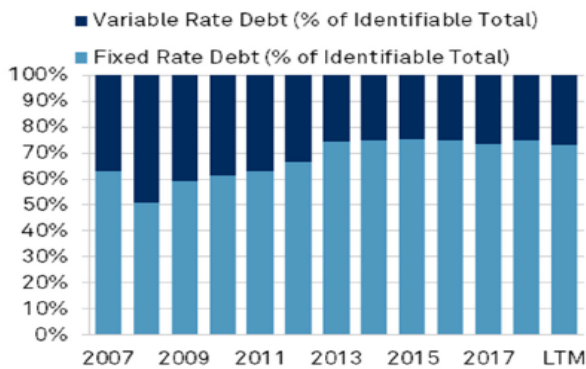


Chart 16

**Long term debt term structure**

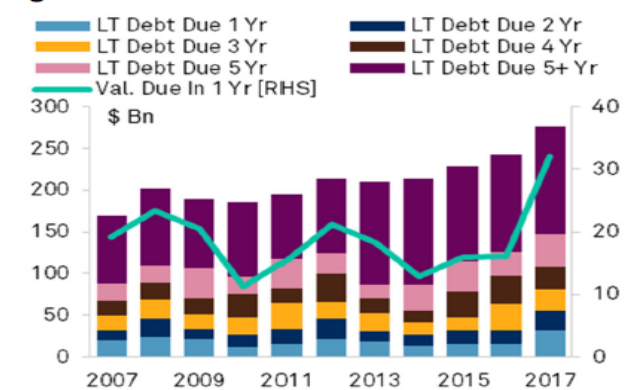


Chart 17

## Cash and equivalents / Total assets

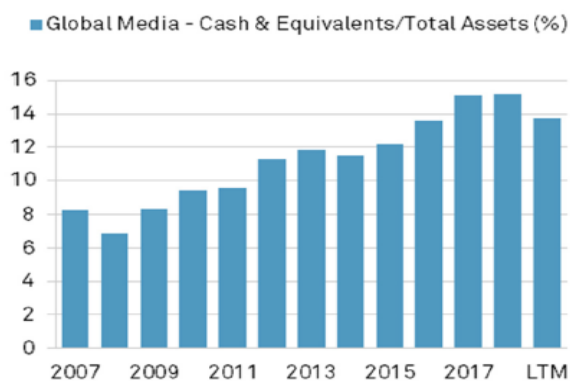
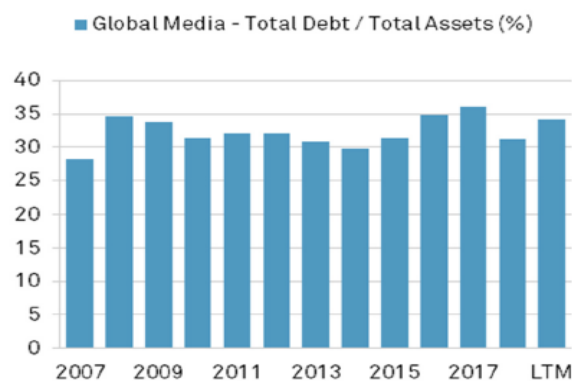


Chart 18

## Total debt / Total assets



Source: S&P Global Market Intelligence, S&P Global Ratings calculations

As media companies launch new OTT services, we expect them to invest heavily in original content to differentiate their services and increase subscribers. We expect the intensifying OTT competitive landscape to drive up content costs as new and existing services vie to acquire premium content. We expect these investments to pressure margins and cash flow in the short term, especially for new entrants, as it will take time to build scale. Chinese OTT providers are investing more heavily in original content, reducing their reliance on licensed content. While content costs improved for many players, content spending growth slowed due to government restrictions. In Brazil, we expect Globo will continue investing heavily in original content for its OTT platform (Globo play) to compete with global competitors. Consequently, we expect margins to remain under pressure in 2020.

As we enter 2020, it's clear that the growth of **video streaming** will continue to explode. In fact, in Deloitte's most recent Digital Media Trends Survey, more respondents indicated that they have at least one streaming video subscription (69 percent) than possess a traditional pay-tv subscription (65 percent).

At the same time, an all-out streaming war is underway, with virtually every media company looking to establish direct relationships with consumers. It now appears that all major US TV networks and studios will have a stand-alone direct-to-consumer streaming service by mid-2020. As they launch their services, the big studios are withdrawing content rights from third-party streaming platforms. Hence, it has become almost impossible for platforms to bring all major studios or networks under one umbrella.

As a result, many US consumers are growing frustrated with having to manage and pay for multiple subscriptions to watch what they want. Research suggests that consumers are willing to pay only for a certain number of streaming services. Deloitte's Digital Media Trends Survey found that consumers have an average of three streaming video services, a number that has remained steady for two years.

In the end, streaming services that offer the best and broadest content libraries will likely own the inside track to success. One method of getting there is "**re-aggregation**" (or re-bundling) of streaming offerings—an approach pioneered by players like Amazon and Roku. Providers have an opportunity to offer highly customized packages of content that, in addition to video, could include streaming of music and games, as well as the option for customers to accept ad-supported video: advertising in exchange for "free" (non-subscription) content.

**Ad-supported video** has already become the dominant model of delivering streaming video to consumers in China, India, and throughout the Asia-Pacific region. Sometimes it is combined with subscription services; in other cases, revenue comes from ads alone. Ads also provide much-needed revenue for streaming providers that seek to expand into different services, such as gaming and music.

\*<https://www2.deloitte.com/us/en/pages/technology-media-and-telecommunications/articles/media-and-entertainment-industry-outlook-trends.html>

The Media and Entertainment (M&E) industry has multiple segments that combine into one vertical; Movies/Cinema, Television, Music, Publishing, Radio, Internet, Advertising and Gaming. Moreover, trends and drivers for each of the segments vary across sub-segments, geographies and consumer segments. This makes the vertical unique, since these sub-verticals compete, compliment and combine to fulfil the ever-increasing demand for entertainment and information globally.

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

### 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. India's GDP growth for the fiscal year 2019-2020 was estimated at 5 per cent and is forecast to slow down to 4.8 per cent for the current fiscal 2020-21. Economic growth for the country could stand at 5.1 per cent for fiscal year 2021-22

The Fixed Investment Rate (Ratio of Gross Fixed Capital Formation to GDP) is estimated to be 29.1 percent in 2019-20 as compared to 28.8 percent in 2018-19 as compared to 28.5 Percent In 2017-18. India's Gross Fixed Capital Formation was reported at 190.481 USD bn in Dec 2019. This records an increase from the previous number of 185.013 USD bn for Sep 2019

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. India's Investment accounted for 28.8 % of its Nominal GDP in Dec 2019, compared with a ratio of 29.3 % in the previous quarter. India's investment share of Nominal GDP data is updated quarterly, available from Jun 2004 to Dec 2019, with an average ratio of 34.6 %

The Growth of Gross Value Added (GVA) at constant basic prices for the year 2018- 19 is estimated to be 7.0%. The Growth Rate of Agriculture, Industry and Services sectors is estimated to be 3.8%, 7.8% and 7.3% respectively in 2018-19. The estimated growth of real **GVA (Gross Value Added)** in **2019-20** is 4.9% as against 6.6% in 2018-19. The **GVA** at basic prices for **2019-20** from agriculture, forestry and fishing sector is estimated to grow by 2.8% as compared to 2.9% in 2018-19

### 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. Current Account Deficit (CAD) narrowing further to 1.5 per cent of GDP in the first half of 2019-20 from 2.1 per cent in 2018-19. Net FDI inflows remained buoyant attracting USD 24.4 billion in the first eight months of 2019-20, much higher than the corresponding period of 2018-19. Net overseas remittances in the first half of 2019-20 were more than 50 per cent of total receivables in 2018-19, standing at USD 38.4 billion. As per World Bank report of 2019, India's 17.5 million diaspora made it the top remittance-recipient country in 2018.

### 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

Indian ME overview



The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making high growth strides. Proving its resilience to the world, the Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenues. The industry has been largely driven by increasing digitization and higher internet usage over the last decade. Internet has almost become a mainstream media for entertainment for most of the people.

The Indian advertising industry is projected to be the second fastest growing advertising market in Asia after China. At present, advertising revenue accounts for around 0.38 per cent of India’s gross domestic product. By 2021, Indian media and entertainment industry to reach Rs 2.35 trillion.

Indian television market has an 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).

**Market Dynamics**

The Indian media and entertainment industry is expected to reach around Rs 307,000 core crore (US\$ 43.93 billion) by 2024. Media and entertainment Industry is set to expand at a CAGR of 13.5 per cent over 2019-24. In FY19, major segments were television, print and films with a market size of Rs 713 billion (US\$ 10.22 billion), Rs 333 billion (US\$ 4.76 billion) and Rs 185 billion (US\$ 2.62 billion), respectively. They are projected to reach Rs 1025 billion (US\$ 14.67 billion), Rs 375 billion (US\$ 4.76 billion) and Rs 228 billion (US\$ 3.26 billion), respectively in FY22. Indian television market has an opportunity of catering to 100 million homes as 197 million homes out of the total 298 million have TV sets as of 2018.

Digital media & entertainment (M&E) platforms in India grew 13.3 per cent in FY19 to reach Rs 163,100 crore (US\$ 23.34 billion), contributing the most to the growth of M&E sector in the country. India’s advertising revenue is projected to reach Rs 1,367 billion (US\$ 19.56 billion) in FY24 from Rs 693 billion (US\$ 10 billion) in FY19.

India ranked at 15th in the world in music industry and is expected to enter into the top 10 music markets by 2022.

## Recent development/Investments

The Foreign Direct Investment (FDI) inflows in the Information and Broadcasting (I&B) sector (including Print Media) in the period April 2000 - March 2019 stood at US\$ 8.38 billion, as per data released by Department for Promotion of Industry and Internal Trade (DPIIT).

- Netflix Inc. grew by 700 per cent with the help of local content and marketing that attracted more users during 2018-19.
- About 95 per cent of online video consumption is in Indian languages in Tier 2 and Tier 3 cities.
- Bharti Airtel's direct-to-home (DTH) arm Airtel Digital TV and Dish TV going to be merged by end of August 2019.
- As stated in Union Budget 2019-20, government to launch dedicated channel for start-ups.
- Spotify to launch lite version for low-end Android phones in India.
- Star India signs up 35 advertisers for ICC World Cup, targets over Rs 1,000 crore (US\$ 144million) in ad sales.
- Daily hunt, a regional language news aggregator run by Verse Innovation Pvt Ltd, will receive investment of US\$ 60 million in a new funding round led by Goldman Sachs Investment Partners.
- As of September 2018, Twitter announced video content collaboration with 12 Indian partners for video highlights and live streaming of sports, entertainment and news.
- As of August 2018, PVR Ltd acquired SPI Cinema for worth US\$ 94.42 million.
- In H12018, 5 private equity investments deals were recorded of worth US\$ 115 million.
- 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.
- India is one of the top five markets for the media, content and technology agency Wavemaker where its services clients like Hero MotoCorp, Paytm, IPL and Myntra among others
- After bagging media rights of Indian Premier League (IPL), Star India has also won broadcast and digital rights for New Zealand Cricket up to April 2020.



## Government Initiatives

The Telecom Regulatory Authority of India (TRAI) is set to approach the Ministry of Information and Broadcasting, Government of India, with a request to Fastrack the recommendations on broadcasting, in an attempt to boost reforms in the broadcasting sector. The Government of India has agreed to set up the National Centre of Excellence for Animation, Gaming, Visual Effects and Comics industry in Mumbai. The Indian and Canadian Government have signed an audio-visual co-production deal to enable producers from both the countries exchange and explore their culture and creativity, respectively.

The Government of India has supported Media and Entertainment industry's growth by taking various initiatives such as digitizing the cable distribution sector to attract greater institutional funding, increasing FDI limit from 74 per cent to 100 per cent in cable and DTH satellite platforms, and granting industry status to the film industry for easy access to institutional finance.

## Road Ahead

The Indian Media and Entertainment industry is on an impressive growth path. The industry is expected to grow at a much faster rate than the global average rate.

Growth is expected in retail advertisement, on the back of factors such as several players entering the food and beverages segment, e-commerce gaining more popularity in the country, and domestic companies testing out the waters. The rural region is also a potentially profitable target.

*Note: Conversion rate used as on September 2019, Re 1 = US\$ 0.014019*

*References: Media Reports, Press Releases, Press Information Bureau, Department for Promotion of Industry and Internal Trade (DPIIT), KPMG report - Media ecosystems: The walls fall down - September 2018*

The Indian M&E industry is on an impressive growth path. The industry is expected to grow at a much faster rate than the global average rate. TV advertising sector is expected to grow at a CAGR of 11.1 per cent during 2016-21, as against the global average of 2.8 per cent. Cinema in India is estimated to grow at 10.4 per cent compared to global average of 4.4 per cent. Internet video sector is expected to grow at a CAGR of 22.4 per cent while the global average is estimated to be 11.6 per cent. TV subscription will grow at CAGR of 11.6 per cent as against the global average of 1.3 per cent

### Exceptional growth in film industry

Digitalization 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.

Television and print retained their positions as the two largest segments, digital media overtook filmed entertainment in 2019 to become the third largest segment of the M&E sector. Digital subscription revenues more than doubled from 2018 levels and digital advertising revenues grew to command 24% of total advertising spend. The sector continues to grow at a rate faster than the GDP, driven primarily by growth in subscription-based business models and India's attractiveness as a content production and post production destination

The rapid proliferation of mobile access is enabling on-demand, anytime-anywhere content consumption nationwide. With a population of 1.3 billion, a tele-density approaching 89% of households, 688 million internet subscribers and nearly 400 million smartphone users, India's telecom industry is poised to become the primary platform for content distribution and consumption. India ranks as one of the fastest-growing app markets globally, where entertainment apps are driving significant consumer engagement. Online gaming retained its position as the fastest growing segment on the back of transaction-based games mainly fantasy sports, increased in-app purchases and a 31% growth in the number of online gamers to reach around 365 million.

### Rising no of subscribers

The Indian Media and Entertainment (M&E) sector reached INR1.82 trillion (US\$25.7 billion) in 2019, a growth of -9% over 2018 states the EY FICCI report '***The era of consumer A.R.T. - Acquisition Retention and Transaction,***' launched today. With its current trajectory, the M&E sector in India is expected to cross INR2.4 trillion (US\$34 billion) by 2022, at a CAGR of 10%\*.

## Key findings on Media Industry

- **Television:**

The TV industry grew from INR 740 billion to INR 788 billion in 2019, a growth of 6.5%. TV advertising grew 5% to INR 320 billion while subscription grew 7% to INR 468 billion. Regional channels benefited from the New Tariff Order as their consumption increased by over 20% in certain cases. General entertainment and movie channels led with 74% of viewership. On the back of several key announcements by the central and state governments such as Article 370, the Citizenship Amendment Act, and a general election, the news genre witnessed a growth to almost 9% of total viewership, up from 7.3% in 2018. In sports cricket emerged as the big winner in 2019 as it accounted for over 80% of the sports viewership, up from 70% last year, due to the ICC World Cup.

**Key insights** - Television will remain the largest earner of advertising revenues even in 2025, approaching INR570 billion. Viewership of regional language channels will continue to grow and reach 55% of total viewership in India as their content quality improves further. Content viewed on smart TV sets will begin to reflect that consumed on mobile phones, providing a window for user generated content companies and other non-broadcasters to serve content on the connected television screen.

- **Print:**

Despite a 3% revenue degrowth at INR 296 billion, print continued to retain the second largest share of the Indian M&E sector. Circulation revenues increased by 2% to INR 90 billion as newspaper companies tactically increased prices in certain markets. Advertising revenues fell 5% to INR 206 billion in 2019 as AdEX volumes fell by 8%. Margins improved as newsprint cost measures were implemented and companies benefited from the reduction of newsprint prices.

**Key insights** - 2019 witnessed a significant growth in digital news consumers over 2018 when 300 million Indians consumed news online. Most large print companies had a defined digital business, with two companies crossing INR1 billion in digital revenues. Digital subscription, though nascent, has increased as several publications have put digital products behind a paywall.

- **Digital media:**

In 2019, digital media grew 31% to reach INR 221 billion and is expected to grow at 23% CAGR to reach INR 414 billion by 2022. Digital advertising grew 24% to INR 192 billion driven by increased consumption of content on digital platforms and marketers' preference to measure performance. SME and long tail advertisers increased their spends on digital media as well. Pay digital subscribers crossed 10 million for the first time as sports and other premium content were put behind a paywall. Consequently, subscription revenue grew 106% to INR 29 billion. Digital consumption grew across platforms where video viewers increased by 16%, audio streamers by 33% and news consumers by 22%.

**Key insights:** By 2020, OTT subscription market will approximate 10% of the total TV subscription market (without, however, considering data charges). We estimate over 40 million connected TVs by 2025, which will provide a huge opportunity for content creators to reach family consumers. Better bandwidth will drive large screen consumption. By 2025, 750 million smart phone screens will also increase the demand for regional, UGC and short content, creating a short video ecosystem that can create significant employment. The battle for content discovery will intensify and move to the unified interface.

- **Films:**

The Indian film segment grew 10% in 2019 to reach INR 191 billion driven by the growth in domestic theatrical revenues and both rates and volume of digital/ OTT rights sold. Domestic film revenues crossed INR 115 billion with Gross Box Office collections for Hindi films at INR 49.5 billion - the highest ever for Hindi theatricals. Overseas theatricals revenues fell 10% to INR 27 billion despite more films being released abroad primarily as films with superstars didn't perform as well in 2019. 108 Hollywood films were released in 2019 as compared to 98 in 2018. The gross box office collections of Hollywood films in India (inclusive of all their Indian language dubbed versions) grew 33% to reach INR 16 billion. As single screens continued to reduce, the total screen count decreased by 74 to 9,527.

**Key Insights:** Digital rights continued to grow in 2019 with an increase in revenues from INR13.5 billion in 2018 to INR 19 billion in 2019. Digital release windows shortened with some movies releasing on OTT

platforms even before their release on television. In-cinema advertising grew marginally to INR 7.7 billion in 2019 as multiplexes and advertising aggregators started signing long-term deals with brands. Seventeen Hindi films entered the coveted INR 100 crore club in 2019, which is the highest ever. Interestingly, six movies made it to the INR 200 crore club in 2019, as opposed to three in 2018. The future will be driven by immersive content (technology and VFX rich) experiences to drive theatrical footfalls and some genres of films could migrate to home viewership only. We can expect to see creation of a segmented Hindi-mass product for the heartland at low ticket prices.

### Striking Prospects

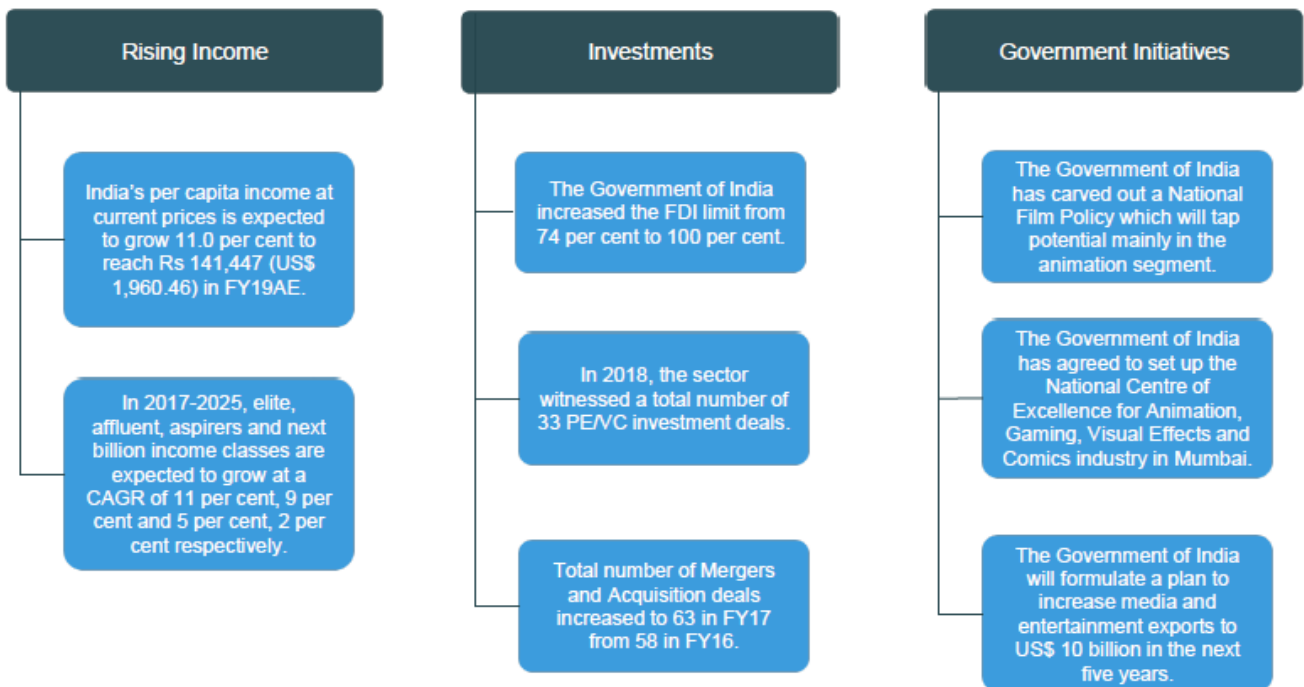
Media and entertainment Industry are set to expand at a CAGR of 13.10 per cent over 2018-23, one of the highest rates globally. Television and AGV segments are expected to lead industry growth and offer immense growth opportunities in digital technologies as well.

### Investments, Mergers and Acquisitions in M&E

While the number of deals increased to 64 in 2019 from 41 in 2018, the overall deal value was much lower at INR101 billion as compared to INR192 billion in the previous year. This was largely due to the absence of big-ticket deals with only four deals crossing the US\$100 million threshold. The highest amount of investment was made in television, followed by digital, radio and gaming. Deal activity was spearheaded by new media such as digital and gaming, which witnessed 54 of the 64 deals in 2019, however, in terms of deal value, the share of traditional media segments such as TV, radio and film exhibition was 63%.

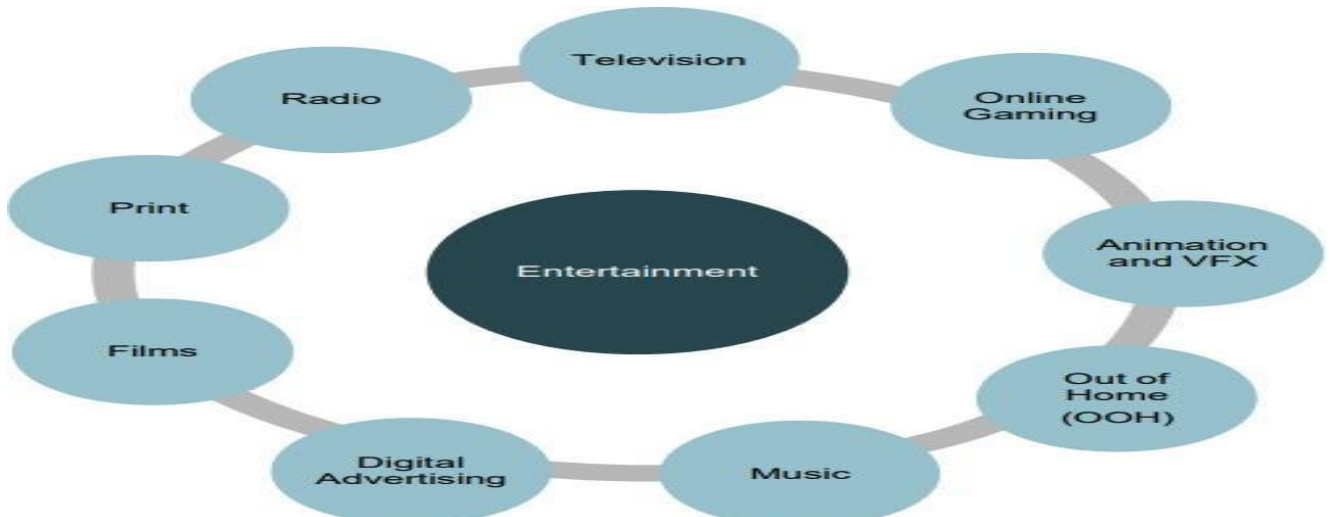
*\* The estimates have not taken into account the rapidly evolving business situation arising from the outbreak of Covid-19 in 2020*

### GROWTH DRIVERS OF MEDIA AND ENTERTAINMENT SECTOR IN INDIA



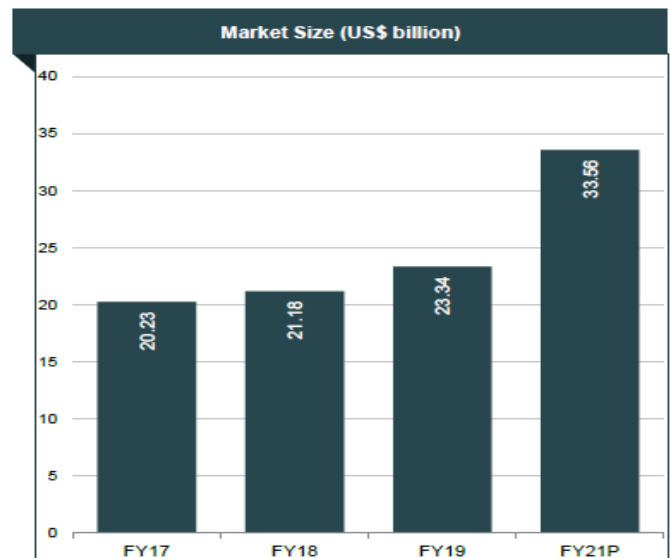
Note: AE – Advance Estimates, PE- Private equity, VC- Venture capital  
Source: PE Roundup – July'18 by EY, FICCI Report 2018, Providing M&A and Private Equity Deal insights report by Grant Thornton

## Segments of Indian Media & Entertainment Market

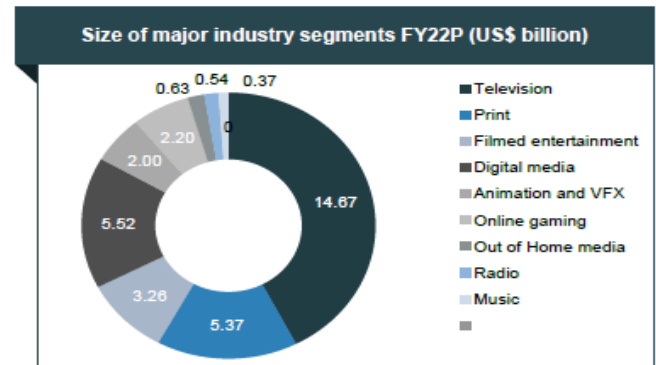
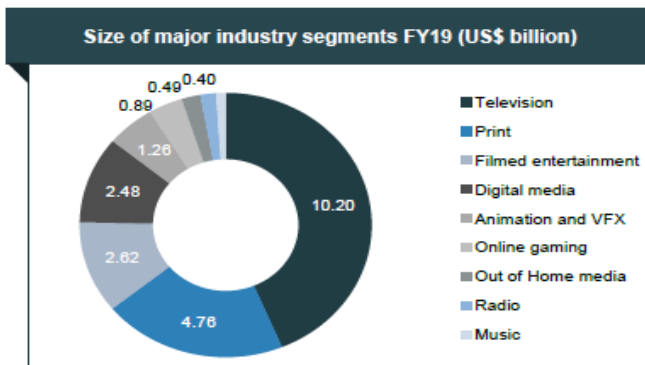


(Source : <https://www.ibef.org/industry/entertainment-presentation>)

- India's media and entertainment (M&E) industry grew at a CAGR of 11.5 per cent during FY15-19 and growth in FY19 over FY18 was 13.2 per cent. The industry is projected to reach Rs 2.35 trillion (US\$ 33.6 billion) by 2021 from Rs 1.44 trillion (US\$ 21.18 billion) in FY18.
- The next three years will see digital technologies increase their influence across the industry leading to a sea change in consumer behaviour across all segments.
- India's online gaming industry is expected to grow at a CAGR of 22 per cent between FY18-23 to reach Rs 11,900 crore (US\$ 1.68 billion) in FY23, on the back of rapid growth in digital infrastructure, whereas digital media to CAGR 28 per cent between 2018-20.
- It is expected sports can create 4.3 million jobs by 2022.
- Digital media & entertainment (M&E) platforms in India grew 13.3 per cent in FY19 to reach Rs 163,100 crore (US\$ 23.34 billion), contributing the most to the growth of M&E sector in the country.



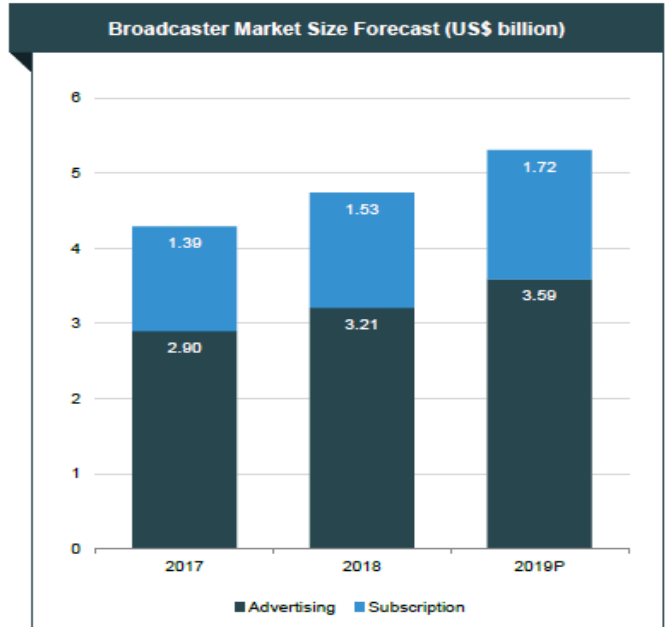
## SEGMENTS OF INDIAN ENTERTAINMENT INDUSTRY



- In FY19, television, print and films stood at a market size of Rs 713 billion (US\$ 10.22 billion), Rs 333 billion (US\$ 4.76 billion) and Rs 185 billion (US\$ 2.62 billion), respectively. They are projected to reach Rs 1.02 trillion (US\$ 14.67 billion), Rs 375 billion (US\$ 4.76 billion) and Rs 228 billion (US\$ 3.26 billion), respectively in FY22.
- The Indian digital segment is expected to witness a growth of 29.1 per cent CAGR over FY19-24.

## TELEVISION, ONE OF THE LARGEST AND FASTEST GROWING SEGMENTS

- In FY19, television market size increased to Rs 815 billion (US\$ 11.66 billion) from Rs 660 billion (US\$ 9.65 billion) in 2017 and is estimated to surpass US\$ 13 billion in 2023.
- The share of broadcaster subscription revenue was 25 per cent of the total collection, estimated around Rs 11,000 crore (US\$ 1.57 billion) in FY19.
- Star India is expected to generate between Rs 1,200-1,500 crore (US\$ 172.83-216.04 million) through television and Rs 300 crore (US\$ 43.21 million) from its video streaming platform Hotstar during the ICC Cricket World Cup 2019.

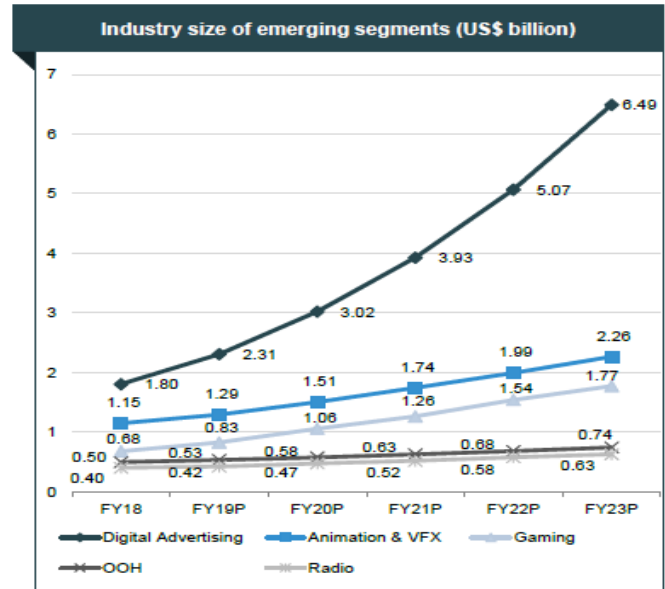


Notes: P – Projected

Source: KPMG report –India's digital future, EY's Media and Entertainment report March 2019

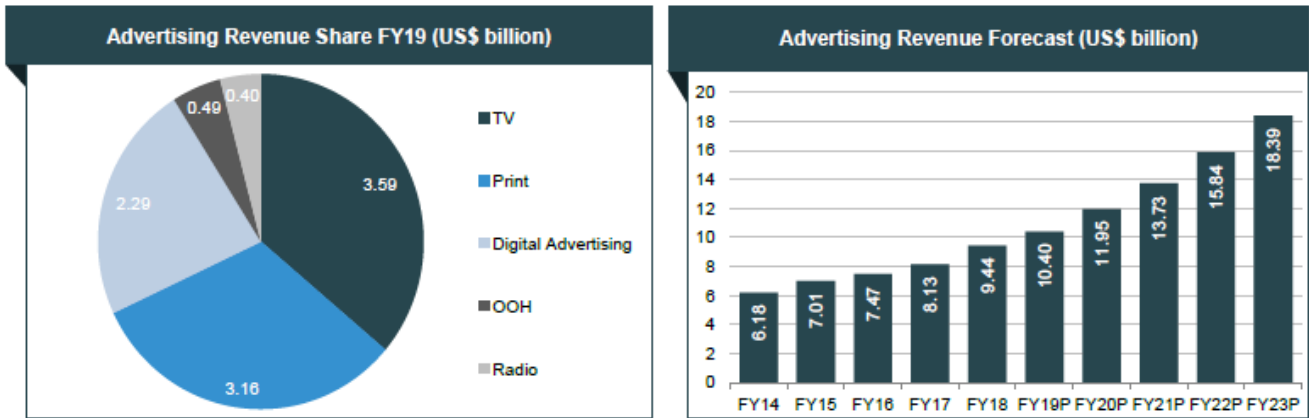
## Radio, OOH, ANIMATION and VFX, GAMING AND DIGITAL ADVERTISING ON HIGH GROWTH PHASE

- Radio, OOH, animation and VFX, gaming and digital advertising are also emerging as fast growing segments.
- During 2018-23, these segments are expected to increase at CAGRs of:
  - Digital Advertising (30.20 per cent).
  - Animation and VFX (15.50 per cent).
  - Gaming (22.10 per cent).
  - OOH (9.20 per cent).
  - Radio (10.20 per cent).
- India digital advertising market has reached Rs 10,819 crore (US\$ 1.3 billion) in 2018 and is forecasted to grow at a CAGR of 32 per cent to reach Rs 18,986 crore (US\$ 2.95 billion) by 2020. Expenditure on digital advertisements is expected to increase at CAGR of 30.8 per cent between 2016-21, as internet penetration and data consumption increases in the country.
- India's advertisement market is projected to grow 10.62 per cent year-on-year to Rs 85,250 crore (US\$ 12.06 billion) till 2021.
- India's over-the-top content (OTT) platforms are expected to get a boost majorly due to increased internet adoption rate of regional language users.
- Indian regional language internet users are expected to grow to 536 million by 2021.



Note: VFX- Visual Effects, P – Projected, Out-of-home advertising, CAGR is calculated from Rs figures, data is expected to be updated by October 2019 from KPMG report  
Source: KPMG report – Media ecosystems: The walls fall down – September 2018

## E&M ADVERTISING REVENUES

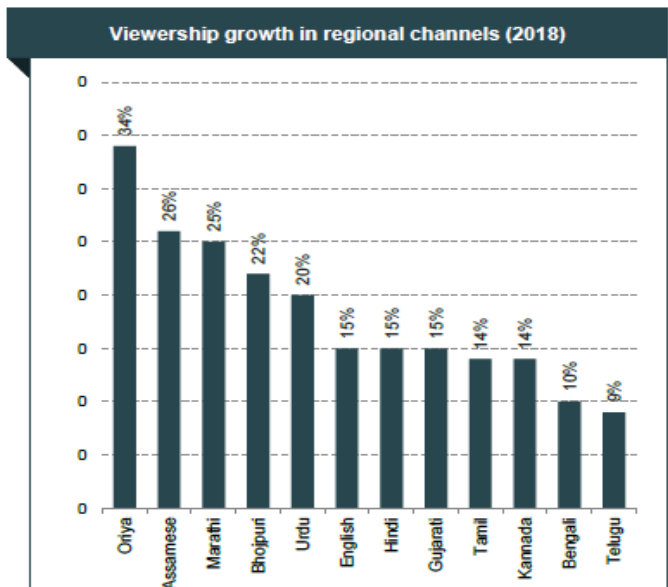


- India's advertising revenue is projected to reach Rs 1,367 billion (US\$ 19.56 billion) in FY24 from Rs 693 billion (US\$ 10 billion) in FY19.
- India's advertising revenue is forecasted to grow at a CAGR of 14.5 per cent during 2019-2024. India's advertisement spending is projected to grow 15 per cent year-on-year to reach Rs 72,169 crore (US\$ 10.28 billion) in 2019.
- Television advertising was the largest contributor, it generated a revenue of Rs 223.50 billion (US\$ 3.47 billion) in FY18.
- Print advertising was the second largest contributor, it generated a revenue of Rs 210.60 billion (US\$ 3.27 billion) in FY18.
- Digital advertising has emerged as the 3rd largest advertising medium in India. It generated revenues worth Rs 116.30 billion (US\$ 1.80 billion) in FY18. Digital will contribute 29 per cent of the ad market size by 2021.
- India is one of the top five markets for the media, content and technology agency, Wavemaker, where its services clients like Hero MotoCorp, Paytm, IPL and Myntra among others.
- Star India signs up 35 advertisers for ICC World Cup, targets over Rs 1,000 crore (US\$ 144million) in ad sales

Notes: TV – Television, CAGR is calculated from Rs figures, P – Projected, Out-of-home advertising, data is expected to be updated by October 2019 from KPMG report  
 Source: KPMG report – Media ecosystems: The walls fall down – September 2018, Economic Times, Zenith Global Advertising Expenditure Forecasts

## REGIONAL ENTERTAINMENT TRENDING

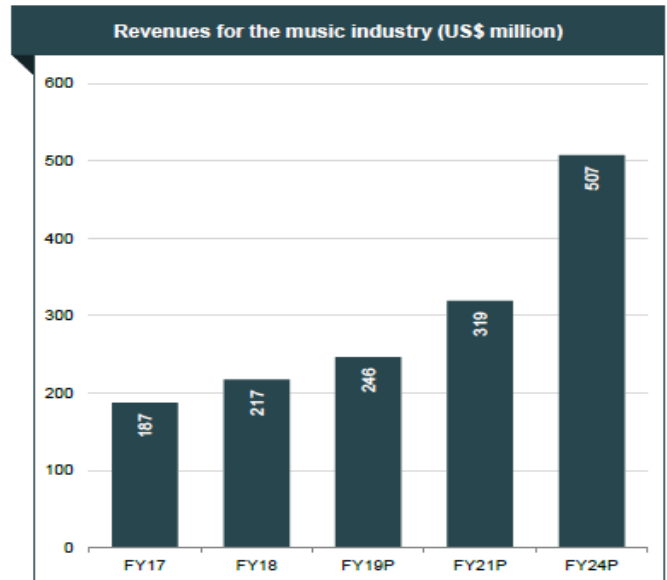
- Regional Entertainment channels comprising mostly of regional GECs (General Entertainment Channels), regional movies and regional music.
- In 2018, Oriya regional channel recorded highest growth of 34 per cent, followed by Assamese 26, Marathi 25, Bhojpuri 22 and Urdu 15 per cent.
- TV viewership in country led by south india and mega-cities in 2018.
- In 2019, news genre in South Indian languages witnessed a growth of 14-32 per cent in terms of viewership in the past one year.
- Netflix Inc. grew by 700 per cent with the help of local content and marketing that attracted more users during 2018-19.



Source: EY's Media and Entertainment report 2019

## MUSIC INDUSTRY

- Music entertainment market size is expected to touch Rs 35 billion (US\$ 500.79 million) by FY24 from Rs 17 billion (US\$ 243.24 million) in FY19.
- Music entertainment industry is forecasted to grow 15.8 per cent by FY24
- In FY19, the music segment grew 15.3 per cent to reach Rs 17 billion (US\$ 243.24 million).
- 5 billion music streams generated in December 2018.
- India ranked at 15th in the world in music industry and is expected to enter into the top 10 music markets by 2022.

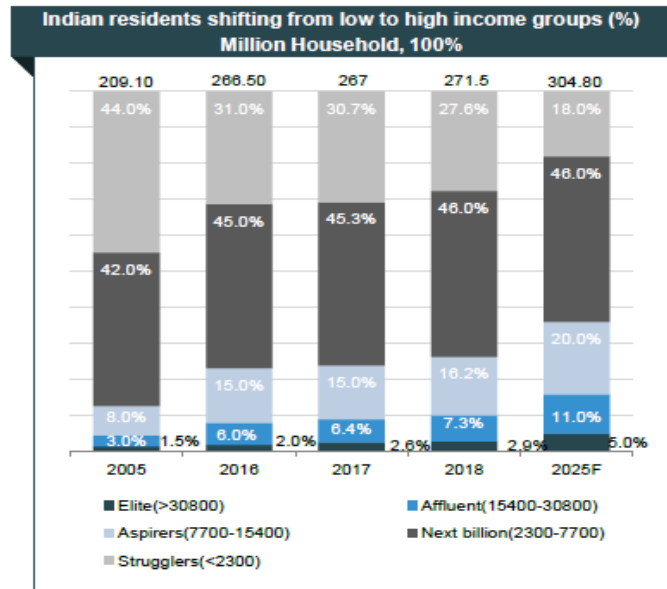


Note: P – Projected, CAGR is calculated from Rs figures

Source: KPMG report – Media ecosystems: The walls fall down – September 2018, EY's Media and Entertainment report 2019

## INCOME FACTOR DRIVING GROWTH

- 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.

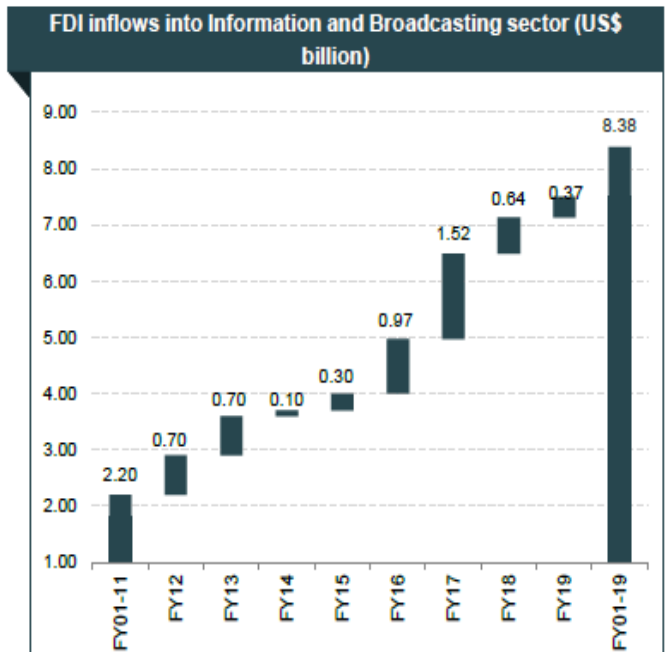


Note: Income distribution is calculated in constant 2015 dollars; \$1=65. Because of rounding, not all percentages add up to 100. F – Forecast, The Update is expected in September 2019 in Indian Habit of Being Healthy by Red Seer

Source: McKinsey Quarterly Report, Indian Habit of Being Healthy by Red Seer

## Increase in Foreign Investment in M&E

- FDI inflows into the information and broadcasting sector during April 2000 to September 2019 stood at US\$ 8.58 billion.
- Demand growth, supply advantages and policy support are the key drivers in attracting FDI.



## GROWTH OPPORTUNITIES IN THE MEDIA AND ENTERTAINMENT SEGMENTS

### Animation and VFX

- The Indian animation and VFX industry was worth Rs 73.90 billion (US\$ 1.15 billion) in FY18 and is expected to expand to Rs 151.80 billion (US\$ 2.26 billion) by FY23.
- It is projected to grow at a CAGR of 15.50 per cent during 2018-2023.
- Growth in international animation films, especially 3D productions and the subsequent work for Indian production houses will help the growth in this segment.

### Television

- Television industry is expected to increase from Rs 651.90 billion (US\$ 10.11 billion) in FY18 and reaching Rs 1,179.60 billion (US\$ 17.60 billion) by FY23.
- Television is projected to grow at a CAGR of 12.60 per cent during 2018-2023.

### Print

- The print industry was worth Rs 333.2 billion (US\$ 4.76 billion) in FY19 and is expected to reach Rs 408.50 billion (US\$ 5.84 billion) by FY24.
- Accelerated growth is forecasted in regional print and local news segments.
- Print industry is projected to grow at a CAGR of 5.90 per cent during 2018-2023.

### Sports

- The Indian Premier League value increased to US\$ 6.3 billion in 2018 from US\$ 5.3 billion in 2017 .
- The 17<sup>th</sup> edition of U-17 World Cup was held in India, which became the worlds most attended event in the history.

Note: CAGR is calculated from Rs figures, The data is expected to be updated by October 2019 from KPMG report  
Source: KPMG report – Media ecosystems: The walls fall down – September 2018, News articles



|                           |  |
|---------------------------|--|
| Film                      | <ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ It is projected to grow at a CAGR of 7.60 per cent during 2018-2023.</li> <li>▪ 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.</li> <li>▪ To promote joint productions, co-production agreements have been signed with Italy, Germany, Brazil, UK, France, New Zealand, Poland, Spain and Canada.</li> </ul> |
| Radio                     | <ul style="list-style-type: none"> <li>▪ Size of the Indian radio industry is expected to reach Rs 42.10 billion (US\$ 627.98 million) by FY23, up from Rs 25.90 billion (US\$ 401.86 million) in FY18.</li> <li>▪ It is projected to grow at a CAGR of 10.20 per cent during 2018-2023.</li> <li>▪ Phase III of e-auctions for FM radio licenses will provide an impetus to the segment. Radio advertising is another area likely to experience accelerated growth.</li> </ul>  |
| Music                     | <ul style="list-style-type: none"> <li>▪ Size of the music industry is expected to grow to Rs 29.60 billion (US\$ 441.53 million) by FY23, up from Rs 14.40 billion (US\$ 223.43 million) in FY18.</li> <li>▪ Mobile VAS and arrival of 3G are likely to lead to a surge in paid digital downloads.</li> <li>▪ Spotify to launch lite version for low-end Android phones in India.</li> </ul>  |
| Online Streaming Services | <ul style="list-style-type: none"> <li>▪ As of January 2019, Zee Studios launched a digital content arm Zee Studios Originals, to globally produce premium, original content and create new (IPs) Intellectual Properties for all digital platforms.</li> <li>▪ As on July 2019, SonyLIV, India's first premium video on demand platform (VOD) crossed the 100 million app download on Play store.</li> <li>▪ About 95 per cent of online video consumption is in Indian languages in Tier 2 and Tier 3 cities.</li> </ul>   |

Note: CAGR is calculated from Rs figures, The data is expected to be updated by October 2019 from KPMG report  
Source: KPMG report – Media ecosystems: The walls fall down – September 2018

## 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

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risk and uncertainties. You should read “Forward-looking Statements” on page 13 for a discussion of the risk and uncertainties related to those statements and also “Risk Factors” on page 19. Our actual result may differ from those expressed in or implied by these forward-looking statements. Our fiscal ends on 31<sup>st</sup> March each year, and references to a particular fiscal are to the twelve months ended 31<sup>st</sup> March of that year.

Unless otherwise indicated or context requires otherwise, the financial information included herein is derived from our restated financial information for fiscal 2017, 2018, 2019, and 2020 included in this Draft Prospectus. For further information, see “Restated Financial Statements” on page 114. In this section, a reference to the “Company”, or “we”, “us”, or “our” means “Bodhi Tree Multimedia Limited”.

### **Overview**

Our Company was incorporated in the year 2013 as “Bodhi Tree Multimedia Private Limited” under the provision of the Companies Act, 1956 in Mumbai. The name of our company was subsequently changed to “Bodhi Tree Multimedia Limited” pursuant to special resolution passed by the Shareholders dated August 18, 2020 of the company and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated September 1, 2020.

Our Company was created with the main objects (As per MOA) as mentioned below: To Carry on in India and abroad the business of making of Small or Big Films either for General Public Viewing or Television, TV Serials for any TV Channels in India or abroad either alone or in collaboration with others, Creation, Manufacturing, Consultants etc. of different type of Contents like Text, Audio, Video Content used in all types of communication carriers, develop, create, conceptualize, advise any commercial dissemination of Content/information (Content Films and/or Serials etc.) by various types of modes available now and in future based on Telephone, T.V., Cable, Mobile network and any other types of media available in India or abroad either for itself or for any other client.

We operate our activities from our registered office and studios located in 507, Reliable Business Centre, Jogeshwari (West), Mumbai - 400102, Maharashtra, India. Our Company has studios obtained on rent basis whenever is require. Our list of clients includes some of the renowned names in Films, Television and OTT Industry.

### **Business Overview**

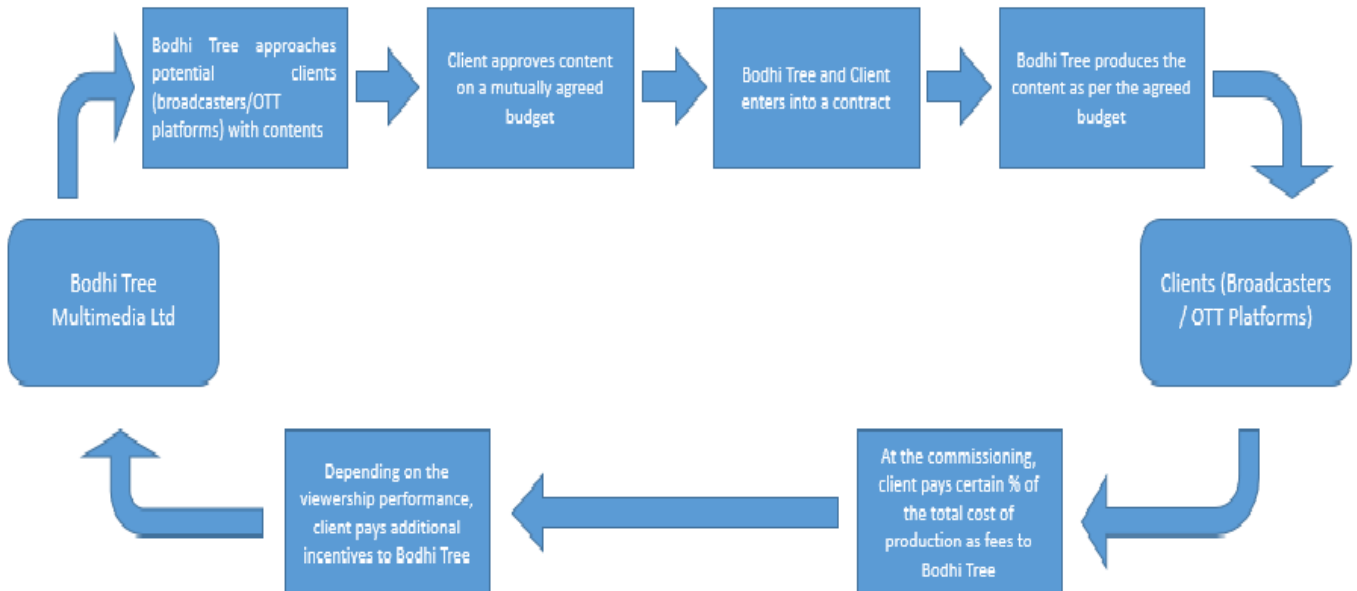
Our business model is B2B, wherein the primary business activity includes content production for television, films and digital platforms. We have been in the forefront of creating differentiated and edgy content through its distinct line-up of shows. Our business activities operate in 3 verticals at present: TV - Hindi GEC (General Entertainment Channels), Digital Content (OTT), and Regional content in multiple languages.

- 1) TV - Hindi GEC: We produce contents for linear broadcast networks like Zee, Sony, Star, Disney, Viacom, Sun and others. These contents include daily soaps, reality shows etc.
- 2) Digital Platforms (OTT): We produce content for non-linear platforms such as Netflix, Voot, etc
- 3) Regional Shows: We also produce content in regional languages including Tamil, Marathi, Bengali, and Gujarati on both TV and OTT platforms.

Since inception, we have produced a robust line-up of more than 30+ shows for major Broadcasters & OTT platforms. We have produced more than 1000+ hours of content on Television and OTT. The shows have encompassed all genres - drama, thriller, horror, comedy and lifestyle. The company has produced shows across multiple languages - Hindi, Tamil, Marathi, Gujarati and Bengali. The client roster includes all the major entertainment networks.

Our team comprises of the most experienced minds in the entertainment content business with a proven track record of delivering successful television shows across all genres. The team skill sets cover both fiction and non-fiction content programming with combined experience of 10+ years and 100 + television shows between them.

## Revenue Flow



## Key Cost Drivers

The main cost drivers in our business are the key talents (writers, directors, actors, technicians etc.) and rentals for locations, camera, lights, edit machines etc. hired for producing the content.

## Key Contents Produced by us:

### OUR PRODUCT PORTFOLIO







| Name of the Project          | Telecast Platform                     | Year | No. of Episodes | Total Hours | Achievements   |
|------------------------------|---------------------------------------|------|-----------------|-------------|--|
| Nisha Aur Uska Cousin        | Star India Pvt. Ltd - TV              | 2014 | 269             | 134.5       | First of its kind youth show on GEC, Best debut award on Star Parivar awards |
| Yeh Hai Aashqui - Season - I | Bindass - Genx Entertainment Ltd - TV | 2014 | 12              | 12          | Highest rated youth show   |
| Tedhimedhi Family            | Big Magic Ltd                         | 2015 | 97              | 48.5        | Adaptation of the international format 'Middle'.                             |
| Big F - Season - II          | MTV - Vicom18 Media Pvt Ltd - TV      | 2017 | 11              | 11          | Highest views garnered on youtube more than 20mn views                       |
| Fear File -                  | Zee                                   | 2017 | 97              | 97          | Slot leader at 10:30 pm  |

|                                |                                      |      |     |       |   |
|--------------------------------|--------------------------------------|------|-----|-------|---|
| Season - II                    | Entertainment Enterprises Ltd        |      |     |       | weekend slot. Rated among top 10 shows. Zee rishtey Award for best show on Zee tv             |
| Aapke Aa Jane Se               | Zee Entertainment Enterprises Ltd    | 2017 | 375 | 187.5 | Slot leader at 10 pm slot across all channels   |
| The Interns                    | Worldwide Media Pvt Ltd - Web Series | 2018 | 8   | 4     | First of its kind scripted reality show   |
| Banned                         | Vuclip (India) Pvt. Ltd - Web Series | 2018 | 12  | 6     | Rated 7.1 on IMDB. First of its kind musical web series with original soundtrack              |
| 13 Mussories                   | Vuclip (India) Pvt. Ltd - Web Series | 2018 | 13  | 6.5   | Rated 6.5 on IMDB   |
| Marzi                          | Vicom18 Media Pvt Ltd - Web Series   | 2020 | 6   | 6     | Adaptation of successful HBO format 'The liar'. Rated 7.3 on IMDB                             |
| Raikar Case                    | Vicom18 Media Pvt Ltd - Web Series   | 2020 | 7   | 7     | Critically acclaimed show with rave reviews. Rated 7.3 on IMDB                                |
| Arundathi                      | Sun TV Network Limited               | 2019 | 153 | 76.5  | Horror daily show. Opening rating of 6.5. Highest for the 10 pm slot                          |
| F For Fantasy                  | Vicom18 Media Pvt Ltd - Web Series   | 2019 | 6   | 6     | Rated 6.6 on IMDB.  |
| Nati Pinky Ki Lambi Love Story | Vicom18 Media Pvt Ltd - Web Series   | 2020 | 55  | 27.5  | Highly acclaimed show opening at rating of 1.7 nearly doubling the channels reach on the slot |

## Our Strengths

### Strong Brand Value

We believe that the name **Bodhi** is well established, it enjoys a strong reputation in the Indian media industry. We use the Bodhi Tree name for our Hindi and other regional language film production and distribution businesses. Through our continued efforts, both with participants and audiences, we seek to continue to benefit from the positive values associated with the brand **Bodhi** as a business to business (B2B) and business to consumer (B2C) name. We have worked with large number of marque clients which includes some of the renowned names in Films, Television and OTT Industry. We stand ahead of our competitors mainly due to our long term relationship with our clients and we have a proven track records of deliverables in timely and cost effective manner which has created a brand loyalty amongst our clients. Our specialization in genres like Youth, Horror, Thriller and Edgy contents has strengthen the brand **Bodhi** in the media industry.

### Experienced Team

Our team has significant industry experience and it has a significant role in the consistent growth of our Company. Our team combines expertise and experience to outline plans for future development of our Company. Our Creative team comprising of writers, artists, directors, etc. We always carry a trending outlook, optimistic nature and a confident attitude towards every assignment may it be Producing, Directing of Film or OTT based Web series. Our team possesses a deep understanding of the Indian entertainment business including an understanding of talent relationships, deal structuring and strategic content exploitation, and is therefore well-positioned to focus on the continued strengthening of our distribution network to capitalise on our competitive advantage and our expansion into new media distribution. We believe that our teams experience and expertise has been essential in adopting the appropriate strategies to source our film content in a cost-effective manner and in maximising the monetisation of our content.

## **Highly effective and efficient Sales and Marketing plays catalyst in acquiring more customers and media rights**

The market is highly competitive and fragmented. We compete with a variety of Entertainment and Production houses, as well as service providers. Our management team possesses a deep experience of Indian television market and their excellent marketing skill helped company to cater more customers and media rights. Some of our competitors have the great financial, workforce, marketing, sales and other resources. However, very few of these houses are involved exclusively in a business like the business of the Company and comparable to the scale of operations. We believe that the principal competitive factors include product quality, reliability, and price that can comprehensively address varying requirements of different TV channels and OTT platforms. We believe that our ability to compete effectively is primarily dependent on ensuring consistent product quality and timely delivery at competitive prices, thereby strengthening our brand over the years. We believe that our cost-effective and integrated offerings, our focus on customer satisfaction and our reliability combined with our quality consciousness, provides us with a competitive advantage in our business.

## **Organized and Focused Business Operations**

A strong Managerial team is involved in sales and marketing 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. Our company also focuses on transitioning from delivering playout content using existing models to distributing that content via emerging options may have high-level work streams such as second-screen application development, modification of digital rights contracts and management systems, establishment of new relationships with content delivery networks, and integration with social media sites through APIs. While identifying projects it's needed to fulfil the organization's future-state vision, our company may also review and continue, halt or repurpose any inflight projects related to the transformation effort.

## **Wide range of production into number of languages**

The Company has experience of Scripting, Producing TV daily soaps and OTT based web series into various languages including various local languages such as Hindi, Marathi, Gujarati, Tamil, Kannada, Telugu, Bengali and Bhojpuri. We are also looking forward to adding more shows and web series into new local Indian languages as the opportunity into the market is widely spread over.

## **Our Business Strategies**

### **Exploring New Media**

In the past few years the media industry has envisage revolutionary developments, apart from TV, new media platforms like OTT has emerged as alternative source for entertainment. Therefore the scope of work has also widened in each and every section of the industry. There has been growing demand for more contents in every genres in Hindi as well as other Regional languages across all the platforms. We aim to monetize the content explosion by exploring new media platforms, we are also focusing on expanding our client base. We aim to achieve this by providing value added services to our clients through the strong story writing, best direction, and use of latest and updated technology, quality assurance, and timely delivery of results.

### **Focus on scaling up content volume**

As discussed about the growing demand, we aim to increase the volume of contents we produce. Gradually we intent to enter different states of India with regional contents, we have already completed several projects in regional languages including Tamil, Marathi and Gujarati. Our focus is to scale up the content volume with existing clients as well as with new media. Many of our existing clients broadcast multiple channels including national and regional, however, our share in their wallet is very limited, for e.g. if our client broadcast 10 different channels then we are providing contents to 2 or 3 channels. Our aim is to increase our share in their wallet. The key elements of our business strategy is to adopt a de-risking expansion strategy to expand in multiple segments of the business and scale up the business significantly in these areas.

### **To develop own IP**

We will also focus on creating our own intellectual property (IP) which can give us an opportunity to scale up the business significantly by selling format rights globally.

## **SWOT Analysis**

### Strengths

- Demonstrated track record over past 7 years
- In depth knowledge of Industry - Commercial & Technical
- Low overhead cost
- Specialisation in television as well as OTT content
- Vast Geographical footprint covering multiple markets
- Experienced management team
- Cordial relations across entertainment industry

### Weaknesses

- Fierce competition for a larger share of audience
- Change in audience media preferences
- Lack of cohesive production & distribution infrastructure, especially in the case of music industry.
- The Media and Entertainment sector in India is highly fragmented.

### Opportunities

- Growing acceptance by consumers in OTT market with content explosion changing habits
- Television market in India still in a growth phase.
- Opportunities of expansion in the pan-asian market
- Listing the Company under a stock exchange will open up huge avenues of capital for the Company to support
- Development of IP can open up global markets for Indian media company.
- The increasing interest of the global investors in the sector.

### Threats


- Piracy, violation of intellectual property rights poses a major threat to the Media and Entertainment companies.
- Industry is prone to changes in government policies, any material changes in the duty or may adversely impact our financials.
- Intense competitive pressure
- With technological innovations taking place so rapidly, the media and Entertainment sector is facing considerable uncertainty


### Human Resource


We believe that our employees are the key to the success of our business. Our core team comprising of producer, writers, artists, directors, editors, sound recording and mixing engineers. As on June 2020, we have the total strength of 11 employees in various departments. The details of which is given below:

| Sr. No. | Particular         | Employees |
|---------|--------------------|-----------|
| 1       | Managerial         | 03        |
| 2       | Technical          | 03        |
| 3       | Admin and Accounts | 05        |
|         | Total              | 11        |

### INTELLECTUAL PROPERTY

The Company has applied for registration of the trademark  "Bodhi Tree Multimedia Private Ltd." Under the Trade Marks Act, 1999 vide Application No. 4566016 under class no 38 dated July 11, 2020.

The Company has applied for registration of the trademark  "Bodhi Tree Multimedia Private Ltd." Under the Trade Marks Act, 1999 vide Application No. 4566017 under class no 40 dated July 11, 2020.

The Company has applied for registration of the trademark  "Bodhi Tree Multimedia Private Ltd." Under the Trade Marks Act, 1999 vide Application No. 4566018 under class no 41 dated July 11, 2020.



## INSURANCE

| Sr. No | Name of the Policy                         | Policy No.             | Insurance Company                | Policy Tenure            | Insured Amount (Rs. in Lakhs) | Premium Amount |
|--------|--|------------------------|----------------------------------|--------------------------|-------------------------------|----------------|
| 1.     | Group Medclaim Insurance                   | 140632028430000002     | Reliance General Insurance       | 20-06-2020 to 19-06-2021 | Rs. 16,00,000                 | Rs. 27,376.00  |
| 2.     | Show - Nati Pinky Ki Love Story            | 11060046192800000037   | The New India Assurance Co. Ltd. | 13-12-2019 to 12-12-2020 | Rs. 7,00,00,000               | Rs. 1,76,504/- |
| 3.     | Standard Fire and Special Perils Insurance | 2111 2034 3546 2800000 | HDFC EGRO                        | 29-06-2020 to 28-06-2021 | Rs. 13,12,500                 | Rs. 867/-      |

## PROPERTIES

We operate our activities from our registered office and studios. Our Company has two studios taken on rent in Mumbai and we also obtain shooting 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 Owner / Lessor and Agreement      | Rent Amount (in Rs.) | Purpose           |
|---------|---|---|----------------------|-------------------|
| 1.      | Unit No 507, Reliable Business Centre Commercial Premises Co-op. Soc. Ltd., Opp Heera Panna Mall, Anand Nagar, Oshiwara, Jogeshwari West, Mumbai - 400102     | Mr. Mautik Ajit Tolia (Promoter Director) | Rs. 25,000 per Month | Registered Office |
| 2.      | Unit No 602/603, Reliable Business Centre Commercial Premises Co-op. Soc. Ltd., Opp Heera Panna Mall, Anand Nagar, Oshiwara, Jogeshwari West, Mumbai - 400102 | Mr. Mahomed Zaheed Moosa                  | Rs. 65,000 per Month | Back Office       |

## FINANCIALS

As per Restated Financial Statements our total revenues were Rs. 2,746.52 Lakhs in FY 2020, Rs.3,863.34 Lakhs in FY 2019, and Rs. 1,728.86 Lakh in FY 2018 and Rs.1,130.76 Lakhs in FY 2017 respectively. Our Profit after Tax for the similar period mentioned above was Rs. 365.57 Lakh in FY 2020, Rs. 36.13 Lakh in Fy 2019, Rs. (334.04) Lakh in FY 2018 Lakhs and Rs.(221.76) Lakh in FY 2017 respectively.

## **KEY INDUSTRY REGULATIONS AND POLICIES**

*The following description is a summary of the relevant regulations and policies as prescribed by the Gol and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 150 of this Draft Prospectus.*

### **The Companies Act, 2013 (to the extent notified).**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act, 1956 is still applicable to the extent not replaced.

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. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. 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.

### **Laws relating to Employment**

As part of business of the Company it is required to comply from time to time with certain laws in relation to the employment of labour. A brief description of certain labour legislations which are applicable to the Company is set forth below:

#### **Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the “EPF Act”)**

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Gol from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees’ provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

#### **Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer’s contribution and also Central Government’s contribution to the insurance fund shall be credited to an account called as “Deposit-Liked Insurance Fund Account.”

#### **The Employees’ Pension Scheme, 1995**

Family pension in relation to this Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who became a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership

under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

#### **Employees State Insurance Act, 1948, as amended (the “ESIC Act”)**

The ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

#### **Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 1 million.

#### **Industrial Disputes Act, 1947, as amended (the “ID Act”)**

The ID Act provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen.

#### **Maternity Benefit Act, 1961:**

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

#### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 1956**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 1956 (“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 behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually colored 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.

#### **Payment of Bonus Act, 1965, as amended (the “PoB Act”)**

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

### **Equal Remuneration Act, 1979**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

### **Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employer which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

### **Workmen's Compensation Act, 1923**

The Workmen's Compensation Act, 1923 (–WCA) has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/ loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification Dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979**

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also, a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the State Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor has to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

## **INDUSTRY SPECIFIC REGULATIONS**

### **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.

#### **Information Technology Act, 2000 and Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011.**

Since our Company is involved in the business of making and producing TV Serials, short films, video series and like. During the course of development of such products, we interchange sensitive information, data, records, functions, security procedures and like and hence our working is governed by Information Technology Act, 2000. This act governs and provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as –electronic commerce. It also gives legal recognition to Digital Signatures and facilitates storage of data. The Act is applicable to any offence or contravention committed outside India as well. If the conduct of person constituting the offence involves a computer or a computerized system or network located in India, then irrespective of his/her nationality, the person is punishable under the Act.

#### **The Sale of Goods Act, 1930 (Sale of Goods)**

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of this Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by installments or that the delivery or payment or both shall be postponed. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer’s right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc. The Registration Act, 1908 The Registration Act, 1908 (Registration Act) was passed to consolidate the enactments relating to the registration of documents. The main purpose

for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

## **Tax Laws**

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

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

### **Goods and Service Tax (GST):**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

It replaces following indirect taxes and duties at the central and state laws:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise- goods of special importance, textiles and textile products, commonly known as CVD - special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Export and supplies to SEZ shall be treated as zero-rate supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he became liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration number known as Goods and Services Tax Identification Number. In case a person has multiple business verticals in location in a state, a separate application will be made for registration of each and every location. The registered assesses are then required to pay GST as per the rules applicable thereon and file the appropriate return as applicable thereon.

### **The Profession Tax**

The profession 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 profession 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.

### **Foreign Exchange Management Act, 1999 ("FEMA")**

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. FEMA aims at facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

### **FEMA Regulations:**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

### **Foreign Trade Policy 2015-2020:**

FTP 2015-20 provides a framework for increasing exports of goods and services as well as generation of employment and increasing value addition in the country, in line with the 'Make in India' programme. It introduces two new schemes, namely 'Merchandise Exports from India Scheme (MEIS)' for export of specified goods to specified markets and 'Services Exports from India Scheme (SEIS)' for increasing exports of notified services.

### **Laws relating to Intellectual Property**

In India, trademarks enjoy protection both statutory and under common law. The Trademarks Act, 1999, as amended ("Trademarks Act"), the Copyright Act, 1957, as amended ("Copyrights Act"), The Patents Act, 1970, as amended ("Patents Act"), and the Designs Act, 2000, as amended ("Designs Act"), amongst others govern the law in relation to intellectual property, including brand names, trade names and service marks, layout and research works.

#### **Trademarks Act**

The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The registration of a trademark is valid for a period of 10 years, and can be renewed in accordance with the specified procedure.

Application for trademark registry has to be made to Controller-General of Patents, Designs and Trade Marks who is the Registrar of Trademarks for the purposes of the Trade Marks Act. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

#### **Copyrights Act**

The Copyrights 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. Following the

issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

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.

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, imposition of fines and seizure of infringing copies.

### **Patents Act**

The purpose of a patent act in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

### **The Designs Act, 2000 (Designs Act)**

The objective of Designs Act it to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

### **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 honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor 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.

### **Property related laws**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

In addition, regulations relating to classification of land may be applicable. Usually, land is broadly classified under one or more categories such as residential, commercial or agricultural. Land classified under a specified



category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into commercial or industrial purpose, by making an application to the relevant municipal or town and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states.

Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process. Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorized agencies and bodies such as the Ministry of Urban Development, State land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate.

Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations and the urban arts commission.

### **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.

### **LOCAL LAWS:**

#### **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 “Bodhi Tree Multimedia Private Limited” under the provisions of The Companies Act, 1956, vide Certificate of Incorporation dated July 4, 2013 issued by the Registrar of Companies, Maharashtra at Mumbai bearing Corporate Identification Number U22211MH12013PTC245208 .The name of our Company was subsequently changed to “Bodhi Tree Multimedia Limited” pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on August 18, 2020 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Maharashtra at Mumbai dated September 1, 2020 bearing Corporate Identity Number U22211MH2013PLC45208.

For further details regarding our business operations, please see “Our Business” beginning on page 79.

### Address of the Registered Office

Bodhi Tree Multimedia Limited  
507, Reliable Business Centre, Jogeshwari (West),  
Mumbai - 400102, Maharashtra, India  
CIN: U22211MH2013PLC245208  
Website: [www.bodhitreemultimedia.com](http://www.bodhitreemultimedia.com)  
E-mail: [info@bodhitreemultimedia.com](mailto:info@bodhitreemultimedia.com)  
Tel No: +91-22-40101293

### Changes in Registered Office

Since incorporation our Company’s registered office was situated at 507, Reliable Business Centre, Jogeshwari (West), Mumbai - 400102, Maharashtra, India.

### Major events and milestones of our Company

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

| Year        | Details  |
|-------------|--|
| 2013        | Incorporation of Company with name of Bodhi Tree Multimedia Private Limited  |
| 2014 - 2015 | <b>Nisha AurUska Cousin</b><br>First of its kind youth show on general entertainment channel. <b>Best debut award on Star Parivar awards</b> |
| 2015        | <b>Yeh Hai Aashqui - Season - I</b><br>Highest rated youth show  |
| 2017        | <b>Big F - Season - II</b><br>Highest views garnered on youtube more than 20mn views   |
| 2018        | <b>Zee Rishtey Award for Best Show - Fear Files</b><br><b>Zee Rishtey Award for Best Debut Show - AapKe Aa Jane se</b>                       |
| 2018        | <b>Award for Appreciation from Sony Marathi - Hrudayatvaje Something</b>   |
| 2020        | <b>Nati Pinky Ki Lambi Love Story -</b><br>Highly acclaimed show opening at rating of 1.7 nearly doubling the channels reach on the slot     |

### 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 Draft 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:

To Carry on in India and abroad the business of making of Small or Big Films either for General Public Viewing or Television, Tele Serials for any TV Channels in India or abroad either alone or in collaboration with others, Creation, Manufacturing, Consultants etc. of different type of Contents like Text, Audio, Video Content used in all types of communication carriers, develop, create, conceptualize, advise any commercial dissemination of Content/ information (Content Films and/or Serials etc) by various types of modes available now and in future based on Telephone, T.V., Cable, Mobile network and any other types of media available in India or abroad either for itself or for any other client.

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. 100000 divided into 10000 Equity Shares of Rs. 10/- each to Rs. 15,00,0000 divided into 1,50,0000 Equity shares of Rs. 10/- each.                   | March 3, 2020   | EGM       |
| 2.      | Adoption of Memorandum of Association as per provisions of Companies Act, 2013   | March 3, 2020   | EGM       |
| 3.      | Clause 1 of Memorandum of Association was amended to reflect change in name from Bodhi tree Multimedia Private Limited” to “Bodhi tree Multimedia Limited” pursuant to conversion of our Company from Private Limited to Public Limited Company. | August 18, 2020 | EOGM      |

### Total number of shareholders of our Company

As on the date of this Draft Prospectus, our Company has 7 shareholders. For further details on the shareholding of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 41.

### Our Holding Company

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

### Our Subsidiary

As on the date of this Draft 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 5 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 Draft Prospectus, our Company has not entered into any shareholder's agreements that are subsisting.

### **Joint Venture and Other Agreements**

As on the date of filing this Draft 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.

The Company has formed a Limited Liability Partnership with 2 (two) other partners, in the name and style of "PHATAKA FILMS LLP"

### **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 Draft Prospectus, Our Company has Five Directors including Mr. Mautik Ajit Tolia as a Managing Director. Out of 5 Directors, 2 are Whole time Executive Directors, Three are Non-Executive Independent Directors.

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

| Name, DIN, Designation, Term, Date of Birth, Qualifications, Address, Occupation, Period of Directorship  | Age | Date of Appointment / Reappointment as Director  | Other Directorships as on the date of this Draft Prospectus   |
|---|-----|--|---|
| <p>Mr. Mautik Ajit Tolia</p> <p>DIN: 06586383</p> <p>Designation: Managing Director</p> <p>Term: For a period of 5 years with effect from August 26, 2020 to August 25, 2025 and he is liable to retire by rotation</p> <p>Date of Birth: August 07, 1978</p> <p>Qualifications:<br/>BA in Economics, Mumbai<br/>MA in Media Communication Studies, UK<br/>MscEcon - International Politics, UK<br/>PLAM (Program on Leading And Managing), IIM Kolkata</p> <p>Experience: 20 years</p> <p>Address:<br/>Flat-202, Pracheeta Chs, Sakharam Keer Road, Shivaji Park, Mahim, Mumbai-400016, Maharashtra, India</p> <p>Occupation: Business</p> | 41  | <p>Originally appointed as Director w.e.f. July 04, 2013.</p> <p>Re-designated as Managing Director for a period of 5 years w.e.f. August 26, 2020</p>   | <p>Sumukha Entertainment Private Limited</p> <p>Bodhitree</p> |
| <p>Mr. Sukesh Devdas Motwani</p> <p>DIN: 06586400</p> <p>Designation: Whole Time Director</p> <p>Term: For a period of 5 years with effect from August 26, 2020 to August 25, 2025 and he is liable to retire by rotation</p>   | 45  | <p>Originally appointed as Director w.e.f. July 04, 2013.</p> <p>Re-designated as Whole Time Director for a period of 5 years w.e.f. August 26, 2020</p> | NIL   |

|  |    |   |     |
|--|----|---|-----|
| <p>Date of Birth: November 21<sup>st</sup> , 1974</p> <p>Qualifications: Bachelor of Engineering (Electronics)</p> <p>Experience: 20 years</p> <p>Address: A-103, Praneel Apartments, New Link Road, Mumbai - 400103, Maharashtra, India</p> <p>Occupation: Business</p>   |    |   |     |
| <p>Mrs. Saloni Sunil Kapadia</p> <p>DIN: 08836105</p> <p>Designation: Non Executive &amp; Independent Director</p> <p>Term: For a period of 5 years with effect from August 18, 2020 to August 17, 2025 and she is not liable to retire by rotation</p> <p>Date of Birth: June 4, 1983</p> <p>Qualifications: PGDBM( Finance) from SP Jain Institute of Management &amp; Research and CFA Charter Holder</p> <p>Experience: 14 Year</p> <p>Address: 111,11th Floor Rushabh Apartment, Parekh Street ,Opp. Harkisandas Hospital, Prathnas amj, Girgaon, Mumbai, Maharashtra -400004</p> <p>Occupation : Service</p> | 37 | <p>Originally appointed as an Additional Director w.e.f. August 17,2020.</p> <p>Re-designated as Independent Director for a period of 5 years w.e.f. August 18, 2020.</p> | NIL |
| <p>Mrs. Uma Chidambaram Krishnan</p> <p>DIN: 08824361</p> <p>Designation: Non Executive Independent Director</p> <p>Term: For a period of 5 years with effect from August 26, 2020 to August 25, 2025 and she is not liable to retire by rotation.</p>   | 60 | <p>Originally appointed as an Additional Director w.e.f. August 25,2020.</p> <p>Re-designated as Independent Director for a period of 5 years w.e.f. August 26, 2020</p>  | NIL |

|   |    |  |     |
|---|----|--|-----|
| <p>Date of Birth: August 21, 1960</p> <p>Qualifications: MBA,D.I.B</p> <p>Experience: 38 Year</p> <p>Address: Whispering Hights,B-605, 6<sup>th</sup>Floor, Link Road Malad West, Mumbai 400064</p>   |    |  |     |
| <p>Ms. Nutan Jha</p> <p>DIN: 08848553</p> <p>Designation:Non Executive Independent Director</p> <p>Term: : For a period of 5 years with effect from August 26, 2020 to August 25, 2025 and she is not liable to retire by rotation</p> <p>Date of Birth: Sepetember 29, 1965</p> <p>Qualifications: B.A (Honours)</p> <p>Experience: 25 yr</p> <p>Address: A-2, Indrajit Society, 17 th Road, Santa Cruz (W), Mumbai-400054</p> | 55 | <p>Originally appointed as an Additional Director w.e.f. August 25,2020.</p> <p>Re-designated as Independent Director for a period of 5 years w.e.f. August 26, 2020</p> | NIL |

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

#### Brief Biographies of the Directors

**Mr. Mautik Ajit Tolia**, aged 41years, is the Managing Director and Promoter of our Company. He has been associated with the Company since Incorporation. He holds a BA in Economics Degree from Mumbai University, MA in Media Communication Studies Degree from UK. He has more than 20 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.

**Mr. Sukesh Devdas Motwani**, aged 46 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 Bachelor of Engineering (Electronics) from University of Mumbai. He has rich experience of 20 years in the media and Entertainment field.

**Mrs. Saloni Sunil Kapadia**, aged 37 years, is the Non-Executive and independent Director of our Company. She has been associated with the Company since August 2020. She holds PGDBM ( Finance) from SP Jain Institute of Management & Research and CFA Charter Holder. She has rich experience of 14 years plus experience in Investment Research & Fund Management across sectors Ability to understand financial statements and skilled in financial modeling and valuation Strong logical and analytical skills with flexible work approach.

**Mrs. Uma Krishnan**, aged 60 years, is the Non-Executive and independent Director of our Company. She has been associated with the Company since August 2020. She holds MBA from Symbiosis Institute of Management Studies and Diploma in Bank Management from Indian Institute of Bankers. She has rich experience of 38 years

plus experience in Investment Research & Fund Management across sectors

**Ms. Nutan Jha**, aged 55 years, is the Non-Executive independent Director of our Company. She has been associated with the Company since August 2020. He holds a Bachelor's Degree in Bachelor of Arts (Honours) from University of Delhi. She has rich experience of 28 years in the Sports & Event Management field.

**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 Draft 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**

Mr. Mautik Ajit Tolia is the Managing Director of our Company. He was appointed as Director of our Company Since Incorporation. He was re-designated as Managing Director by way of a board resolution dated August 25<sup>th</sup> 2020 and a shareholder's resolution dated August 26, 2020 for a period of 5 years commencing from August 26, 2020 until August 25, 2025. The significant terms of his employment are set out below:

| Particulars                                 | Remuneration   |
|---|--|
| Gross Salary                                | Upto Rs. 60 lakh per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of 5 years w.e.f. August 26, 2020 and on such other terms and conditions as specified in the resolution. |
| Particulars                                 | Remuneration   |
| Appointment Director as a Managing Director | 5 years commencing from August 26, 2020 until August 25, 2025  |
| Remuneration Paid for Fiscal 2020           | Rs.18 Lakhs per annum  |

Mr. Sukesh Devdas Motwani is the Director of our Company. He was appointed as Director of our Company since incorporation. He was re-designated as Whole-Time Director by way of a board resolution dated August 25, 2020 and a shareholder's resolution dated August 26, 2020 for a period of 5 years commencing from August 26, 2020 until August 25, 2025. The significant terms of his employment are set out below:

| Particulars                       | Remuneration  |
|-----------------------------------|---|
| Gross Salary                      | Upto Rs. 60 lakh per annum (inclusive of salary, perquisites, benefits, incentives and allowances) for a period of 5 years w.e.f. August 26 <sup>th</sup> 2020 and on such other terms and conditions as specified in the resolution. |
| Appointment as WTD                | 5 years commencing from August 26 <sup>th</sup> 2020 until August 25 <sup>th</sup> 2025   |
| Remuneration Paid for Fiscal 2020 | Rs. 29.24 Lakhs per annum   |

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

The sitting fees/other remuneration of our Directors in Fiscal 2020 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 four years preceding the date of this Draft 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 September 1, 2020, our Company has fixed an amount of Rs. 30,000 per annum 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.



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 Draft 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

| Particulars               | Pre-Issue        |                        |
|---------------------------|------------------|------------------------|
|                           | Number of Shares | Percentage (%) Holding |
| Mr. Mautik Ajit Tolia     | 8,54,995         | 99.42                  |
| Mr. Sukesh Devdas Motwani | 5,000            | 0.58                   |
| Total                     | 8,59,995         | 100.00                 |

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

#### Interests of our Directors

Except as mentioned hereunder, 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.

| Director              | Interest   |
|-----------------------|--|
| Mr. Mautik Ajit Tolia | <ol style="list-style-type: none"> <li>1. The registered office of the Company is owned by him and a rent of Rs. 25,000/- per month is being paid by the Company in respect of same.</li> <li>2. He has advanced unsecured loan to the Company, details of which are more specifically mentioned at section titled "Financial Information of our Company" beginning at page 114.</li> <li>3. He has been appointed as nominee Designated Partner on behalf of the Company, in M/s. Phataka Films LLP, an LLP in which the Company is a partner.</li> </ol> |

For further details, please refer to section titled "Our Management - Shareholding of directors in our Company" and "Capital Structure" beginning on pages 102 and 41 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. Except as mentioned above, our directors have no interest in any property acquired or proposed to be acquired by our Company three years prior to the date of this Draft Prospectus.

Except Mr. Mautik Ajit Tolia and Mr. Sukesh Devdas Motwani, 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 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 of the Company" beginning on page 114. 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 101, 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 3 years:

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

| Sr. No. | Name                      | Date & Nature of Change  | Reasons for Change                    |
|---------|---------------------------|--|---------------------------------------|
| 1.      | Mr. Mautik Ajit Tolia     | Change in Designation as Managing Director vide Shareholders Meeting dated August 26, 2020   | To ensure better Corporate Governance |
| 2.      | Mr. Sukesh Devdas Motwani | Change in Designation as Whole time Director vide Shareholders Meeting dated August 26, 2020 | To ensure better Corporate Governance |
| 3.      | Ms. Saloni Sunil Kapadia  | Appointed on Board as Non-Executive Independent Director w.e.f. August 18, 2020              | To ensure better Corporate Governance |
| 4       | Mrs. Uma Krishnan         | Appointed on Board as Non-Executive Independent Director w.e.f. August 26, 2020              | To ensure better Corporate Governance |
| 5       | Ms. Nutan Jha             | Appointed on Board as Non-Executive Independent Director w.e.f. August 26, 2020              | To ensure better Corporate Governance |

#### 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 EOGM Meeting held on August 26, 2020 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. Fifteen 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 Directors including Mr. Mautik Ajit Tolia as a Managing Director. Out of 5 Directors, One is Whole time Executive Directors, Three is 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.

#### Audit Committee:

Our Company has constituted the Audit Committee in accordance with Section 177 and other applicable provisions of Companies Act, 2013, in the meeting of the Board of Directors held on dated September 1, 2020.

The audit committee presently consists of the following Directors of the Board:

| Name of the Director | Status in Committee | Nature of Directorship                 |
|----------------------|---------------------|--|
| Saloni Sunil Kapadia | Chairman            | Non Executive and Independent Director |
| Nutan Jha            | Member              | Non Executive and Independent Director |
| Mautik Ajit Tolia    | Member              | Managing Director                      |

Ms.Saloni Jain, 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:

**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.

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

**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:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- 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:

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

**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 dated September 1, 2020. The Nomination and Remuneration Committee presently consists of the following Directors of the Board:

| Name of the Director | Status in Committee | Nature of Directorship                 |
|----------------------|---------------------|--|
| Uma Krishnan         | Chairman            | Non Executive and Independent Director |
| Nutan Jha            | Member              | Non Executive and Independent Director |
| Saloni Sunil Kapadia | Member              | Non Executive and Independent Director |

Ms. Saloni Jain, 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:

**Tenure:**

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

**Meetings:**

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

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

- 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;
- Formulation of criteria for evaluation of independent directors and our Board;
- Devising a policy on Board diversity;
- 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;
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks
- 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.
- Considering and recommending grant of employee's stock option, if any, and administration and superintendence of the same; and
- 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.

**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 September 1, 2020. The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

| Name of the Director  | Status in Committee | Nature of Directorship                 |
|-----------------------|---------------------|--|
| Saloni Sunil Kapadia  | Chairman            | Non Executive and Independent Director |
| Mautik Ajit Tolia     | Member              | Managing Director                      |
| Sukesh Devdas Motwani | Member              | Whole time Executive Director          |

Ms. Saloni Jain, 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:

- **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.
- **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.

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

- Considering and resolving grievances of shareholders , debenture holders and other security holders;
- 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.;
- Allotment of Equity Shares, approval of transfer or transmission of equity shares, debentures or any other securities; Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.

- Overseeing requests for dematerialization and dematerialization of shares; and
- 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

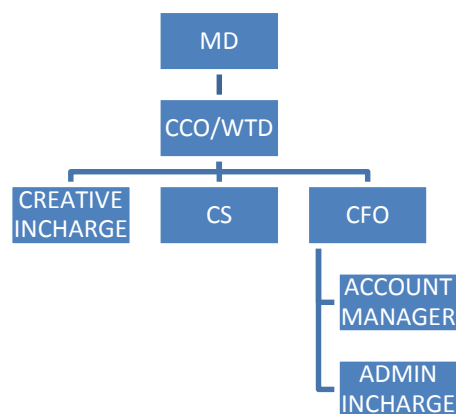
The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on SME platform of NSE. Further, Board of Directors at their meeting held on September 1, 2020 have approved and adopted the policy on insider trading in view of the proposed public issue.

Ms. Saloni Jain, 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 NSE. 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 NSE. The Board of Directors at their meeting held on September 1, 2020 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. Mautik Ajit Tolia and Whole-Time Director, Mr. Sukesh Devdas Motwani whose details are provided under "*Brief biographies of the Directors*" beginning on page 100, the details of our other Key Managerial Personnel as on the date of this Draft Prospectus are set forth below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

Mr. Ravi Bhavanishankar Bhatt, 43 years, is the Chief Financial Officer (CFO) of our Company. He holds a Graduation degree in Commerce from Mumbai university. He joined our company in 2014 as Manager-Accounts & Finance and from the date of August 25, 2020 have been appointed as Chief Financial Officer (CFO). Prior to joining our Company, he was associated with Contiloe Features Pvt Ltd. He worked in various organization since last 24 years in the field of Accounts and Finance.

Ms. Saloni Jain, 27 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 August 25, 2020.

### **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 in the section titled "*Capital Structure*" beginning on page 41, none of the Key Management Personnel hold Equity Shares in our Company as on the date of this Draft Prospectus

### **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 102, 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 Draft 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 Draft Prospectus.

### **Changes in our Company's Key Managerial Personnel during the last Three 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 Draft Prospectus are as follows:

| Sr. No. | Name            | Designation                            | Date of Appointment/ Cessation/Promotion/ Transfer | Reasons     |
|---------|-----------------|--|--|-------------|
| 1       | Ms. Saloni Jain | Company Secretary & Compliance Officer | August 25, 2020                                    | Appointment |
| 2       | Mr. Ravi Bhatt  | Chief Financial Officer                | August 25, 2020                                    | 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 Draft Prospectus.

#### **Employees**

The details about our employees appear under the paragraph titled “*Our Business*” beginning on page 79.



## OUR PROMOTERS & PROMOTER GROUP

### Our Promoters

The Promoters of our Company are Mr. Mautik Ajit Tolia and Mr. Suresh Devdas Motwani. As on the date of this Draft Prospectus, the Promoters hold 8,54,995 Equity Shares in aggregate, which is equivalent to 99.41% of the pre-issued, subscribed and paid-up Equity Share Capital of our Company.

For details of the build-up of our Promoter's shareholding in our Company, please refer the chapter titled "*Capital Structure - Notes to Capital Structure*" beginning on page 41.

The brief profiles of our Promoters are as under:

|   |  |   |
|---|--|---|
|    | <b>Mr. Mautik Ajit Tolia Managing Director</b>       |   |
|   | Qualification  | B.A (Economics) from Mumbai university , M.A (Media communication Studies) United Kingdom |
|   | Age  | 42  |
|   | Address  | 202, Pracheeta Chs, Sakharam Keer Road, Shivaji Park, Mumbai -16                          |
|   | Experience   | 20 years  |
|   | Occupation   | Business  |
|   | Permanent Account Number                             | AAJPT6175A  |
|   | Passport Number                                      | S7542945  |
|   | Name of Bank & Bank Account Details                  | Bank Of India<br>Account No :003010110000001  |
|   | Driving License Number                               | NA  |
|   | Aadhar Card Number                                   | ██████████  |
|   | DIN  | 06586383  |
|   | Other Interests                                      | Bodhi Tree Films (Proprietorship),<br>Sumukha Bodhitree Entertainment Private Limited     |
|  | <b>Mr. Suresh Devdas Motwani Whole Time Director</b> |   |
|   | Qualification  | Bachelor of Engineering (Electronics), Mumbai   |
|   | Age  | 46  |
|   | Address  | 103, Praneel Apartments, Near Shanti Ashram Off Borivali Link Road, Borivali, Mumbai-     |
|   | Experience   | 20  |
|   | Occupation   | Business  |
|   | Permanent Account Number                             | AFFPM8865D  |
|   | Passport Number                                      | Z2469688  |
|   | Name of Bank & Bank Account Details                  | HDFC Bank<br>Account No: 00801050028920   |
|   | Driving License Number                               | NA  |
|   | Aadhar Card Number                                   | ██████████  |
|   | DIN  | 06586400  |
|   | Other Interests                                      | Nil   |

### Confirmations/Declarations

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

### Common Pursuits/ Conflict of Interest

Except our Associate firm i.e. Phataka Films LLP and Promoter Group Company Sumukha Bodhitree entertainment private limited & K Bodhi tree films is engaged in similar line of business as our Company as on



date of this Draft Prospectus. For further details of our Group Companies refer to Section titled “Our Group Companies” on page 112 of this Draft Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

### **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 Draft 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 98.

### **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 41. For further details of interest of our Promoters in our Company, please refer to the chapter titled “*Financial Information of the Company*” beginning on page 114 and Our Management-Interest of our Directors beginning on page 102.

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 98.

### **Interest of Promoters in the promotion of our Company**

The Promoters is interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in “Financial information of the Company” and “Our Management - Interest of Directors” and “Our Management - Interest of Key Managerial Personnel” on pages 114 & 102 of this Draft Prospectus, respectively.

### **Interest of Promoters in the Properties of our Company**

Except as mentioned in this Draft Prospectus at section titled “Our Management - Interest of Directors on page 102, our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Prospectus or proposed to be acquired by us till date of filing the Prospectus with RoC.

### **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 114.

### **Payment of benefits to our Promoters**

Except as disclosed in this section and stated otherwise in “*Financial Information of the Company*” beginning on page 114 about the related party transactions entered into during the last three Fiscals and in “*Our Management*” beginning on page 98, there has been no payment or benefit to our Promoters or Promoter Group during the preceding two years prior to the filing of this Draft 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 Draft 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 Draft Prospectus.

## Material Guarantees

Except as stated in the chapter titled “*Financial Information of the Company*” beginning on page 114, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

## 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 | Mr. Mautik Ajit Tolia | Mr. Sukesh Devdas Motwani |
|----------------------------|-----------------------|---------------------------|
| Father                     | Ajit Mansukhlal Tolia | Devdas Pressumal Motwani  |
| Mother                     | Anjana Ajit Tolia     | Janki Devdas Motwani      |
| Spouse                     | Shraddha Mautik Tolia | Na                        |
| Brother                    | Na                    | Monish Devdas Motwani     |
| Sister                     | Na                    | Na                        |
| Son                        | Na                    | Na                        |
| Daughter                   | Na                    | Na                        |
| Spouse’s Father            | Na                    | Na                        |
| Spouse’s Mother            | Neeta R Kaul          | Na                        |
| Spouse’s Brother           | Na                    | Na                        |
| Spouse’s Sister            | Sharika R Kaul        | Na                        |

### Entities forming part of our Promoter Group

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

| Sr. No. | Particulars   |   |
|---------|---|---|
| 1       | Anybody 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 | Sumukha Bodhitree Entertainment Private Limited |
| 2       | Anybody corporate in which a body corporate as provided in (1) above, holds 20% or more, of the equity share capital  | Phataka Films LLP                               |
| 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*   | Bodhi Tree Films (Proprietorship)               |

## **OUR GROUP COMPANIES**

As per the SEBI ICDR Regulations, 2018 for the purpose of identification of Group Companies, our Company has considered companies covered under the Accounting Standard 18 as per Restated Financial Statements. Further, pursuant to a resolution of our Board dated September 1, 2020 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if Such company forms part of the Promoter Group of our Company in terms of Regulation of the SEBI ICDR Regulations and Companies who entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

Based on the above, our Company does not have "Group Companies" in terms of the definition provided for above, as on date of this Draft Prospectus

## 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.

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.

## SECTION VI - FINANCIAL INFORMATION OF THE COMPANY

### RESTATED FINANCIAL STATEMENTS

#### INDEPENDENT AUDITORS' REPORT ON RESTATED FINANCIAL INFORMATION OF "BODHI TREE MULTIMEDIA LIMITED"

To,  
**The Board of Directors,**  
Bodhi Tree MultiMedia Limited  
Office No. 507,  
Reliable Business Center,  
Anand Nagar, Oshiwara,  
Jogeshwari (West),  
Mumbai - 400 102.

1. We have examined the attached Restated Financial Information along with the significant accounting policies and related notes of M/s. Bodhi Tree MultiMedia Limited (the "Company"), comprising the Restated Statement of Assets and Liabilities as at March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017, the Restated Statement of Profit and Loss, the Restated Cash Flow Statement for the period ended March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017, the Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on September 02, 2020 for the purpose of inclusion in the Draft Prospectus ("DP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") on the SME Platform of NSE Limited prepared in terms of the requirements of:
  - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DP /Prospectus to be filed with Securities and Exchange Board of India, NSE and Registrar of Companies, Mumbai in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure D to the Restated Financial Information. The Board of Directors of the company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 03, 2020 in connection with the proposed IPO of equity shares of the Company;
  - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from:

- a. the Audited Financial Statements of the Company for the period ended on March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017, prepared in accordance with Accounting Standard (Indian GAAP) which have been approved by the Board of Directors at their meeting held on September 02, 2020, September 07, 2019, September 01, 2018 & September 01, 2017.

5. For the purpose of our examination, we have relied on :

- a. Auditors' reports issued by us dated August 12, 2020 as at and for the period ended March 31, 2020 and
- b. auditor's report issued by Company's previous auditor dated September 07, 2019, September 01, 2018 & September 01, 2017 as at and for the period ended March 31, 2019, March 31, 2018 & March 31, 2017 respectively.

The audits for the financial years ended March 31, 2019, March 31, 2018, and March 31, 2017, were conducted by the Company's previous auditors, Deepak D Agrawal & Associates, (the "Previous Auditors"), and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and (collectively, the "2019, 2018 and 2017 Restated Financial Information") examined by them for the said years. The examination report included for the said years is based solely on the report submitted by the Previous Auditors. They have also confirmed that the 2019, 2018 and 2017 Restated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended March 31, 2020;

6. Based on our examination and according to the information and explanations given to us, we report that:

- a. The "Restated Statement of Assets and Liabilities" as set out in Annexure A to this report, of the Company as at March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, 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 Accounts as set out in Annexure D to this Report.
- b. The "Restated Statement of Profit and Loss" as set out in Annexure B to this report, of the Company for the period ended March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, 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 Accounts as set out in Annexure D to this Report.
- c. The "Restated Statement of Cash Flows" as set out in Annexure C to this report of the Company for the period ended March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, 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 Accounts as set out in Annexure D to this Report.
- d. The Restated Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed 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 Board of Directors for inclusion in the DP/ Prospectus to be filed with Securities and Exchange Board of India, NSE Limited and Registrar of Companies, Mumbai in

connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

As Per Our Attached Report of Even Date

**For S A R A & Associates**

Chartered Accountants

Firm Registration No. 120927W

**Alok Bairagra**

Partner

Membership No. 105153

Mumbai

September 02, 2020

**UDIN - 20105153AAAAEL9251**

**BODHI TREE MULTIMEDIA LIMITED**

**ANNEXURE - A : RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Amount in Rs.)

| Sr. No.   | Particulars  | Note No. | As at 31st March    |                     |                    |                    |
|-----------|--|----------|---------------------|---------------------|--------------------|--------------------|
|           |  |          | 2020                | 2019                | 2018               | 2017               |
| <b>A.</b> | <b>Equity and Liabilities</b>  |          |                     |                     |                    |                    |
| <b>1</b>  | <b>Shareholders' Funds</b>   |          |                     |                     |                    |                    |
|           | Share Capital  | A.1      | 26,00,000           | 1,00,000            | 1,00,000           | 1,00,000           |
|           | Reserves & Surplus   | A.2      | (35,33,349)         | (6,25,90,865)       | (6,62,04,757)      | (3,27,99,886)      |
|           | Share application money pending allotment  |          | 73,900              | -                   | -                  | -                  |
| <b>2</b>  | <b>Non-Current Liabilities</b>   |          |                     |                     |                    |                    |
|           | Long-Term Borrowings   | A.3      | 5,99,251            | 2,37,82,053         | 2,39,42,053        | 2,29,42,761        |
|           | Other Non-Current Liabilities  | A.4      | -                   | -                   | -                  | -                  |
|           | Long-Term Provisions   | A.5      | -                   | -                   | -                  | -                  |
|           | Deferred Tax Liabilities (Net)   |          | -                   | -                   | -                  | -                  |
| <b>3</b>  | <b>Current Liabilities</b>   |          |                     |                     |                    |                    |
|           | Short Term Borrowings  | A.6      | 5,24,07,805         | 2,76,38,155         | 1,48,99,572        | -                  |
|           | Trade Payables :   | A.7      |                     |                     |                    |                    |
|           | (A) total outstanding dues of micro enterprises and small enterprises; and                     |          |                     | -                   | -                  | -                  |
|           | (B) total outstanding dues of creditors other than micro enterprises and small enterprises.".] |          | 5,24,74,787         | 6,91,58,408         | 5,92,16,572        | 2,96,53,564        |
|           | Other Current Liabilities  | A.8      | 93,54,761           | 2,23,24,447         | 7,75,470           | 7,46,381           |
|           | Short Term Provisions  | A.9      | 3,58,57,197         | 3,99,69,270         | 2,68,54,373        | 24,84,026          |
|           | <b>Total</b>   |          | <b>14,98,34,352</b> | <b>12,03,81,468</b> | <b>5,95,83,283</b> | <b>2,31,26,846</b> |
| <b>B.</b> | <b>Assets</b>  |          |                     |                     |                    |                    |
| <b>1</b>  | <b>Non-Current Assets</b>  |          |                     |                     |                    |                    |
|           | Property, Plant and Equipment  |          |                     |                     |                    |                    |
|           | Tangible Assets  | A.10     | 4,36,893            | 2,83,994            | 5,49,314           | 4,98,198           |
|           | Intangible Assets  |          | -                   | -                   | -                  | -                  |
|           | Non-Current Investments  | A.11     | 35,58,652           | 36,31,352           | 36,17,872          | 35,48,871          |
|           | Deferred Tax Assets  | A.12     | 51,58,156           | -                   | -                  | -                  |
|           | Long Term Loans & Advances   | A.13     | 1,11,51,076         | 1,36,38,680         | 1,17,05,936        | 30,09,026          |
| <b>2</b>  | <b>Current Assets</b>  |          |                     |                     |                    |                    |
|           | Inventories  | A.14     | 5,35,97,012         | -                   | -                  | -                  |
|           | Trade Receivables  | A.15     | 6,62,69,394         | 8,24,93,715         | 3,77,08,294        | 83,49,886          |
|           | Cash and Cash Equivalents  | A.16     | 53,49,835           | 6,61,635            | 3,04,750           | 6,53,108           |
|           | Short-Term Loans and Advances  | A.17     | 43,13,334           | 1,96,72,092         | 4,40,000           | 32,20,855          |
|           | Other Current Assets   | A.18     | -                   | -                   | 52,57,118          | 38,46,902          |
|           | <b>Total</b>   |          | <b>14,98,34,352</b> | <b>12,03,81,468</b> | <b>5,95,83,283</b> | <b>2,31,26,846</b> |

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**Note :** The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,B & C



## ANNEXURE - B : RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in Rs.)

| Sr. No    | Particulars  | Note No. | For The Year Ended 31st March |                     |                      |                      |
|-----------|--|----------|-------------------------------|---------------------|----------------------|----------------------|
|           |  |          | 2020                          | 2019                | 2018                 | 2017                 |
| <b>A.</b> | <b>Revenue:</b>  |          |                               |                     |                      |                      |
|           | Revenue from Operations  | B.1      | 26,71,34,232                  | 38,45,56,100        | 17,21,94,084         | 11,11,78,505         |
|           | Other income   | B.2      | 75,18,234                     | 17,78,647           | 6,92,743             | 18,97,829            |
|           | <b>Total revenue</b>   |          | <b>27,46,52,466</b>           | <b>38,63,34,747</b> | <b>17,28,86,827</b>  | <b>11,30,76,334</b>  |
| <b>B.</b> | <b>Expenses:</b>   |          |                               |                     |                      |                      |
|           | Cost of Production   | B.3      | 26,89,62,348                  | 36,24,53,256        | 19,19,43,738         | 11,47,28,490         |
|           | Change in Inventories  | B.4      | (5,35,97,012)                 | -                   | -                    | -                    |
|           | Employees Benefit Expenses                                       | B.5      | 58,98,220                     | 38,72,110           | 40,91,936            | 90,19,610            |
|           | Finance costs  | B.6      | 25,64,175                     | 12,51,582           | 11,06,202            | 12,98,914            |
|           | Depreciation and Amortization                                    | B.7      | 1,49,976                      | 3,20,850            | 3,52,251             | 4,93,560             |
|           | Other expenses   | B.8      | 1,34,71,724                   | 1,41,73,619         | 87,97,571            | 97,11,880            |
|           | <b>Total Expenses</b>  |          | <b>23,74,49,431</b>           | <b>38,20,71,417</b> | <b>20,62,91,698</b>  | <b>13,52,52,454</b>  |
|           | <b>Profit before exceptional and extraordinary items and tax</b> |          | <b>3,72,03,035</b>            | <b>42,63,330</b>    | <b>(3,34,04,871)</b> | <b>(2,21,76,120)</b> |
|           | Exceptional Items  |          | -                             | -                   | -                    | -                    |
|           | <b>Profit before extraordinary items and tax</b>                 |          | <b>3,72,03,035</b>            | <b>42,63,330</b>    | <b>(3,34,04,871)</b> | <b>(2,21,76,120)</b> |
|           | Extraordinary items  |          | -                             | -                   | -                    | -                    |
|           | <b>Profit before tax</b>   |          | <b>3,72,03,035</b>            | <b>42,63,330</b>    | <b>(3,34,04,871)</b> | <b>(2,21,76,120)</b> |
|           | <b>Tax expense :</b>   |          |                               |                     |                      |                      |
|           | Current tax  |          | 58,03,673                     | 6,49,438            | -                    | -                    |
|           | Deferred Tax   | A.11     | (51,58,156)                   | -                   | -                    | -                    |
|           | <b>Profit (Loss) for the period from continuing operations</b>   |          | <b>3,65,57,518</b>            | <b>36,13,892</b>    | <b>(3,34,04,871)</b> | <b>(2,21,76,120)</b> |
|           | <b>Earning per equity share in Rs.:</b>                          |          |                               |                     |                      |                      |
|           | (1) Basic  |          | 3,421.41                      | 361.39              | (3,340)              | (2,218)              |
|           | (2) Diluted  |          | 3,421.41                      | 361.39              | (3,340)              | (2,218)              |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A&C.

## ANNEXURE - C: RESTATED STATEMENT OF CASH FLOWS

(Amount in Rs.)

| Particulars   | For The Year Ended 31st March |                      |                      |                      |
|---|-------------------------------|----------------------|----------------------|----------------------|
|   | 2020                          | 2019                 | 2018                 | 2017                 |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                   |                               |                      |                      |                      |
| Profit/ (Loss) before tax                                       | 3,72,03,035                   | 42,63,330            | (3,34,04,871)        | (2,21,76,120)        |
| Adjustments for:  |                               |                      |                      |                      |
| Depreciation  | 1,49,976                      | 3,20,850             | 3,52,251             | 4,93,560             |
| Interest Expense  | 25,64,175                     | 12,51,582            | 11,06,202            | 12,98,914            |
| on sale of fixed assets   | -                             | -                    | (9,034)              | -                    |
| <b>Operating profit before working capital changes</b>          | <b>3,99,17,186</b>            | <b>58,35,762</b>     | <b>(3,19,55,452)</b> | <b>(2,03,83,646)</b> |
| Movements in working capital :                                  |                               |                      |                      |                      |
| (Increase)/(Decrease in Inventories                             | (5,35,97,012)                 |                      |                      |                      |
| (Increase)/Decrease in Trade Receivables                        | 1,62,24,321                   | (4,47,85,421)        | (2,93,58,408)        | 1,25,54,912          |
| (Increase)/Decrease in Loans & Advances                         | 1,53,58,758                   | (1,92,32,092)        | 27,80,855            | 17,91,833            |
| (Increase)/Decrease in Other Current Assets/ Non Current Assets | -                             | 52,57,118            | 15,83,032            | 94,12,247            |
| Increase/(Decrease) in Trade Payables                           | (1,66,83,621)                 | 99,41,836            | 2,95,63,008          | 1,47,96,369          |
| Increase/(Decrease) in Other Current Liabilities                | (1,29,69,686)                 | 2,15,48,977          | 29,089               | 78,25,992            |
| Increase/(Decrease) in Long Term & Short Term Provisions        | (41,12,073)                   | 1,31,14,897          | 2,43,70,347          | (24,84,026)          |
| <b>Cash generated from operations</b>                           | <b>(1,58,62,127)</b>          | <b>(83,18,924)</b>   | <b>(29,87,529)</b>   | <b>2,35,13,680</b>   |
| Income tax paid during the year                                 | 58,03,673                     | 96,46,944            | 29,93,248            | 22,47,928            |
| <b>Net cash from operating activities (A)</b>                   | <b>(2,16,65,800)</b>          | <b>(1,79,65,868)</b> | <b>(59,80,777)</b>   | <b>2,12,65,753</b>   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                   |                               |                      |                      |                      |
| Sale/(Purchase) of Investements                                 | 72,700                        | (13,480)             | (69,001)             | (7,03,750)           |
| Purchase of Fixed Assets  | (3,02,875)                    | (55,530)             | (4,35,397)           | (3,67,252)           |
| Sale of Fixed Assets  | -                             | -                    | 41,064               | -                    |
| Increase in Other Non Current Assets/Loans & Advances           | 24,87,604                     | 70,64,762            | (86,96,910)          | -                    |
| Procceds from Issue of Share Capital                            | -                             | -                    | -                    | -                    |
| <b>Net cash from investing activities (B)</b>                   | <b>22,57,429</b>              | <b>69,95,752</b>     | <b>(91,60,244)</b>   | <b>(10,71,002)</b>   |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                   |                               |                      |                      |                      |
| Interest paid on borrowings                                     | (25,64,175)                   | (12,51,582)          | (11,06,202)          | (12,98,914)          |
| Increase/(Decrease) in Short Term Borrowings                    | 2,78,46,766                   | -                    | -                    | (1,82,63,150)        |
| Proceeds/(Repayment) of Borrowings                              | (2,31,82,802)                 | (1,60,000)           | 9,99,292             | (1,50,000)           |
| Proceeds from issue of shares                                   | 2,50,00,000                   | -                    | -                    | -                    |
| Increase / (Decrease) in Bank Overdraft                         | (30,77,117)                   | 1,27,38,583          | 1,48,99,572          | -                    |
| Share application money pending allotment                       | 73,900                        | -                    | -                    | -                    |
| <b>Net cash from financing activities (C)</b>                   | <b>2,40,96,572</b>            | <b>1,13,27,001</b>   | <b>1,47,92,662</b>   | <b>(1,97,12,063)</b> |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>        | <b>46,88,201</b>              | <b>3,56,885</b>      | <b>(3,48,358)</b>    | <b>4,82,687</b>      |
| <b>Cash and cash equivalents at the beginning of the year</b>   | <b>6,61,635</b>               | <b>3,04,750</b>      | <b>6,53,108</b>      | <b>1,70,421</b>      |
| <b>Cash and cash equivalents at the end of the year</b>         | <b>53,49,836</b>              | <b>6,61,635</b>      | <b>3,04,750</b>      | <b>6,53,108</b>      |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure C,A&B.

## **D SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

### **1 Background**

Bodhi Tree Multimedia Limited ('the Company') was incorporated on July 4, 2013 under the Companies Act, 1956. The Company has established itself as a leader in television content in India particularly for Hindi language content and has also successfully ventured in the regional television content market and Internet based program. The registered office and principal place of business of the Company is at Andheri (West), Mumbai.

### **2 Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of the Financial Statements.

#### **A Basis of Accounting:**

The restated summary statement of assets and liabilities of the Company as at March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017 and the restated summary statement of profits and loss and cash flows for the years ended March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017 (herein collectively referred to as ('Restated Summary Statements')) have been compiled by the management from the audited statements of the Company for the years ended on March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017, approved by the Board of Directors of the Company. Restated Summary statements have been prepared to comply in all material aspects with the provisions of Part I Chapter III of Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI Guidelines") issued by SEBI and Guidance note on Reports in Company Prospectuses (Revised). The Restated Summary Statements have been prepared specifically for inclusion in the offer documents to be filed by the Company with the SME Platform of NSE in connection with its proposed Initial Public Offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of Restated Summary Statement.

The accounts have been prepared on historical cost convention The Company follows the accrual basis of accounting. The Financial Statements are prepared in accordance with the accounting standards notified under Companies Act 2013 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. The accounting policies not referred to otherwise have been consistently applied by the Company during the year.

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria's set out in the Schedule III to the Companies Act, 2013.

Based on the nature of products/services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

#### **B Segments reporting :**

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Company consists of the managing director, chief executive officer and chief financial officer which assesses the financial performance and position of the Company, and makes strategic decisions.

#### **C Foreign Currency Translation :**

- (i) **Functional and presentation currency**  
Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.
- (ii) **Transactions and balances**  
Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### **D Inventories ( Content under development):**

Inventories of television programs and web series (content) under development are stated at lower or unamortized cost of production (including attributable / allocable production costs and expenses) or net

realizable value. Cost of content production includes costs incurred during the conceptualization and pre-production phases also and are amortized on commercialization of such content.

#### **E Revenue Recognition:**

The Company derives revenue from producing television programs, Internet series to its customers. The Company identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

Revenue generated from the commissioned television programs and Internet series produced for broadcasters is recognized over the period of time over the contract period.

Revenue excludes any taxes and duties collected on behalf of the government.

#### **F Interest and Dividend**

##### **Income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's carrying amount on initial recognition.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

#### **G Income Tax:**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred Tax assets are recognised for all deductible temporary differences, unused tax losses and carry forward tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax losses and tax credits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss.

#### **H Lease:**

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### **I Cash and cash equivalents:**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of Cash Flow Statement, Cash and cash equivalents are considered net of outstanding overdrafts, if any, as they are considered an integral part of Company's cash management.

#### **J Trade receivable:**

Trade receivable are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### **K Fixed Assets**

All fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

##### Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the asset, net of their residual values, if any, over their estimated useful lives which are in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

#### **L Impairment of assets:**

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss.

#### **M Provisions and Contingent Liabilities:**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either

not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

#### **N Earnings Per Share:**

- (i) Basic earnings per share  
**Basic earnings per share is calculated by dividing:**
  - the profit attributable to owners of the Company
  - by the weighted average number of equity shares outstanding during the financial year
- (ii) Diluted earnings per share  
**Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:**
  - the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
  - the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### **O Borrowing cost:**

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised up to the date when such assets are ready for its intended use and all other borrowing costs are recognised as an expense in the period in which they are incurred.

### **3 Critical Estimates and Judgments**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**The areas involving critical estimates or judgments are:**

#### **Estimated useful life of Tangible Assets:**

The Company reviews the useful lives and carrying amount of fixed assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods

#### **A Estimation of Current Tax Expense and Income Tax Payable / Receivable:**

The calculation of Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material adjustment to taxable profits/losses.

#### **B Estimation of Contingent Liabilities:**

The company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision or contingent liability.

#### **C Recognition of Deferred Tax Assets:**

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. In assessing the reliability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

#### **D Impairment of Trade Receivables:**

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring

the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

#### E Impairment assessment of Investments carried at cost:

The Company conducts impairment review of the investments in subsidiaries, Joint venture & associates whenever events or changes in circumstances indicate their carrying amounts may not be recoverable or tests for impairment annually. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which is based on future cash flows and suitable discount rate in order to calculate the present value.

#### ANNEXURE - A.1 : Restated Statement of Share Capital

(Amount in Rs)

| Particulars   | As at 31st March   |                 |                 |                 |
|---|--------------------|-----------------|-----------------|-----------------|
|   | 2020               | 2019            | 2018            | 2017            |
| <b>Equity Share Capital</b>                                 |                    |                 |                 |                 |
| <b>Authorised Share Capital</b>                             |                    |                 |                 |                 |
|   | 1,50,00,000        | 1,00,000        | 1,00,000        | 1,00,000        |
| <b>Total</b>  | <b>1,50,00,000</b> | <b>1,00,000</b> | <b>1,00,000</b> | <b>1,00,000</b> |
| <b>Issued, Subscribed &amp; Fully Paid Up Share Capital</b> |                    |                 |                 |                 |
|   | 26,00,000          | 1,00,000        | 1,00,000        | 1,00,000        |
| <b>Total</b>  | <b>26,00,000</b>   | <b>1,00,000</b> | <b>1,00,000</b> | <b>1,00,000</b> |

#### Notes :

##### A.1.1 Right, Preferences and Restrictions attached to Shares :

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

##### A.1.2 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year

| Particulars                                     | As at 31st March |               |               |               |
|---|------------------|---------------|---------------|---------------|
|   | 2020             | 2019          | 2018          | 2017          |
| <b>Equity Shares</b>                            |                  |               |               |               |
| Shares outstanding at the beginning of the year | 2,60,000         | 10,000        | 10,000        | 10,000        |
| Shares issued during the year                   |                  |               |               | -             |
| Bonus Shares issued during the year             |                  |               |               | -             |
| Share outstanding at the end of the year        | <b>2,60,000</b>  | <b>10,000</b> | <b>10,000</b> | <b>10,000</b> |

##### A.1.3 Details of Shareholding more than 5% of the aggregate shares in the company

| Name of Shareholder   | 31-Mar-20       |                | 31-Mar-19     |                | 31-Mar-18     |                | 31-Mar-17     |                |
|-----------------------|-----------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|
|                       | Nos             | % of Holding   | Nos           | % of Holding   | Nos           | % of Holding   | Nos           | % of Holding   |
| Mautik Ajit Tolia     | 2,55,000        | 98.08%         | 5,000         | 50%            | 5,000         | 50%            | 5,000         | 50%            |
| Sukesh Devdas Motwani | 5,000           | 1.92%          | 5,000         | 50%            | 5,000         | 50%            | 5,000         | 50%            |
| <b>Total</b>          | <b>2,60,000</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> |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure A,B,C,D.

#### ANNEXURE - A.2 : Restated Statement of Reserves and Surplus

(Amount in Rs)

| Particulars                              | As at 31st March   |          |          |          |
|--|--------------------|----------|----------|----------|
|  | 2020               | 2019     | 2018     | 2017     |
| <b>Reserves &amp; Surplus</b>            |                    |          |          |          |
| <b>Securities Premium</b>                |                    |          |          |          |
| Balance as at the beginning of the year  | -                  | -        | -        | -        |
| Add: Addition during the year            | 2,25,00,000        | -        | -        | -        |
| Less: Utilized during the year           | -                  | -        | -        | -        |
| <b>Balance as at the end of the year</b> | <b>2,25,00,000</b> | <b>-</b> | <b>-</b> | <b>-</b> |

|   |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
| <b>Balance in Statement of Profit &amp; Loss</b>  |                      |                      |                      |                      |
| Balance as at the beginning of the year   | (6,25,90,865)        | (6,62,04,757)        | (3,27,99,886)        | (1,06,23,766)        |
| Add: Profit for the year  | 3,65,57,519          | 36,13,892            | (3,34,04,871)        | (2,21,76,120)        |
| Less : Bonus Shares Issued during the year  |                      |                      |                      |                      |
| <b>Balance as at the end of the year</b>  | <b>(2,60,33,347)</b> | <b>(6,25,90,865)</b> | <b>(6,62,04,757)</b> | <b>(3,27,99,886)</b> |
| <b>Grand Total</b>  | <b>(35,33,347)</b>   | <b>(6,25,90,865)</b> | <b>(6,62,04,757)</b> | <b>(3,27,99,886)</b> |
| Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C. |                      |                      |                      |                      |

#### ANNEXURE - A.3 : Restated Statement of Long Term Borrowings

(Amount in Rs)

| Particulars   | As at 31st March |                    |                    |                    |
|---|------------------|--------------------|--------------------|--------------------|
|   | 2020             | 2019               | 2018               | 2017               |
| <b>Unsecured:</b>   |                  |                    |                    |                    |
| Others  | 5,99,251         | 2,37,82,053        | 2,39,42,053        | 2,29,42,761        |
| <b>Total</b>  | <b>5,99,251</b>  | <b>2,37,82,053</b> | <b>2,39,42,053</b> | <b>2,29,42,761</b> |
| Note A.3.1 : There were no re-schedulement or default in the repayment of loans taken by the Company.   |                  |                    |                    |                    |
| Note A.3.2 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C. |                  |                    |                    |                    |

#### ANNEXURE - A.4 : Restated Statement of Other Long Term Liabilities

(Amount in Rs)

| Particulars   | As at 31st March |          |          |          |
|---|------------------|----------|----------|----------|
|   | 2020             | 2019     | 2018     | 2017     |
|   |                  |          |          |          |
| <b>Total</b>  | <b>-</b>         | <b>-</b> | <b>-</b> | <b>-</b> |
| Note A.4.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C. |                  |          |          |          |

#### ANNEXURE - A.5 : Restated Statement of Long Term Provisions

(Amount in Rs)

| Particulars   | As at 31st March |          |          |          |
|---|------------------|----------|----------|----------|
|   | 2020             | 2019     | 2018     | 2017     |
|   |                  |          |          |          |
| <b>Total</b>  | <b>-</b>         | <b>-</b> | <b>-</b> | <b>-</b> |
| Note A.5.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C. |                  |          |          |          |

#### ANNEXURE - A.6 : Restated Statement of Short Term Borrowings

(Amount in Rs)

| Particulars   | As at 31st March   |                    |                    |          |
|---|--------------------|--------------------|--------------------|----------|
|   | 2020               | 2019               | 2018               | 2017     |
| <b>Unsecured Loan Repayable on Demand :</b>   |                    |                    |                    |          |
| Bank OD   | 2,45,61,039        | 2,76,38,155        | 1,48,99,572        | -        |
| Bill Discounting Payable to Bank  | 2,43,92,144        | -                  | -                  | -        |
| Loan from Directors Relatives   | 34,54,622          | -                  | -                  | -        |
| <b>Total</b>  | <b>5,24,07,805</b> | <b>2,76,38,155</b> | <b>1,48,99,572</b> | <b>-</b> |
| Note A.6.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C. |                    |                    |                    |          |



**ANNEXURE - A.6.1**  
**STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS**

| Name of Lender | Purpose                   | Sanctioned Amount (Rs.) | Rate of interest | Securities offered   | Re-Payment Schedule | Moratorium     | Outstanding amount as on (as per Books) |
|----------------|---------------------------|-------------------------|------------------|--|---------------------|----------------|---|
|                |                           |                         |                  |  |                     |                | 31-03-2020                              |
| Bank of India  | Overdraft Facility        | 2,50,00,000             | 11.55%           | FDR of Directors and Relatives   | On Demand           | Not Applicable | 2,45,61,039                             |
| Kotak Bank     | Bill Discounting Facility | 2,50,00,000             | 10.25%           | first and exclusive hypothecation charge on all existing current assets of the Company and personal guarantee of Mr. Mautik Tolia and Mr. Sukesh Motwani | On Demand           | Not Applicable | 2,43,92,144                             |
| <b>Total</b>   |                           | <b>5,00,00,000</b>      |                  |  |                     |                | <b>4,89,53,183</b>                      |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - A.6.2**  
**STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

| Name of Lender   | Purpose          | Rate of interest | Re-Payment Schedule | Moratorium     | Outstanding amount as on (as per Books) |
|------------------|------------------|------------------|---------------------|----------------|---|
|                  |                  |                  |                     |                | 31-03-2020                              |
| Ajit Tolia       | Business Purpose | NIL              | NIL                 | Not Applicable | 23,49,656                               |
| Anjana Tolia     | Business Purpose | NIL              | NIL                 | Not Applicable | 6,00,000                                |
| Nautam Tolia     | Business Purpose | NIL              | NIL                 | Not Applicable | 5,04,966                                |
|                  |                  |                  |                     |                |   |
| <b>Sub Total</b> |                  |                  |                     |                | <b>34,54,622</b>                        |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - A.7 : Restated Statement of Trade Payables**

(Amount in Rs)

| Particulars                   | As at 31st March   |                    |                    |                    |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|
|                               | 2020               | 2019               | 2018               | 2017               |
| Trade Payables due to         |                    |                    |                    |                    |
| - Micro and Small Enterprises |                    | -                  | -                  | -                  |
| - Others                      |                    |                    |                    |                    |
| - Promotor/Promotor Group     |                    | -                  | -                  | -                  |
| - Others                      | 5,24,74,787        | 6,91,58,408        | 5,92,16,572        | 2,96,53,564        |
| <b>Total</b>                  | <b>5,24,74,787</b> | <b>6,91,58,408</b> | <b>5,92,16,572</b> | <b>2,96,53,564</b> |

Note A.7.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - A.8 : Restated Statement of Other Current Liabilities**

(Amount in Rs)

| Particulars                           | As at 31st March |                    |                 |                 |
|---------------------------------------|------------------|--------------------|-----------------|-----------------|
|                                       | 2020             | 2019               | 2018            | 2017            |
| Work in Progress (WIP)                | -                | 35,38,623          | -               | -               |
| Audit fees Payable                    | -                | -                  | 1,00,000        | -               |
| Other Payables: Statutory Remittances | 93,54,761        | 1,87,33,787        | 6,75,470        | 7,46,381        |
| Other Payables - Employees            | -                | 52,037             | -               | -               |
|                                       |                  |                    |                 |                 |
| <b>Grand Total</b>                    | <b>93,54,761</b> | <b>2,23,24,447</b> | <b>7,75,470</b> | <b>7,46,381</b> |

Note A.8.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

## ANNEXURE - A.9 : Restated Statement of Short Term Provisions

(Amount in Rs)

| Particulars            | As at 31st March   |                    |                    |                  |
|------------------------|--------------------|--------------------|--------------------|------------------|
|                        | 2020               | 2019               | 2018               | 2017             |
| Provision for Expenses | 3,36,88,107        | 3,99,69,270        | 2,43,70,347        | -                |
| Provision for Tax      | 21,69,090          | -                  | 24,84,026          | 24,84,026        |
| <b>Grand Total</b>     | <b>3,58,57,197</b> | <b>3,99,69,270</b> | <b>2,68,54,373</b> | <b>24,84,026</b> |

Note A.9.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

## ANNEXURE - A.10 : Restated Statement of Property, Plant and Equipment

(Amount in Rs)

| Particulars                              | As at 31st March |                 |                 |                 |
|--|------------------|-----------------|-----------------|-----------------|
|  | 2020             | 2019            | 2018            | 2017            |
| <b>Tangible Assets</b>                   |                  |                 |                 |                 |
| <b>Office Equipment's</b>                |                  |                 |                 |                 |
| Gross Block at the beginning of the year | 3,88,492         | 3,88,492        | 3,42,568        | 2,67,863        |
| Additions                                | 20,830           |                 | 45,924          | 74,705          |
| Deletion                                 |                  |                 |                 |                 |
| Total Gross Block at the end of the year | 4,09,322         | 3,88,492        | 3,88,492        | 3,42,568        |
| Less: Accumulated Depreciation           | 3,60,271         | 3,33,359        | 2,89,070        | 2,26,926        |
| Net Block                                | <b>49,051</b>    | <b>55,133</b>   | <b>99,422</b>   | <b>1,15,642</b> |
| <b>Computer</b>                          |                  |                 |                 |                 |
| Gross Block at the beginning of the year | 18,25,590        | 17,70,060       | 14,15,387       | 11,22,840       |
| Additions                                | 2,82,045         | 55,530          | 3,89,473        | 2,92,547        |
| Deletion                                 |                  |                 | 34,800          |                 |
| Total Gross Block at the end of the year | 21,07,634        | 18,25,590       | 17,70,060       | 14,15,387       |
| Less: Accumulated Depreciation           | 17,23,869        | 16,06,906       | 13,34,070       | 10,51,827       |
| Net Block                                | <b>3,83,765</b>  | <b>2,18,684</b> | <b>4,35,990</b> | <b>3,63,560</b> |
| <b>Furniture &amp; Fixtures</b>          |                  |                 |                 |                 |
| Gross Block at the beginning of the year | 42,400           | 42,400          | 42,400          | 42,400          |
| Additions                                |                  |                 |                 |                 |
| Deletion                                 |                  |                 |                 |                 |
| Total Gross Block at the end of the year | 42,400           | 42,400          | 42,400          | 42,400          |
| Less: Accumulated Depreciation           | 38,324           | 32,223          | 28,498          | 23,404          |
| Net Block                                | <b>4,076</b>     | <b>10,177</b>   | <b>13,902</b>   | <b>18,996</b>   |
| <b>Total Tangible Assets</b>             | <b>4,36,893</b>  | <b>2,83,994</b> | <b>5,49,314</b> | <b>4,98,198</b> |

Note A.10.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

## ANNEXURE - A.11 : Restated Statement of Non-Current Investments

(Amount in Rs)

| Particulars                                  | As at 31st March |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|
|  | 2020             | 2019             | 2018             | 2017             |
| <b>Trade Investments</b>                     |                  |                  |                  |                  |
| Investment in Associates - Phataka Films LLP | 35,58,652        | 36,31,352        | 36,17,872        | 35,48,871        |
| <b>Grand Total</b>                           | <b>35,58,652</b> | <b>36,31,352</b> | <b>36,17,872</b> | <b>35,48,871</b> |

Note A.11.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

## ANNEXURE - A.12: Restated Statement of Deferred Tax Assets/(Liabilities) (Net)

(Amount in Rs)

| Particulars  | As at 31st March |      |      |      |
|--|------------------|------|------|------|
|  | 2020             | 2019 | 2018 | 2017 |
| <b>Deferred Tax Liability</b>                      |                  |      |      |      |
| Related to Fixed Assets                            |                  | -    | -    | -    |
| Loss Carried forward                               |                  | -    | -    | -    |
| <b>Total (a)</b>                                   |                  | -    | -    | -    |
| <b>Deferred Tax Assets</b>                         |                  |      |      |      |
| Business Loss and Unabsorbed Depreciation          | 51,06,439        |      |      |      |
| Related to Fixed Assets                            | 51,717           | -    | -    | -    |
| <b>Total (b)</b>                                   | <b>51,58,156</b> | -    | -    | -    |
| <b>Net deferred tax asset/(liability){(b)-(a)}</b> | <b>51,58,156</b> | -    | -    | -    |

Note A.12.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - A.13 : Restated Statement of Long Term Loans & Advances**

(Amount in Rs)

| Particulars  | As at 31st March   |                    |                    |                  |
|--|--------------------|--------------------|--------------------|------------------|
|  | 2020               | 2019               | 2018               | 2017             |
| <b>Loans and advances to others</b>                                  |                    |                    |                    |                  |
| (a) Security deposits, Unsecured, considered good                    | 15,64,500          | 17,33,000          | 92,21,910          | 5,25,000         |
| (b) Advance income tax, Unsecured, considered good - Less Provisions |                    | 82,07,852          | -                  | -                |
| (c) MAT credit, Unsecured, considered good                           | 95,86,576          | 31,33,464          | 24,84,026          | 24,84,026        |
| (d) Other receivable   |                    |                    |                    |                  |
| - Unsecured, considered good:  | -                  | 5,64,364           | -                  | -                |
| <b>Grand Total</b>   | <b>1,11,51,076</b> | <b>1,36,38,680</b> | <b>1,17,05,936</b> | <b>30,09,026</b> |

Note A.13.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - A.14 : Restated Statement of Inventories**

(Amount in Rs)

| Particulars             | As at 31st March   |          |          |          |
|-------------------------|--------------------|----------|----------|----------|
|                         | 2020               | 2019     | 2018     | 2017     |
| <b>Finished</b>         |                    |          |          |          |
| Television Serials      | -                  | -        | -        | -        |
| Internet Series         | -                  | -        | -        | -        |
| <b>Work in progress</b> |                    |          |          |          |
| Television Serials      | 5,35,97,012        | -        | -        | -        |
| Internet Series         | -                  | -        | -        | -        |
| <b>Total</b>            | <b>5,35,97,012</b> | <b>-</b> | <b>-</b> | <b>-</b> |

Note A.16.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - A.15 : Restated Statement of Trade Receivables**

(Amount in Rs)

| Particulars  | As at 31st March   |                    |                    |                  |
|--|--------------------|--------------------|--------------------|------------------|
|  | 2019               | 2019               | 2018               | 2017             |
| <b>Outstanding for a period exceeding six months (Unsecured and considered Good)</b>                 |                    |                    |                    |                  |
| From Directors / Promoters / Promoter Group / Associates / Relatives of Directors / Group Companies. |                    |                    | -                  | -                |
| Others   | 61,82,769          | -                  | -                  | -                |
| <b>Outstanding for a period not exceeding 6 months (Unsecured and considered Good)</b>               |                    |                    |                    |                  |
| From Directors / Promoters / Promoter Group / Associates / Relatives of Directors / Group Companies. |                    |                    | -                  | -                |
| Others   | 6,00,86,625        | 8,24,93,715        | 3,77,08,294        | 83,49,886        |
| <b>Grand Total</b>   | <b>6,62,69,394</b> | <b>8,24,93,715</b> | <b>3,77,08,294</b> | <b>83,49,886</b> |

Note A.17.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - A.16 : Restated Statement of Cash and Bank Balances**

(Amount in Rs)

| Particulars  | As at 31st March |                 |                 |                 |
|--|------------------|-----------------|-----------------|-----------------|
|  | 2020             | 2019            | 2018            | 2017            |
| <b>Cash &amp; Cash Equivalents</b>   |                  |                 |                 |                 |
| Cash in hand   | 1,73,297         | 3,15,180        | 2,85,737        | 3,53,764        |
| <b>Balances with Banks:</b>  |                  |                 |                 |                 |
| Current Account  | 50,68,538        | 3,46,455        | 19,013          | -               |
| In earmarked accounts: - Balance with banks held as escrow account for Bill discounting borrowings, guarantees and other-commitments | 1,08,000         | -               | -               | 2,99,344        |
| <b>Grand Total</b>   | <b>53,49,835</b> | <b>6,61,635</b> | <b>3,04,750</b> | <b>6,53,108</b> |

Note A.18.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C..

## ANNEXURE - A.17 : Restated Statement of Short Term Loans and Advances

(Amount in Rs)

| Particulars  | As at 31st March |                    |                 |                  |
|--|------------------|--------------------|-----------------|------------------|
|  | 2020             | 2019               | 2018            | 2017             |
| (a) Loans and advances to production team (impress) , Unsecured, considered good | 1,20,073         | -                  | -               | -                |
| (b) Show Set up deferred expenses  | -                | -                  | 4,40,000        | 4,50,000         |
| (e) Other Advances:  |                  |                    |                 |                  |
| Advance to supplier  | 41,93,261        | -                  | -               | -                |
| To Others  | -                | 1,96,72,092        | -               | 27,70,855        |
| <b>Grand Total</b>   | <b>43,13,334</b> | <b>1,96,72,092</b> | <b>4,40,000</b> | <b>32,20,855</b> |

Note A.19.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

## ANNEXURE - A.28 : Restated Statement of Other Current Assets

(Amount in Rs)

| Particulars            | As at 31st March |          |                  |                  |
|------------------------|------------------|----------|------------------|------------------|
|                        | 2020             | 2019     | 2018             | 2017             |
| Advance Tax and TDS    |                  |          | 52,41,176        | 38,13,734        |
| TDS paid in Advance    |                  |          |                  | 18,341           |
| Prepaid Expenses       |                  |          | 15,942           | 14,797           |
| Kotak Bill Discounting |                  |          |                  | 30               |
| <b>Grand Total</b>     | <b>-</b>         | <b>-</b> | <b>52,57,118</b> | <b>38,46,902</b> |

Note A.20.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

(Amount in Rs)

## ANNEXURE - B.1: Restated Statement of Revenue from Operations

| Particulars                    | As at 31st March    |                     |                     |                     |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                | 2020                | 2019                | 2018                | 2017                |
| Turnover from Sale of Services | 26,71,34,232        | 38,45,56,100        | 17,21,94,084        | 11,11,48,505        |
| Other Operating Revenues       | -                   | -                   | -                   | 30,000              |
| <b>Revenue from operations</b> | <b>26,71,34,232</b> | <b>38,45,56,100</b> | <b>17,21,94,084</b> | <b>11,11,78,505</b> |

Note B.1.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

## Details of Sale of Services :

(Amount in Rs)

| Particulars                          | As at 31st March    |                     |                     |                     |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                      | 2020                | 2019                | 2018                | 2017                |
| Details of Sale of Services          |                     |                     |                     |                     |
| (a) Commissioned television programs | 14,15,11,988        | 28,20,59,300        | 17,21,94,084        | 11,11,48,505.00     |
| (b) Internet programs / Web Series   | 12,56,22,244        | 10,12,36,800        | -                   | -                   |
| (c) Other Operational Income         | -                   | 12,60,000           | -                   | 30,000.00           |
| <b>Total</b>                         | <b>26,71,34,232</b> | <b>38,45,56,100</b> | <b>17,21,94,084</b> | <b>11,11,78,505</b> |

## ANNEXURE - B.2 : Restated Statement of Other Income

(Amount in Rs)

| Particulars                       | As at 31st March |                  |                 |                  |
|-----------------------------------|------------------|------------------|-----------------|------------------|
|                                   | 2020             | 2019             | 2018            | 2017             |
| Interest on Income Tax Refund     | 2,41,852         | 1,68,592         | 2,34,873        | 3,09,665         |
| Prior Period Items                | -                | 16,10,055        | -               | -                |
| Excess Credit of Input Tax Credit | 33,50,626        | -                | 4,57,870        | -                |
| Sundry Balance W/Back             | 39,25,756        | -                | -               | 12,06,094        |
| Miscellaneous Income              | -                | -                | -               | 3,82,070         |
| <b>Grand Total</b>                | <b>75,18,234</b> | <b>17,78,647</b> | <b>6,92,743</b> | <b>18,97,829</b> |

Note B.2.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - B.3 : Restated Statement of Production Expenses**
**(Amount in Rs)**

| Particulars  | As at 31st March    |                     |                     |                     |
|--|---------------------|---------------------|---------------------|---------------------|
|  | 2020                | 2019                | 2018                | 2017                |
| Artists, directors, writers, technicians & other professional fees | 12,59,05,807        | 19,82,99,592        | 9,26,81,732         | 5,94,12,905         |
| Shooting and location expenses                                     | 4,14,34,002         | 4,33,51,940         | 1,63,58,443         | 1,19,50,388         |
| Sets & studio maintenance charges                                  | 2,39,04,455         | 89,44,656           | 76,92,731           | 1,23,03,029         |
| Location hire charges  | 2,03,07,461         | 3,01,19,873         | 1,59,77,462         | 91,59,167           |
| Set properties and equipment hire charges                          | 1,69,73,052         | 1,98,52,668         | 1,18,23,019         | 30,53,975           |
| Food and refreshments charges                                      | 89,91,412           | 1,19,75,546         | 46,83,064           | 23,86,465           |
| Line production cost   | 75,06,809           | 1,28,79,696         | 46,12,346           | 59,50,164           |
| Sound expense  | 59,45,416           | 1,28,51,035         | 64,38,964           | 28,39,712           |
| Editing, Dubbing & Subtitling                                      | 43,87,374           | 1,06,10,218         | 61,51,587           | 19,31,119           |
| Production expenses including purchase of costumes and dresses     | 20,46,460           | 46,83,951           | 16,70,548           | 9,15,219            |
| Purchase of tapes  | 13,83,227           | 8,11,608            | -                   | -                   |
| Insurance expense  | 6,41,017            | 2,96,674            | 3,24,439            | 4,86,870            |
| Other production expenses  | 95,35,855           | 77,75,799           | 2,35,29,403         | 43,39,477           |
| <b>Grand Total</b>   | <b>26,89,62,348</b> | <b>36,24,53,256</b> | <b>19,19,43,738</b> | <b>11,47,28,490</b> |

Note B.3.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - B.4 : Restated Statement of Changes in Inventories**
**(Amount in Rs)**

| Particulars                         | As at 31st March     |          |          |          |
|-------------------------------------|----------------------|----------|----------|----------|
|                                     | 2020                 | 2019     | 2018     | 2017     |
| Opening Balance                     |                      |          |          |          |
| Television serials, internet series | -                    | -        | -        | -        |
| Closing Balance                     |                      |          |          |          |
| Television serials, internet series | 5,35,97,012          | -        | -        | -        |
| <b>Total Change in inventories</b>  | <b>(5,35,97,012)</b> | <b>-</b> | <b>-</b> | <b>-</b> |

Note B.4.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - B.5 : Restated Statement of Employee Benefit Expense**
**(Amount in Rs)**

| Particulars           | As at 31st March |                  |                  |                  |
|-----------------------|------------------|------------------|------------------|------------------|
|                       | 2020             | 2019             | 2018             | 2017             |
| Salary Expenses       | 11,31,735        | 8,04,049         | 6,89,647         | 3,76,000         |
| Director Remuneration | 47,24,532        | 29,37,652        | 28,99,500        | 82,31,568        |
| Staff Welfare Exp     | 41,953           | 1,30,409         | 5,02,789         | 4,12,042         |
| <b>Grand Total</b>    | <b>58,98,220</b> | <b>38,72,110</b> | <b>40,91,936</b> | <b>90,19,610</b> |

Note B.5.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - B.6 : Restated Statement of Finance costs**
**(Amount in Rs)**

| Particulars        | As at 31st March |                  |                  |                  |
|--------------------|------------------|------------------|------------------|------------------|
|                    | 2020             | 2019             | 2018             | 2017             |
| Borrowings         | 18,93,169        | 11,88,737        | 10,75,692        | 12,71,658        |
| Others             | 6,71,006         | 62,845           | 30,510           | 27,256           |
| <b>Grand Total</b> | <b>25,64,175</b> | <b>12,51,582</b> | <b>11,06,202</b> | <b>12,98,914</b> |

Note B.6.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - B.7 : Restated Statement of Depreciation & Amortization**

(Amount in Rs)

| Particulars        | As at 31st March |                 |                 |                 |
|--------------------|------------------|-----------------|-----------------|-----------------|
|                    | 2020             | 2019            | 2018            | 2017            |
| Depreciation       | 1,49,976         | 3,20,850        | 3,52,251        | 4,93,560        |
| <b>Grand Total</b> | <b>1,49,976</b>  | <b>3,20,850</b> | <b>3,52,251</b> | <b>4,93,560</b> |

Note B.7.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - B.8 : Restated Statement of Other Expenses**

(Amount in Rs)

| Particulars                     | As at 31st March   |                    |                  |                  |
|---------------------------------|--------------------|--------------------|------------------|------------------|
|                                 | 2020               | 2019               | 2018             | 2017             |
| Power and fuel                  | 2,51,085           | 2,59,549           | 2,30,883         | 1,85,281         |
| Rent                            | 24,36,130          | 20,46,347          | 20,74,267        | 21,06,078        |
| Repairs and maintenance         | 4,04,876           | 5,81,703           | 3,11,641         | (2,29,189)       |
| Communication expenses          | 1,82,849           | 2,57,816           | 1,96,556         | 2,84,382         |
| Travelling and conveyance       | 1,12,257           | 92,297             | 1,10,670         | 55,558           |
| Printing and stationery         | 18,683             | 3,48,438           | 2,84,939         | 1,32,509         |
| Advertising and sales promotion | 1,67,568           | 5,74,805           | 53,536           | 1,57,287         |
| Legal and professional fees     | 43,33,746          | 61,04,243          | 47,18,792        | 62,53,593        |
| Payments to auditors            |                    | -                  |                  |                  |
| -As auditors - statutory audit  | 1,50,000           | 1,00,000           | 1,00,000         | -                |
| -For taxation matters           | -                  | -                  | -                | -                |
| Sundry balance written off      | 7,88,511           | 5,95,255           | 35,014           | -                |
| Miscellaneous expenses          | 46,26,019          | 32,13,167          | 6,81,273         | 7,66,381         |
| <b>Grand Total</b>              | <b>1,34,71,724</b> | <b>1,41,73,619</b> | <b>87,97,571</b> | <b>97,11,880</b> |

Note B.8.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

**ANNEXURE - E : STATEMENT OF MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENT**
**1 Material Regrouping**

Appropriate adjustments have been made in the Restated Standalone Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

**2. Material Adjustments :**

The Summary of results of restatement made in the Audited Standalone Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

| Particulars   | For The Year Ended March 31, |                   |                      |                      |
|---|------------------------------|-------------------|----------------------|----------------------|
|   | 2020                         | 2019              | 2018                 | 2017                 |
| (A) Net Profits as per audited financial statements (A) | 3,65,57,518                  | 36,13,892         | (3,34,04,871)        | (2,21,76,120)        |
| Add/(Less) : Adjustments on account of -                |                              |                   |                      |                      |
| 1) Change in Provision for Current Tax                  |                              | (6,49,438)        |                      |                      |
| <b>Total Adjustments (B)</b>                            | -                            | <b>(6,49,438)</b> | -                    | -                    |
| <b>Restated Profit/ (Loss) (A+B)</b>                    | <b>3,65,57,518</b>           | <b>29,64,454</b>  | <b>(3,34,04,871)</b> | <b>(2,21,76,120)</b> |

**3. Notes on Material Adjustments pertaining to prior years**
**(1) Change in Provision for Current Tax**

Provision for tax is considered in the year in which the tax is payable and accordingly the figures are restated in the restated financials.

(2) MAT credit entitlement is considered in the year in which it is available and accordingly MAT credit is restated in the restated financials.

**ANNEXURE - F : RESTATED STATEMENT OF TAX SHELTERS**

| Sr. No   | Particulars   | As at 31st March               |                      |                      |                      |
|----------|---|--------------------------------|----------------------|----------------------|----------------------|
|          |   | 2020                           | 2019                 | 2018                 | 2017                 |
| <b>A</b> | <b>Restated Profit before tax - A</b>                       | 3,72,03,035                    | 42,63,330            | (3,34,04,871)        | (2,21,76,120)        |
|          | Add:  |                                |                      |                      |                      |
|          | Depreciation as per Companies Act                           | 1,49,976                       | 3,20,850             | 3,52,251             | 4,93,560             |
|          | Interest on GST   | 47,668                         | -                    | -                    | -                    |
|          | Interest on Service tax                                     | 3,14,360                       | -                    | -                    | -                    |
|          | Interest on TDS   | 19,97,566                      | -                    | -                    | -                    |
|          | Disallowance u/s 40 (a)                                     | 1,01,06,432                    | -                    | -                    | -                    |
|          | <b>Total Additions - B</b>                                  | <b>1,26,16,002</b>             | <b>3,20,850</b>      | <b>3,52,251</b>      | <b>4,93,560</b>      |
|          | <b>C=A - B</b>  | <b>4,98,19,038</b>             | <b>45,84,180</b>     | <b>(3,30,52,620)</b> | <b>(2,16,82,560)</b> |
|          | Less:   |                                |                      |                      |                      |
|          | Depreciation as per Income Tax Act                          | 1,97,561                       | 2,33,886             | 2,54,730             | 4,07,939             |
|          | <b>Total Deductions - D</b>                                 | <b>1,97,561</b>                | <b>2,33,886</b>      | <b>2,54,730</b>      | <b>4,07,939</b>      |
|          | <b>Gross Total Income (C-D)</b>                             | <b>4,96,21,477</b>             | <b>43,50,294</b>     | <b>(3,33,07,350)</b> | <b>(2,20,90,499)</b> |
|          | Setoff  |                                |                      |                      |                      |
|          | AY 2015-16  | 34,03,031                      | 43,50,294            | -                    | -                    |
|          | AY 2017-18  | 2,16,82,560                    | -                    | -                    | -                    |
|          | AY 2018-19  | 2,45,35,889                    | -                    | -                    | -                    |
|          |   | <b>4,96,21,480</b>             | <b>43,50,294</b>     | -                    | -                    |
|          | <b>Total Income</b>   | <b>(3)</b>                     | <b>-</b>             | <b>(3,33,07,350)</b> | <b>(2,20,90,499)</b> |
|          | <b>Carry Forward of Loss &amp; Unabsorbed Depreciation</b>  |                                |                      |                      |                      |
|          | <b>Assessment Year</b>                                      | <b>Unabsorbed Depreciation</b> | <b>Business Loss</b> | <b>Setoff</b>        | <b>Carry Forward</b> |
|          | AY 2014-15  | 42,126                         | -                    | -                    | 42,126               |
|          | AY 2015-16  | -                              | 77,53,324            | 77,53,325            | (1)                  |
|          | AY 2015-16  | 3,12,164                       | -                    | -                    | 3,12,164             |
|          | AY 2017-18  | -                              | 2,16,82,560          | 2,16,82,560          | 0                    |
|          | AY 2017-18  | 4,07,939                       | -                    | -                    | 4,07,939             |
|          | AY 2018-19  | -                              | 3,30,52,620          | 2,45,35,889          | 85,16,731            |
|          | AY 2018-19  | 2,54,730                       | -                    | -                    | 2,54,730             |
|          |   |                                |                      |                      | -                    |
|          | <b>Taxable Income</b>                                       | <b>(3.35)</b>                  | <b>-</b>             | <b>(3,33,07,350)</b> | <b>(2,20,90,499)</b> |
|          | Normal Corporate Tax Rates (%)                              | 25.17%                         | 26.00%               | 25.75%               | 30.90%               |
|          | <b>Calculation of Book Profit u/s. 115JB</b>                |                                |                      |                      |                      |
|          | Net Profit before Tax                                       | 3,72,03,039                    | 42,63,329            |                      |                      |
|          | Add:  |                                |                      |                      |                      |
|          | Depreciation as per Companies Act                           |                                | 3,20,850             |                      |                      |
|          |   | <b>3,72,03,039</b>             | <b>45,84,179</b>     | -                    | -                    |
|          | Less:   |                                |                      |                      |                      |
|          | Depreciation as per Income Tax Act                          |                                | 2,33,886             | -                    | -                    |
|          | Lower of unabsorbed Dep and Business Loss                   |                                | 9,74,833             | -                    | -                    |
|          |   | -                              | <b>12,08,719</b>     | -                    | -                    |
|          | <b>Book Profit u/s. 115JB</b>                               | <b>3,72,03,039</b>             | <b>33,75,460</b>     |                      |                      |
|          | MAT Tax Rates (%)   | 15.60%                         | 19.24%               | 19.06%               | 19.06%               |
| <b>B</b> | <b>Tax thereon (including surcharge and education cess)</b> |                                |                      |                      |                      |
|          | Tax on normal profits                                       | -                              | -                    | -                    | -                    |
|          | <b>Total</b>  | <b>-</b>                       | <b>-</b>             | <b>-</b>             | <b>-</b>             |
|          | <b>Adjustments:</b>   |                                |                      |                      |                      |
| <b>C</b> | <b>Permanent Differences</b>                                |                                |                      |                      |                      |
|          | Deduction allowed under Income Tax Act                      |                                |                      |                      |                      |
|          | Exempt Income   | -                              | -                    | -                    | -                    |
|          | Disallowance of Income under the Income Tax Act             | 23,59,594.00                   | -                    | -                    | -                    |

|          |  |                     |                  |                      |                      |
|----------|--|---------------------|------------------|----------------------|----------------------|
|          | Disallowance of Expenses under the Income Tax Act  | -                   | -                | -                    | -                    |
|          | <b>Total Permanent Differences</b>   | <b>23,59,594.00</b> | -                | -                    | -                    |
| <b>D</b> | <b>Timing Differences</b>  |                     |                  |                      |                      |
|          | Difference between Depreciation as per Income tax, 1961 and Companies Act 2013             | (47,585.00)         | 86,964.00        | 97,521.00            | 85,621.00            |
|          | Expense disallowed u/s 40(a)   | 1,01,06,432         | -                | -                    | -                    |
|          | <b>Total Timing Differences</b>  | <b>1,00,58,847</b>  | <b>86,964</b>    | <b>97,521</b>        | <b>85,621</b>        |
| <b>E</b> | <b>Net Adjustments E= (C+D)</b>  | <b>1,24,18,441</b>  | <b>86,964</b>    | <b>97,521</b>        | <b>85,621</b>        |
| <b>F</b> | <b>Tax expense/(saving) thereon</b>  | <b>31,25,722</b>    | <b>22,611</b>    | <b>25,112</b>        | <b>26,457</b>        |
| <b>G</b> | <b>Total Income/(loss) (A+E)</b>   | <b>4,96,21,477</b>  | <b>43,50,294</b> | <b>(3,33,07,350)</b> | <b>(2,20,90,499)</b> |
|          | Taxable Income/ (Loss) as per MAT  | 3,72,03,039         | 33,75,460        | -                    | -                    |
| <b>I</b> | <b>Income Tax as per normal provision</b>  | -                   | -                | -                    | -                    |
| <b>J</b> | <b>Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act</b> | <b>58,03,674</b>    | <b>6,49,438</b>  | -                    | -                    |
|          | <b>Net Tax Expenses (Higher of I,J)</b>  | <b>58,03,673</b>    | <b>6,49,438</b>  | -                    | -                    |
| <b>K</b> | <b>Relief u/s 90/91</b>  | -                   | -                | -                    | -                    |
|          | <b>Total Current Tax Expenses</b>  | <b>58,03,673</b>    | <b>6,49,438</b>  | -                    | -                    |
| <b>L</b> | <b>Adjustment for Interest on income tax/ others</b>                                       | -                   | -                | -                    | -                    |
|          | <b>Total Current Tax Expenses</b>  | <b>58,03,673</b>    | <b>6,49,438</b>  | -                    | -                    |

Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C.

#### ANNEXURE - G : RESTATED STATEMENT OF CAPITALISATION

(Amount in Rs.)

| Sr. No   | Particulars                        | Pre issue          | Post issue         |
|--|------------------------------------|--------------------|--------------------|
|  | <b>Debts</b>                       |                    |                    |
| A  | Long Term Debt*                    | 5,99,251           | 5,99,251           |
| B  | Short Term Debt                    | 5,24,07,805        | 5,24,07,805        |
| C  | <b>Total Debt</b>                  | <b>5,30,07,056</b> | <b>5,30,07,056</b> |
|  | <b>Equity Shareholders Funds</b>   |                    |                    |
|  | Equity Share Capital#              | 26,00,000          | -                  |
|  | Reserves and Surplus               | (35,33,349)        | -                  |
| D  | <b>Total Equity</b>                | <b>(9,33,349)</b>  | -                  |
| E  | <b>Total Capital</b>               | <b>5,20,73,707</b> | -                  |
|  | Long Term Debt/ Equity Ratio (A/D) | (0.64)             | -                  |
|  | Total Debt/ Equity Ratio (C/D)     | (56.79)            | -                  |
| Notes :  |                                    |                    |                    |
| 1) Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long-term debt included in other current liabilities |                                    |                    |                    |
| * The amounts are consider as outstanding as on 31.03.2020   |                                    |                    |                    |

#### ANNEXURE - H : RESTATED STATEMENT OF CONTINGENT LIABILITIES

(Amount in Rs. )

| Particulars   | As at 31st March |      |      |      |
|---|------------------|------|------|------|
|   | 2020             | 2019 | 2018 | 2017 |
| 1. Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security | -                | -    | -    | -    |
| 2. Capital Commitment   | -                | -    | -    | -    |
| 3. Income Tax Demand  | -                | -    | -    | -    |
| 4. TDS Demands  | -                | -    | -    | -    |
| 5. ESIC Demand  | -                | -    | -    | -    |
| <b>Total</b>  | -                | -    | -    | -    |



**ANNEXURE - I : RESTATED STATEMENT OF ACCOUNTING RATIOS**

| Particulars   | As at 31st March |               |               |               |
|---|------------------|---------------|---------------|---------------|
|   | 2020             | 2019          | 2018          | 2017          |
| Restated PAT as per P& L Account  | 3,65,57,518      | 36,13,892     | (3,34,04,871) | (2,21,76,120) |
| EBITDA  | 3,99,17,186      | 58,35,762     | (3,19,46,418) | (2,03,83,646) |
| Actual No. of Equity Shares outstanding at the end of the period            | 2,60,000         | 10,000        | 10,000        | 10,000        |
| Weighted Average Number of Equity Shares at the end of the Period (Note -2) | 10,685           | 10,000        | 10,000        | 10,000        |
| Net Worth   | (9,33,349)       | (6,24,90,865) | (6,61,04,757) | (3,26,99,886) |
| Current Assets  | 12,95,29,575     | 10,28,27,442  | 4,37,10,162   | 1,60,70,751   |
| Current Liabilities   | 15,00,94,550     | 15,90,90,280  | 10,17,45,987  | 3,28,83,972   |
| No Of Shares (Pre Bonus)  | -                | -             | -             | -             |
| No Of Shares (Post Bonus)   | 10,685           | 10,000        | 10,000        | 10,000        |
| <b>Earnings Per Share</b>   |                  |               |               |               |
| Basic EPS (Pre Bonus)   | 140.61           | 361           | (3,340)       | (2,218)       |
| Eps (Post Bonus)  | 3,421            | 361           | (3,340)       | (2,218)       |
| Diluted EPS (Pre Bonus)   | 3,421            | 361           | (3,340)       | (2,218)       |
| Diluted EPS (Post Bonus)  | 3,421            | 361           | (3,340)       | (2,218)       |
| <b>Return on Net Worth (%)</b>  | (39)             | (0)           | 1             | 1             |
| <b>Net Asset Value Per Share (Before Bonus)</b>                             | (4)              | (6,249)       | (6,610)       | (3,270)       |
| <b>Net Asset Value Per Share (After bonus) (Rs)</b>                         | (4)              | (6,249)       | (6,610)       | (3,270)       |
| <b>Current Ratio</b>  | 1                | 1             | 0             | 0             |
| EBITDA  | 3,99,17,186      | 58,35,762     | (3,19,46,418) | (2,03,83,646) |
| Nominal Value per Equity share(Rs.)   | 10               | 10            | 10            | 10            |

\* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

**Notes :**

1) The ratios have been calculated as below:

a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.

b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.

c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100

d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

**ANNEXURE - J (i) : RESTATED STATEMENT OF RELATED PARTY DISCLOSURES**

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

i. List of Related Parties, Nature of Relationship & Transactions during the year along with Closing Balances :

| Particulars  | Nature of Relationship                            | As at 31st March |             |             |             |
|--|---|------------------|-------------|-------------|-------------|
|  |   | 2020             | 2019        | 2018        | 2017        |
| <b>Name of the Related Party &amp; Transaction</b>   |   |                  |             |             |             |
| <b>Remuneration / Salary</b>                         |   |                  |             |             |             |
| Mautik Tolia   | Director  | 18,00,000        | -           |             | 36,27,888   |
| Sukesh Motwani                                       | Director  | 29,24,532        | 29,27,652   | 28,99,500   | 45,98,680   |
| <b>Reimbursement of Exp. / Paid against services</b> |   |                  |             |             |             |
| Mautik Tolia   | Director  | 26,37,693        | 11,44,535   | 11,40,005   | 8,54,576    |
| Sukesh Motwani                                       | Director  | 3,00,000         | 3,92,000    | -           | -           |
| Point 17   | Ventures in which KMPs have significant influence | 5,00,000         | -           | 2,00,000    | 3,00,000    |
| Nautam Tolia   | Relatives of Key management personnel (KMP)       | 3,00,000         | 3,00,000    | 3,00,000    | 3,00,000    |
| <b>Loan / advance Taken</b>                          |   |                  |             |             |             |
| Mautik Tolia   | Director  | 8,26,100         | 5,00,000    | 1,86,82,761 | 10,60,000   |
| Sukesh Motwani                                       | Director  | 2,23,161         | -           | -           | -           |
| Ajit Tolia   | Relatives of Key management personnel (KMP)       | 46,49,656        | 17,00,000   | -           | 10,00,000   |
| Anjana Tolia   | Relatives of Key management personnel (KMP)       | 8,00,000         | -           | -           | -           |
| Nautam Tolia   | Relatives of Key management personnel (KMP)       | 16,79,966        | -           | -           | -           |
| Bodhi Tree   | Associate / Joint venture                         | -                | -           | -           | 53,00,000   |
| Phataka Films LLP                                    | Associate / Joint venture                         | -                | -           | -           | -           |
| Sumukha Bodhitree Entertainment Pvt Ltd.             | Ventures in which KMPs have significant influence | 2,50,000         | -           | -           | -           |
| <b>Loan / advance repaid</b>                         |   |                  |             |             |             |
| Mautik Tolia   | Director  | (1,99,92,063)    | -           | (3,00,708)  | (4,00,000)  |
| Sukesh Motwani                                       | Director  | -                | -           | -           | -           |
| Ajit Tolia   | Relatives of Key management personnel (KMP)       | (23,00,000)      | (17,00,000) | -           | (10,00,000) |
| Anjana Tolia   | Relatives of Key management personnel (KMP)       | (2,00,000)       | -           | -           | -           |
| Nautam Tolia   | Relatives of Key management personnel (KMP)       | (11,75,000)      | -           | -           | -           |
| Bodhi Tree   | Associate / Joint venture                         | (42,40,000)      | (6,60,000)  | -           | (4,00,000)  |
| Phataka Films LLP                                    | Associate / Joint venture                         | -                | -           | -           | -           |
| Sumukha Bodhitree Entertainment Pvt Ltd.             | Ventures in which KMPs have significant influence | (2,50,000)       | -           | -           | -           |
| <b>Payments made on behalf of the related party</b>  |   |                  |             |             |             |
| Mautik Tolia   | Director  | -                | -           | -           | -           |
| Sukesh Motwani                                       | Director  | -                | -           | -           | -           |
| Ajit Tolia   | Relatives of Key management personnel (KMP)       | -                | -           | -           | -           |
| Anjana Tolia   | Relatives of Key management personnel (KMP)       | -                | -           | -           | -           |
| Nautam Tolia   | Relatives of Key management personnel (KMP)       | -                | -           | -           | -           |

|  |   |             |               |               |               |
|--|---|-------------|---------------|---------------|---------------|
| Bodhi Tree   | Associate / Joint venture                         | -           | -             | -             | -             |
| Phataka Films LLP  | Associate / Joint venture                         | 27,300      | 13,480        | 69,001        | 7,03,750      |
| Sumukha Bodhitree Entertainment Pvt Ltd.                           | Ventures in which KMPs have significant influence | 25,000      | -             | -             | -             |
| <b>Payments made by the related party on behalf of the Company</b> |   |             |               |               |               |
| Mautik Tolia   | Director  | 5,26,100    | -             | -             | 6,98,376      |
| Sukesh Motwani   | Director  | 2,23,161    | -             | -             | -             |
| Ajit Tolia   | Relatives of Key management personnel (KMP)       | 3,49,656    | -             | -             | -             |
| Anjana Tolia   | Relatives of Key management personnel (KMP)       | -           | -             | -             | -             |
| Nautam Tolia   | Relatives of Key management personnel (KMP)       | 1,19,966    | -             | -             | -             |
| Bodhi Tree   | Associate / Joint venture                         | -           | -             | -             | -             |
| Phataka Films LLP  | Associate / Joint venture                         | -           | -             | -             | -             |
| <b>Amount Receivable/(Payable)</b>                                 |   |             |               |               |               |
| Mautik Tolia   | Director  | (7,41,699)  | (2,16,44,969) | (2,08,80,434) | (1,87,41,137) |
| Sukesh Motwani   | Director  | (3,98,161)  | -             | 4,40,000      | 4,50,000      |
| Ajit Tolia   | Relatives of Key management personnel (KMP)       | (23,49,656) | -             | -             | -             |
| Anjana Tolia   | Relatives of Key management personnel (KMP)       | (6,00,000)  | -             | -             | -             |
| Nautam Tolia   | Relatives of Key management personnel (KMP)       | (5,72,466)  | (22,500)      | (2,70,000)    | -             |
| Bodhi Tree   | Associate / Joint venture                         | -           | (42,40,000)   | (49,00,000)   | (49,00,000)   |
| Phataka Films LLP  | Associate / Joint venture                         | 36,58,652   | 36,31,352     | 36,17,872     | 35,48,871     |
| Point 17   | Ventures in which KMPs have significant influence | (2,70,000)  | -             | -             | -             |

**ANNEXURE - J(ii) - Transactions carried out with related parties referred to in (1) above, in ordinary course of business:**

(Amount in Rs.)

| Nature of Transactions              | Name of Related Parties         | As at March 31   |                    |                    |                  |
|-------------------------------------|---------------------------------|------------------|--------------------|--------------------|------------------|
|                                     |                                 | 2020             | 2019               | 2018               | 2017             |
| 1. Directors Remuneration           |                                 | 47,24,532        | 29,27,652          | 28,99,500          | 82,26,568        |
| <b>Total</b>                        |                                 | <b>47,24,532</b> | <b>29,27,652</b>   | <b>28,99,500</b>   | <b>82,26,568</b> |
| 2. Loan A/c Mautik Tolia - Director | Opening Balance                 | 1,95,42,053      | 1,90,42,053        | 6,60,000           | -                |
|                                     | Loan received / taken / convert | 8,26,100         | 5,00,000           | 1,86,82,761        | 10,60,000        |
|                                     | Loan Paid during the year       | (1,99,92,063)    | -                  | (3,00,708)         | (4,00,000)       |
|                                     | <b>Closing Balance</b>          | <b>3,76,090</b>  | <b>1,95,42,053</b> | <b>1,90,42,053</b> | <b>6,60,000</b>  |
| 3. Loan A/c - Sukesh Motwani        | Opening Balance                 | -                | -                  | -                  | -                |
|                                     | Loan received / taken / convert | 2,23,161         | -                  | -                  | -                |
|                                     | Loan Paid during the year       | -                | -                  | -                  | -                |
|                                     | <b>Closing Balance</b>          | <b>2,23,161</b>  | <b>-</b>           | <b>-</b>           | <b>-</b>         |
| 4. Loan A/c Nautam Tolia            | Opening Balance                 | -                | -                  | -                  | -                |
|                                     | Loan received / taken / convert | 16,79,966        | -                  | -                  | -                |
|                                     | Loan Paid during the year       | (11,75,000)      | -                  | -                  | -                |
|                                     | <b>Closing Balance</b>          | <b>5,04,966</b>  | <b>-</b>           | <b>-</b>           | <b>-</b>         |
| 5. Loan A/c Ajit Tolia              | Opening Balance                 | -                | -                  | -                  | -                |
|                                     | Loan received / taken / convert | 46,49,656        | 17,00,000          | -                  | 10,00,000        |
|                                     | Loan Paid during the year       | (23,00,000)      | (17,00,000)        | -                  | (10,00,000)      |
|                                     | <b>Closing Balance</b>          | <b>23,49,656</b> | <b>-</b>           | <b>-</b>           | <b>-</b>         |

|   |                                 |                  |                  |                  |                  |
|---|---------------------------------|------------------|------------------|------------------|------------------|
| 6. Loan A/c<br>Ajanta Tolia   | Opening Balance                 | -                | -                | -                | -                |
|   | Loan received / taken / convert | 8,00,000         | -                | -                | -                |
|   | Loan Paid during the year       | (2,00,000)       | -                | -                | -                |
|   | <b>Closing Balance</b>          | <b>6,00,000</b>  | -                | -                | -                |
| 7. Loan A/c<br>Bodhi Tree   | Opening Balance                 | 42,40,000        | 49,00,000        | 49,00,000        | -                |
|   | Loan received / taken / convert | -                | -                | -                | 53,00,000        |
|   | Loan Paid during the year       | (42,40,000)      | (6,60,000)       | -                | (4,00,000)       |
|   | <b>Closing Balance</b>          | <b>-</b>         | <b>42,40,000</b> | <b>49,00,000</b> | <b>49,00,000</b> |
| 8. Loan A/c<br>Sumukha<br>Bodhitree<br>Entertainment<br>Pvt. Ltd  | Opening Balance                 | -                | -                | -                | -                |
|   | Loan received / taken / convert | 2,50,000         | -                | -                | -                |
|   | Loan Paid during the year       | (2,25,000)       | -                | -                | -                |
|   | <b>Closing Balance</b>          | <b>25,000</b>    | -                | -                | -                |
| 9.<br>Reimbursemen<br>t of Exp.   | Mautik Tolia                    | 26,37,693        | 11,44,535        | 11,40,005        | 8,54,576         |
|   | Sukesh Motwani                  | 3,00,000         | 3,92,000         | -                | -                |
|   | <b>Total</b>                    | <b>29,37,693</b> | <b>15,36,535</b> | <b>11,40,005</b> | <b>8,54,576</b>  |
| 10.<br>Professional<br>Fees   | Nautam Tolia                    | 3,00,000         | 3,00,000         | 3,00,000         | 3,00,000         |
|   | Point 17                        | 5,00,000         | -                | 2,00,000         | 3,00,000         |
|   | <b>Total</b>                    | <b>8,00,000</b>  | <b>3,00,000</b>  | <b>5,00,000</b>  | <b>6,00,000</b>  |
|   |                                 |                  |                  |                  |                  |
| Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C. |                                 |                  |                  |                  |                  |

| ANNEXURE - J(iii) - Outstanding Balance as at the end of the year   |                    |                    |                    |                    |
|---|--------------------|--------------------|--------------------|--------------------|
| (Amount in Rs.)   |                    |                    |                    |                    |
|   | 2020               | 2019               | 2018               | 2017               |
| 1. Payables   | 5,24,74,787        | 6,91,58,408        | 5,92,16,572        | 2,96,53,564        |
| <b>Total</b>  | <b>5,24,74,787</b> | <b>6,91,58,408</b> | <b>5,92,16,572</b> | <b>2,96,53,564</b> |
|   |                    |                    |                    |                    |
|   | <b>2020</b>        | <b>2019</b>        | <b>2018</b>        | <b>2017</b>        |
| 1. Receivables  | 6,62,69,394        | 8,24,93,715        | 3,77,08,294        | 83,49,886          |
| <b>Total</b>  | <b>6,62,69,394</b> | <b>8,24,93,715</b> | <b>3,77,08,294</b> | <b>83,49,886</b>   |
| Note : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure D,A,B,C. |                    |                    |                    |                    |

## OTHER FINANCIAL INFORMATION

| Particulars                               | As at and for the year<br>Ended March 31 |           |               |               |
|---|--|-----------|---------------|---------------|
|   | 2020                                     | 2019      | 2018          | 2017          |
| EBITDA (in Rs.)                           | 3,99,17,186                              | 58,35,762 | (3,19,46,418) | (2,03,83,646) |
| Basic EPS (in Rs.)                        | 140.61                                   | 361       | (3,340)       | (2,218)       |
| Diluted EPS (in RS.)                      | 3,421                                    | 361       | (3,340)       | (2,218)       |
| Return on Net Worth (%)                   | (39.17)                                  | (0.06)    | 0.51          | 0.68          |
| Net Asset Value Per Equity Share (in Rs.) | (4)                                      | (6,249)   | (6,610)       | (3,270)       |

Notes :

1) The ratios have been calculated as below:

a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.

b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.

c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100

d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

## FINANCIAL INDEBTEDNESS

The principal terms of loans and assets charged as security as on latest date: 31-08-2020

### A. Loan from Banks / Financial Institutions

(Rs. In lakhs)

| Name of Lender      | Purpose   | Sanction Amount | Rate of interest              | Securities offered  | Re-payment  | Moratorium | Outstanding amount |
|---------------------|---|-----------------|-------------------------------|---|---|------------|--------------------|
| <b>Secured Loan</b> |   |                 |                               |   |   |            |                    |
| Bank of India       | Working Capital - Overdraft   | 250.00          | 11.75%                        | Collateral- FDR of Directors and Relatives  | On Demand   | Nil        | 85.42              |
| Kotak Mahindra Bank | Working Capital - Sales Invoice Finance for the serial titled "Naati Pinky Ki Lambi Love Story" | 500.00          | Repo Rate + 5.10% i.e. 10.25% | Collateral - First and exclusive hypothecation charge on all existing and future current assets of the Borrower<br><br>Personal guarantees of Mr. Mautik Tolia and Mr. Sukesh Motwani | 90 days from the date of telecast and technical clearance | Nil        | 34.24              |

### Restrictive Covenants

#### Sales Invoice Financing

- All invoices raised on Star / Sony / Colors shall be marked 'Pay to Kotak Mahindra Bank Ltd.'
- The borrower shall submit monthly sales statement showing sales to Star / Sony / Colors on or before 15<sup>th</sup> of the following month.
- Receivables of episodes which are considered as retention money are not to be discounted.
- Along with discounting request, Company to provide date of delivery of telecast master, date of approval of final HD and SD telecast masters / date of technical clearance and date of telecast of episodes.
- The facility sanctioned is subject to the borrower not being declared as NPA/SMA1/SMA2 with any other bank and the bank reserves the right to withdraw the facility in case the borrower is reported as NPA/SMA1/SMA2 referred to NCLT under IBC Code 2016.
- All other conditions as mentioned in the sanction letters.

## 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 for three Financial Years ended March 31 2020, 2019 and 2018, including the notes thereto and the report thereon, which appear elsewhere in this Draft Prospectus. You should also read the section titled "Risk Factors" on page 19 and the chapter titled "Forward Looking Statements" on page 13, 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 September 2, 2020 which is included in this Draft 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 Draft 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 19. 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 March 2020 and financial years ended 2019, 2018 and 2017.

(Amount in Rs.)

| Particulars                                     | For the period ended 31st March |                   |              |                   |               |                   |               |                   |
|---|---------------------------------|-------------------|--------------|-------------------|---------------|-------------------|---------------|-------------------|
|   | 2020                            |                   | 2019         |                   | 2018          |                   | 2017          |                   |
|   | Amount                          | % of Total Income | Amount       | % of Total Income | Amount        | % of Total Income | Amount        | % of Total Income |
| <b>Revenue:</b>                                 |                                 |                   |              |                   |               |                   |               |                   |
| Revenue From Operation (Gross)                  | 26,71,34,232                    | 97.26%            | 38,45,56,100 | 99.54%            | 17,21,94,084  | 99.60%            | 11,11,78,505  | 98.32%            |
| Less: GST /Service Tax                          | -                               | -                 | -            | -                 | -             | -                 | -             | -                 |
| Revenue From Operation (Net)                    | 26,71,34,232                    | 97.26%            | 38,45,56,100 | 99.54%            | 17,21,94,084  | 99.60%            | 11,11,78,505  | 98.32%            |
| Other Income                                    | 75,18,238                       | 2.74%             | 17,78,647    | 0.46%             | 6,92,743      | 0.40%             | 18,97,829     | 1.68%             |
| Total Revenue                                   | 27,46,52,470                    | 100%              | 38,63,34,747 | 100.00%           | 17,28,86,827  | 100.00%           | 11,30,76,334  | 100.00%           |
| <b>Expenses</b>                                 |                                 |                   |              |                   |               |                   |               |                   |
| Cost of Production                              | 26,89,61,948                    | 97.93%            | 36,24,53,256 | 93.82%            | 19,19,43,738  | 111.02%           | 11,47,28,490  | 101.46%           |
| Changes in inventory                            | (5,35,97,012)                   | -19.51%           | -            | 0.00%             | -             | 0.00%             | -             | 0.00%             |
| Employee benefit expenses                       | 58,59,308                       | 2.15%             | 38,72,110    | 1.00%             | 40,91,936     | 2.37%             | 90,19,610     | 7.98%             |
| Finance Cost                                    | 25,64,175                       | 0.93%             | 12,51,582    | 0.32%             | 11,06,202     | 0.64%             | 12,98,914     | 1.15%             |
| Depreciation and amortization                   | 1,49,976                        | 0.05%             | 3,20,850     | 0.08%             | 3,52,251      | 0.20%             | 4,93,560      | 0.44%             |
| Others Expenses                                 | 1,35,11,037                     | 4.91%             | 1,41,73,619  | 3.67%             | 87,97,571     | 5.09%             | 97,11,880     | 8.59%             |
| Total Expenses                                  | 23,74,49,432                    | 86.45%            | 38,20,71,416 | 98.90%            | 20,62,91,698  | 119.32%           | 13,52,52,454  | 119.61%           |
| Profit before Tax                               | 3,72,03,038                     | 13.55%            | 42,63,330    | 1.10%             | (3,34,04,871) | -19.32%           | (2,21,76,120) | -19.61%           |
| <b>Tax Expense:</b>                             |                                 |                   |              |                   |               |                   |               |                   |
| Tax Expense for Current Year                    | 58,03,674                       | 2.11%             | 6,49,438     | 0.17%             | -             | 0.00%             | -             | 0.00%             |
| Deferred Tax                                    | (51,58,155)                     | -1.88%            | -            | 0.00%             | -             | 0.00%             | -             | 0.00%             |
| Excess/Short Provisions of earlier year         | -                               | -                 | -            | 0.00%             | -             | 0.00%             | -             | 0.00%             |
| Net Current Tax                                 | 6,45,519                        | 0.24%             | 6,49,438     | 0.17%             | -             | 0.00%             | -             | 0.00%             |
| <b>Expenses</b>                                 |                                 |                   |              |                   |               |                   |               |                   |
| Restated Profit/(Loss) for the period After Tax | 3,65,57,519                     |                   | 36,13,892    |                   | (3,34,04,871) |                   | (2,21,76,120) |                   |

### Revenue from operations:

Our principal component of income is from selling our Hindi, regional language like Tamil, Marathi, Bengali & Gujrati content to linear TV broadcasters and we also selling original and exclusive content to OTT / Webseries (Over-the-top) media service like Netflix, Voot & Amazon.

### Other Income:

Our other income primarily comprises of Interest, Bank Interest, Interest on Income tax refund, profit on Sale of Asset, Discount Received.

### Changes in Inventories:

Our Inventories consist of television programs and web series (content) under development

### 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, Computers and Peripherals etc. .

## **Other Expenses**

Other expenses include Power and fuel, rent, Repairs and maintenance, Communication expenses, Travelling and conveyance, Advertising and sales promotion, Legal and professional fees, Miscellaneous expenses etc.

## **Financial Performance highlights for the Period ended on 31<sup>st</sup> March, 2020**

### **Total Revenue:**

Our total income for period ended 31<sup>st</sup> March, 2020 is Rs. 2,746.52 Lakhs which consists of Commissioned television programs& Internet programs / Web Series

### **Revenue from operations:**

The revenue from operations during the period ended 31<sup>st</sup> March, 2020 was Rs. 2,671.34 Lakhs. The revenue is from Commissioned television programs& Internet programs / Web Series which comprised 97.26% of Company's total revenue for the period ended 31<sup>st</sup> March, 2020.

### **Other Income:**

Our other income stood at Rs. 75.18 Lakhs comprising of 2.74% of total revenue during the period ended 31<sup>st</sup> March, 2020.

### **Total Expenses:**

The total expenditure during period ended 31<sup>st</sup> March, 2020 was Rs. 2,374.49 Lakhs. The total expenditure represents 86.45% of the total revenue. The total expenses are represented by Operating Expenses, employee benefits expense, finance costs and Administrative & Other Expenses.

### **Employee benefits expense:**

Our employee benefits expense were Rs. 58.98 Lakhs for the Period ended on 31<sup>st</sup> March, 2020 consisting of Salary, allowances, bonuses and Staff Welfare Expenses.

### **Finance Costs**

Our finance cost consisting Borrowing cost and other Cost was Rs. 25.64 Lakhs, representing 0.93% of the total revenue for the period ended 31<sup>st</sup> March, 2020.

### **Profit/ (Loss) before Tax:**

The restated net profit during the period ended 31<sup>st</sup> March, 2020 was Rs. 372.03 Lakhs comprising 13.55% of the total revenue of our company.

### **Profit/ (Loss) after Tax:**

The restated net profit during the period ended 31<sup>st</sup> March, 2020 was Rs. 365.57 Lakhs representing 13.59% of the total revenue of our company.

## **Financial Year 2019-20 Compared to Financial Year 2018-19 Total Income**

Total Income for the financial year 2019-20 stood at Rs. 2,746.52 Lakhs whereas in Financial Year 2018-19 the same stood at Rs.3, 863.34 Lakhs representing a decrease of 28.91%.

### **Revenue from Operations**

During the financial year 2019-20 the net revenue from operation of our Company decreased to Rs. 2,671.34 Lakhs as against Rs. 3,845.56 Lakhs in the Financial Year 2018-19 representing a decrease in Commissioned

television programs sale of Rs. 1405.47 lac which is mainly on account of decrease in number of Hindi language episode from 282 in (2018-2019) to 82 episodes in 2019-2020. This decrease represent mainly due to current year the new show start end of Jan 2020 (which only for 1 quarter) same time the previous year show was produces for full year. the above decrease in TV show is off set by increase in revenue from Internet programs / Web Series by Rs. 243 mainly due to new series produce

#### **Other Income:**

During the financial year 2019-20 the other income of our Company increased to Rs. 75.18 Lakhs as against Rs. 17.78 Lakhs in the Financial Year 2018-19 representing an increase of 322.69%. Such increase was primarily due to reverse credit of Input tax Credit and sundry balance w/back.

#### **Total Expenses:**

The Total Expenditure for the financial year 2019-20 decreased to Rs. 2,374.49 Lakhs from Rs. 3,820.71 Lakhs in the previous financial year representing a decrease of 4.67%.

#### **Employee benefits expense:**

Our Company has incurred Rs. 58.59 Lakhs as Employee benefits expense during the financial year 2019-20 as compared to Rs. 38.72 Lakhs in the financial year 2018-19 representing an increase of 51.32%.

#### **Finance costs:**

These costs 104.87 for the financial Year 2019-20 increased to Rs. 25.64 Lakhs as against Rs. 12.51 Lakhs during the previous financial year. The increase of 104.87% as compared to previous financial year due to repayment of borrowings.

#### **Depreciation and Amortization Expenses:**

Depreciation for the financial year 2019-20 stood at Rs. 1.49 Lakhs as against Rs. 3.20 Lakhs during the previous financial year. The decrease of 53.26% was due to increase in our asset base.

#### **Other Expenses:**

Our Company has incurred Rs. 135.11 Lakhs during the Financial Year 2019-20 on other expenses as against Rs. 141.73 Lakhs during the financial year 2018-19. The decrease of 4.67% was attributable to overall saving in non-operative expenses

#### **Restated Profit before tax:**

The Company reported Restated profit before tax for the Financial Year 2019-20 of Rs. 372.03 Lakhs in comparison to Restated profit of Rs. 42.63 Lakhs in financial year 2018-19 representing an increase of 772.36%.

#### **Restated profit after tax:**

Net Profit after tax for the Financial Year 2019-20 increased to Rs. 365.57 lakhs as compared to Rs. 36.13Lakhs financial year 2018-19. The increase in profit after tax by 911.58% was majorly due to factors mentioned above.

#### **Financial Year 2018-19 Compared to Financial Year 2017-18 Total Income**

Total Income for the financial year 2018-19 stood at Rs. 3,863.34 Lakhs whereas in Financial Year 2017-18 the same stood at Rs.1,728.86 Lakhs representing an increase of 55.25%.

#### **Revenue from Operations**

During the financial year 2018-19 the net revenue from operation of our Company increased to Rs. 2,123.62 Lakhs as against Rs. 1,721,94 Lakhs in the Financial Year 2017-18 said increase representing increased in Commissioned television programs sale of Rs. 1098.65 lac which is mainly on account of increase in number of Hindi language/ regional / special episode produce from 125 in (2017-2018) to 369 episodes in 2018-2019. Also, there is increase in Internet programs / Web Series sales by Rs. 1003.34 lacs which was not there in FY 2017-18.

**Other Income:**

During the financial year 2018-19 the other income of our Company increased to Rs. 10.86 Lakhs as against Rs. 6.92 Lakhs in the Financial Year 2017-18 representing an increase of 61.08%. Such increase prior period item

**Total Expenses:**

The Total Expenditure for the financial year 2018-19 increased to Rs. 3,820.71 Lakhs from Rs. 2,062.91 Lakhs in the previous financial year representing an increase of 46.01%.

**Employee benefits expense:**

Our Company has incurred Rs. 38.72 Lakhs as Employee benefits expense during the financial year 2018-19 as compared to Rs. 40.91 Lakhs in the financial year 2017-18 representing a decrease of 5.66%.

**Finance costs:**

The finance cost for the financial Year 2018-19 increased to Rs. 12.51 Lakhs as against Rs. 11.06 Lakhs during the previous financial year. The increase of 11.59% as compared to previous financial year due to repayment of borrowings.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2018-19 stood at Rs. 3.20 Lakhs as against Rs. 3.52 Lakhs during the previous financial year. The decrease of 10.00% was due to decrease in our asset base.

**Other Expenses:**

Our Company has incurred Rs. 141.73 Lakhs during the Financial Year 2018-19 on other expenses as against Rs. 87.97 Lakhs during the financial year 2017-18. The increase of 37.93% was attributable to overall saving in non-operative expenses

**Restated Profit/ Loss before tax:**

The Company reported Restated profit before tax for the Financial Year 2018-19 of Rs. 42.63 Lakhs in comparison to Restated loss of Rs. (334.04) Lakhs in financial year 2017-18 representing an increase of 883.58%.

**Restated profit/ Loss after tax:**

Net Profit after tax for the Financial Year 2018-19 increased to Rs. 36.13 lakhs as compared to loss of Rs. (334.04) Lakhs financial year 2017-18. The increase in profit after tax by 1,024.55% was majorly due to factors mentioned above.

**OTHER MATTERS****Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**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 19 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.

**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 19 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.

#### **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.

**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.

#### **Total turnover of each major industry segment in which the 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 62.

#### **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 Draft Prospectus.

#### **The extent to which the business is seasonal**

Our business operations are not subject to significant seasonal trends.

#### **Any significant dependence on a single or few suppliers or customers.**

For the period ended March 2020 our top five clients contributed approximately 98.47 % of our revenue from operations based on Restated Financial Statements.

For the period ended March 2020 our top five suppliers contributed approximately 15.33% of our total expenses based on Restated Financial Statements.

#### **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 79.

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 79.

## **SECTION VII - LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND DEFAULTS**

*Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters or Group Companies. Our Board, in its meeting held on September 1, 2020 determined that litigation involving the Company, Directors, its Promoters and Group Companies: (a) where the monetary liability quantified exceeds 5% of the net profit of our Company as per the restated financial statements for the last full Fiscal; ;and (b) all such pending litigation, where the monetary liability is not quantifiable, however, the outcome of any such pending proceeding may have a material bearing on the business, operations, performance, prospects or reputation of our Company will be considered as material litigation (“Material Litigation”).*

*As per the materiality policy adopted by the Board of our Company in its meeting held on September 1, 2020, creditors of our Company to whom an amount in excess of 5% of the Net Profit of the Company as per the last audited financial statements was outstanding, were considered ‘material’ creditors. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at [www.http://bodhitreemultimedia.com/](http://bodhitreemultimedia.com/)*

*Our Company, Directors, Promoter and Group Companies are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.*

#### **PART I - CONTINGENT LIABILITIES OF OUR COMPANY**

For details of Contingent Liability please refer to Section titled “Financial Information of the Company” beginning on page 114.

#### **PART II - LITIGATIONS RELATING TO OUR COMPANY**

##### **A. Cases filed against our Company**

###### **1. Litigation involving Civil Laws**

Nil

###### **2. Litigation involving Criminal Laws**

Nil

###### **1. Litigation involving Securities and Economic Laws**

Nil

###### **2. Litigation involving Labour Laws**

Nil

###### **3. Litigation involving Taxation**

Nil

###### **4. Other Pending Litigation based on Materiality Policy of our Company**

Nil

##### **B. Cases filed by our Company**

###### **1. Litigation involving Civil Laws**

Nil

1. **Litigation involving Company Laws**  
Nil
  2. **Litigation involving Securities and Economic Laws**  
Nil
  3. **Litigation involving Labour Laws**  
Nil.
  4. **Litigation involving Taxation**  
Nil
  5. **Other Pending Litigation based on Materiality Policy of our Company**  
Nil
- C. **Notices from Statutory Authorities**  
Nil.

#### **PART III - LITIGATIONS RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY**

- A. **Cases filed against the Directors**
1. **Litigation involving Civil/Statutory Laws**  
Nil
  2. **Litigation involving Criminal Laws**  
Nil
  3. **Litigation involving Economic Offenses**  
Nil
  4. **Litigation involving Tax Liabilities**  
Nil
- B. **Cases filed by the Directors**
1. **Litigation involving Civil/Statutory Laws**  
Nil
  2. **Litigation involving Criminal Laws**  
Nil
  3. **Litigation involving Economic Offenses**  
Nil
  4. **Litigation involving Tax Liabilities**  
Nil

#### **PART IV - LITIGATIONS RELATING TO OUR PROMOTER AND PROMOTER GROUP ENTITIES**

**A. Cases filed against the Promoter and Promoter Group entities**

**1. Litigation involving Civil/Statutory Laws**

Nil

**2. Litigation involving Criminal Laws**

Nil

**3. Litigation involving Economic Offenses**

Nil

**4. Litigation involving Tax Liabilities**

1. For Mr. Sukesh Devdas Motwani, a demand bearing Demand Identification no. 2010200937021171644T dated 29.03.2011, a demand of Rs. 2,24,120/- is pending u/s. 154 of the Income Tax Act, 1961 for A.Y. 2009-10. Although the assessee has raised an objection against the demand for not adjusting the said demand from TDS deducted in respect of payments received by the assessee the demand has not been squared off till date on the website of the [IncometaxIndiaefiling.gov.in](http://IncometaxIndiaefiling.gov.in). However no further communication has been received from the department in respect of same, since filing of reply by the assessee.

2. For Mr. Sukesh Devdas Motwani, a demand bearing Demand Identification no. 2011201010071218755T dated 23.02.2012, a demand of Rs. 4,19,290/- is pending u/s. 143(1)(a) of the Income Tax Act, 1961 for A.Y. 2010-2011. Although the assessee has raised an objection against the demand for not adjusting the said demand from TDS deducted in respect of payments received by the assessee. However the demand has not been squared off till date on the website of the [IncometaxIndiaefiling.gov.in](http://IncometaxIndiaefiling.gov.in). However no further communication has been received from the department in respect of same, since filing of reply by the assessee.

**5. Other Pending Litigation based on Materiality Policy of our Company**

Nil

**B. Cases filed by the Promoter and Promoter Group entities**

**1. Litigation involving Civil Laws**

Nil

**2. Litigation involving Criminal Laws**

Nil

**3. Litigation involving Securities and Economic Laws**

Nil

**4. Litigation involving Labour Laws**

Nil.

**5. Litigation involving Taxation**

Nil.

**PART V - DETAILS AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS TO WHOM THE ISSUER OWES A SUM EXCEEDING RS. ONE LAKH WHICH ARE OUTSTANDING MORE THAN 30 DAYS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details

pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on March 31, 2020: -

| Name  | Balance as on March 31, 2020<br>(in Rs.) |
|---|--|
| Total Outstanding dues to Micro and Small & Medium Enterprises                      | Nil                                      |
| Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises | 4,39,74,787                              |

#### PART VI MATERIAL DEVELOPMENTS

There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company except issuance of Equity Shares on Preferential basis by our Company. Except as disclosed in chapter titled "Capital Structure" & "Management's Discussion & Analysis of Financial Conditions & Results of Operations" beginning at page 41 and page 140 respectively, of the Draft Prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the Draft Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.

#### WE CERTIFY THAT EXCEPT AS STATED HEREIN ABOVE:

- a. there are no pending proceedings for offences for non-payment of statutory dues by the promoters of the Company.
- b. there are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c. there are no pending litigation against the promoters/ directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. there are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the promoters.
- e. there are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. except as stated herein, there are no litigations against the promoters / Directors in their personal capacity.
- g. the Company, its promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor any disciplinary action has been taken by SEBI.
- h. Except as stated above in this section, there are no SSI units to whom, our Company owns any sum which is outstanding for more than 30 days as on 31.03.2020.



## GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### Approvals In Relation to Our Company's incorporation

1. Certificate of incorporation dated July 04, 2013 from the Registrar of Companies, Maharashtra, Mumbai under the Companies Act, 1956 as 'BODHI TREE MULTIMEDIA PRIVATE LIMITED' (Corporate Identification No.: U22211MH2013PTC245208);
2. Certificate of Incorporation dated September 01, 2020 from the Registrar of Companies, Maharashtra, Mumbai consequence to conversion of Company 'BODHI TREE MULTIMEDIA PRIVATE LIMITED' to "BODHI TREE MULTIMEDIA LIMITED" (Corporate Identification No. - U22211MH2013PLC245208)

### Approvals in relation to the Issue

#### **Corporate Approvals**

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on September 1, 2020 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution date September 2, 2020, under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated September 2, 2020 and [●] authorized our Company to take necessary action for filing the Draft Prospectus and Prospectus respectively with NSE EMERGE.

#### **Approvals from Stocks Exchange**

1. Our Company has received in- principle listing approval from the SME Platform of NSE dated [●] for listing of Equity Shares issued pursuant to the issue.

#### **Other Approvals**

1. The Company will enter into a tripartite agreement dated [●] with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
2. The Company will enter into an agreement dated [●] with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.

### Approvals/Licenses/Permissions in relation to our Business

#### **Tax Related Approvals**

| S.No | Description | Registration | Issuing Authority | Date of issue | Date of |
|------|-------------|--------------|-------------------|---------------|---------|
|------|-------------|--------------|-------------------|---------------|---------|

|    |  | Number         |   |            | Expiry               |
|----|--|----------------|---|------------|----------------------|
| 1. | Permanent Account Number   | AAF5935K       | Commissioner of Income Tax, Maharashtra               | 17.08.2013 | Valid till Cancelled |
| 2. | Tax Deduction Account Number for place of business at: M/s Bodhi Tree Multimedia Private Limited   | MUMB23282A     | Income Tax Department                                 | 12.09.2013 | Valid till Cancelled |
| 3. | Professions Tax Enrolment certificate (P.T.E.C.):<br>For place of business at:, 507,RELIABLE BUSINESS CENTER ANAND NAGAR,OPP HEERA PANNA SHOPPING CENTER OSHIWARA, JOGESHWARI(W) GREATER MUMBAI ( M CORP.) MUMBAI MUM    | 99892097884P   | Profession Tax officer(C-026) registration br. Mumbai | 20.11.2013 | Valid till Cancelled |
| 4. | Professions Tax Registration certificate (P.T.R.C.):<br>For place of business at:, 507,RELIABLE BUSINESS CENTER ANAND NAGAR,OPP HEERA PANNA SHOPPING CENTER OSHIWARA, JOGESHWARI(W) GREATER MUMBAI ( M CORP.) MUMBAI MUM | 27385270428P   | Profession Tax officer(C-026) registration br. Mumbai | 20.11.2013 | Valid till Cancelled |
| 5. | Registration Certificate for place of business at:<br>ANAND NAGAR,UNIT NO. 507,RELIABLE BUSINESS CENTER, OWHIWARA, JOGESWARI WEST, MUMBAI  | 27AAF5935KI ZD | Central Board of Indirect Taxes & Customs             | 26.09.2017 | Valid till Cancelled |

#### Other Approvals

| S.No. | Description   | Registration Number | Issuing Authority                                   | Date of issue | Date of Expiry       |
|-------|---|---------------------|---|---------------|----------------------|
| 1.    | Registration under Shop & Establishment for premises at UNIT NO.507,RELIABLE BUSINESS CENTER,ANAND NAGAR,OPP. HEERA PANNA SHOPPING CE,OSHIWARA, JOGESHWARI-WEST,MUMBAI, | 820113900           | Commercial II, Maharashtra shops and Establishments | 02.09.2020    | Valid till Cancelled |

|    |   |              |      |            |                      |
|----|---|--------------|------|------------|----------------------|
|    | MAHARASHTRA-400102  |              |      |            |                      |
| 2. | Udyog Aadhar for Premises at: Office Address: 507, RELIABLE BUSINESS CENTRE, OPP. HEERA PANNA SHOPPING CENTRE, OSHIWARA, JOGESHWARI (WEST), MUMBAI-400102 | MH18D0179616 | MSME | 14.12.2019 | Valid till Cancelled |

**Business related Approvals**



| S.No. | Description                        | Registration Number | Issuing Authority                  | Date of issue | Date of Expiry  |
|-------|------------------------------------|---------------------|------------------------------------|---------------|---|
| 1.    | INDIAN FILM & TV PRODUCERS COUNCIL | MNO.10154           | INDIAN FILM & TV PRODUCERS COUNCIL | 15.11.2016    | 31.03.2020<br><br>The Company has applied for renewal of same, but renewal confirmation is awaited till date. |


**Certificates Received:**

| S.No | Description | Registration Number | Issuing Authority | Date of issue | Date of Expiry |
|------|-------------|---------------------|-------------------|---------------|----------------|
| 1    | NA          | NA                  | NA                | NA            | NA             |

**Intellectual Property**

Trademarks registered/Objected/Abandoned in the name of our company

| S. No | Brand Name/Logo Trademark   | Class | Nature of Trademark         | Owner                                 | Number/ Date of Application | Authority                      | Current Status |
|-------|---|-------|-----------------------------|---------------------------------------|-----------------------------|--------------------------------|----------------|
| 1.    |  | 38    | Send To Vienna Codification | BODHI TREE MULTIMEDIA PRIVATE LIMITED | 11/07/2020                  | Registrar of Trademark, Mumbai | Applied for    |
| 2.    |  | 41    | Send To Vienna Codification | BODHI TREE MULTIMEDIA PRIVATE LIMITED | 11/07/2020                  | Registrar of Trademark, Mumbai | Applied for    |

|    |   |    |                             |                                       |            |                                |             |
|----|---|----|-----------------------------|---------------------------------------|------------|--------------------------------|-------------|
| 3. |  | 42 | Send To Vienna Codification | BODHI TREE MULTIMEDIA PRIVATE LIMITED | 11/07/2020 | Registrar of Trademark, Mumbai | Applied for |
|----|---|----|-----------------------------|---------------------------------------|------------|--------------------------------|-------------|

**Domain Name**

| S.No | Domain Name and ID      | Sponsoring Registrar and ID | Registrant Name, ID and Address | Creation Date | Registry Expiry Date |
|------|-------------------------|-----------------------------|---------------------------------|---------------|----------------------|
| 1.   | BODHITREEMULTIMEDIA.COM | GoDaddy.com, LLC            | Domains By Proxy, LLC           | 24-06-2013    | 24-06-2023           |

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

The Board of Directors, pursuant to a resolution passed at their meeting held on September 1, 2020 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 September 2, 2020 authorized the Issue.

Our Company has obtained in-principle approval from NSE Emerge for using its name in the Offer Document pursuant to an approval letter dated [●]. NSE 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.

### **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 five 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 146 of the Draft Prospectus

### **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 Draft Prospectus.

### **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 eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations whereby, an issuer whose post issue paid-up capital is less than ten crore rupees. Our Company shall issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being NSE Emerge)

### **We confirm that:**

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 37.

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.

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 NSE EMERGE. 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 38.

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 as per Regulation 229(3) so as to be eligible to be listed on the NSE Emerge:-

- Our Company was incorporated as Bodhi Tree Multimedia Private Limited under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated July 4, 2013 issued by the Registrar of Companies, Mumbai bearing Registration Number 245208 of 2013. The name of our Company was subsequently changed to Bodhi Tree Multimedia Limited pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on August 18, 2020 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated September 1, 2020 bearing Corporate Identity Number U22211MH12013PLC245208.
- As on the date of this Draft Prospectus, our Company has a Paid-up Capital of Rs. 86 Lakhs and the Post Issue Capital will be of Rs. 1250 Lakhs which is less than Rs. 25 Crores.
- The Company confirms that it has track record of more than 3years.
- Our Company has a website [www.bodhitreemultimedia.com](http://www.bodhitreemultimedia.com)
- Our company will facilitate trading in Demat securities and is in the process of entering into an agreement with both the Depositories.
- Mr. Mautik Ajit Tolia and Mr. Sukesh Devdas Motwani, are the Promoters of the Company since Incorporation and there is no change in the Promoters.
- 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 is positive before as on the date of Draft Prospectus.
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- 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.
- 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 has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares once Emerge. NSE is the Designated Stock Exchange.
- Our Company is in the process of entering into an agreement with both the depositories for dematerialization 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 will be in dematerialized 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 51.

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 these.
- (b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by these.
- (c) Neither our Company nor our Promoters or Directors is a willful defaulter.
- (d) 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, SHRENI SHARES PRIVATE 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, SHRENI SHARES PRIVATE 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 [●].

The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under 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 Shreni Shares Private Limited:

#### Price information of past issues handled by Shreni Shares Private Limited

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Shreni Shares Private Limited.

| Sr. No. | Issue name                   | Issue Size (Rs. Crores) | Issue price (Rs.) | Listing Date   | Opening price on Listing Date (in Rs.) | +/- % 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.      | Cospower Engineering Limited | 2.04                    | 51.00             | March 30, 2020 | 51.00                                  | +32.06%<br>[+12.92%]   | +36.27%<br>[+22.51%]   | NA  |
| 2.      | KSolves India Limited        | 4.02                    | 100.00            | July 6, 2020   | 101.95                                 | +6.50% [+3.08%]  | NA   | NA  |

Source: [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com) for price information and prospectus/basis of allotment for issue details

Notes:

1. Opening price information as disclosed on the website of BSE/NSE.
2. Change in closing price over the issue/offer price as disclosed on BSE/NSE.
3. Change in closing price over the closing price as on the listing date for benchmark index viz. BSE SENSEX/NIFTY 50.
4. In case of reporting dates falling on a trading holiday or a day on which there was no trading in the scrip, values for the trading day immediately preceding the trading holiday/ no trading day for the scrip/benchmark, have been considered.
5. 30<sup>th</sup> calendar day has been taken as listing date plus 29 calendar days; 90<sup>th</sup> calendar day has been taken as listing date plus 89 calendar days; 180<sup>th</sup> calendar day has been taken a listing date plus 179 calendar days.

Summary statement of price information of past issues handled by Shreni Shares Private Limited:

| Financial Year | Total no. of IPOs | Total funds raised (Rs. Crores) | Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date |                   |               | Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date |                 |               | Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date |                 |               | Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days from listing date |                 |               |
|----------------|-------------------|---------------------------------|--|-------------------|---------------|---|-----------------|---------------|--|-----------------|---------------|---|-----------------|---------------|
|                |                   |                                 | 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% |
| 2020-2021*     | 1                 | 4.02                            | -  | -                 | -             | -   | -               | 1             | -  | -               | -             | -   | -               | -             |
| 2019-2020      | 1                 | 2.04                            | -  | -                 | -             | -   | 1               | -             | -  | -               | -             | -   | -               | -             |
| 2018-2019      | -                 | -                               | -  | -                 | -             | -   | -               | -             | -  | -               | -             | -   | -               | -             |

\*The information is as on the date of the document

#### Track Record of past issues handled by Shreni shares private 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.shreni.in](http://www.shreni.in)



## **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 Draft 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 (Shreni Shares Private Limited) and our Company on September 2, 2020 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated September 2, 2020 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 Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended), including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable law and who are authorised under their constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDA, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, Gol, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs, and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform him 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 Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft 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 NSE Emerge**

As required, a copy of the Draft Prospectus shall be submitted to the NSE Emerge. The Disclaimer Clause as intimated by the NSE Emerge to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

## **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 NSE EMERGE. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on NSE Emerge.

NSE 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 NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft 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 NSE Emerge 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\*, 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.

*\*The aforesaid will be appointed prior to filing of Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s S A R A & 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 Draft 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 Draft Prospectus.

## **Experts Opinion**

Except for the reports in the section – “Financial Information of the Company” and – “Statement of Tax Benefits” on page 114 and page 58, 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) Issue Agreement dated September 2, 2020 with the Lead Manager (ii) the Underwriting Agreement dated [●] with Underwriter and (iii) the Market Making Agreement dated September 2, 2020 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 September 2, 2020 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 Draft Prospectus except as disclosed in this Draft Prospectus.

#### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 41.

#### **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 41 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 Draft 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.

#### **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 Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft 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 hereinabove.

### **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. Saloni Jain, 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. Saloni Jain  
Bodhi tree multimedia limited  
507, Reliable Business Centre,  
Jogeshwari (West),  
Mumbai - 400102, Maharashtra, India  
Tel No: +91-22-40101293  
Email: [info@bodhitreemultimedia.co](mailto:info@bodhitreemultimedia.co)  
Website: [www.bodhitreemultimedia.com](http://www.bodhitreemultimedia.com)

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-SCORESII. 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 Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft 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 58.

## **SECTION VIII - ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

For details in relation to Issue expenses, see “Objects of the Issue” and “Other Regulatory and Statutory Disclosures” on pages 51 and 154, respectively.

#### **Authority for the Issue**

The present Public Issue of 3,90,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on dated September 1, 2020 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on dated September 2, 2020 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company 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 "Main Provisions of Articles of Association of the Company" on page 190 of the Draft Prospectus.

#### **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 recommended 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. For further details, please refer to “Dividend Policy” on page 113 of the Draft Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a Face Value of Rs. 10.00 each are being offered in terms of the Draft Prospectus at the price of Rs. [●] per equity Share (including premium of Rs. [●] per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “Basis for Issue Price” on page 56 of the Draft Prospectus. 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**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. 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 & 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, 2018 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 Articles of Association of the Company” beginning on page 190 of the Draft Prospectus.

#### **Allotment only in Dematerialised Form**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

1. Tripartite agreement dated [●] between our Company, NSDL and the Registrar to the Issue.
2. Tripartite agreement dated [●] between our Company, CDSL and the Registrar to the Issue.

#### **Minimum Application Value, Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME platform of NSE 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 [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

#### **Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be 50 shareholders in case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

#### **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.

#### **Withdrawal of the Issue**

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

#### **Period of Operation of Subscription List of Public Issue**

|                        |     |
|------------------------|-----|
| <b>ISSUE OPENS ON</b>  | [•] |
| <b>ISSUE CLOSES ON</b> | [•] |

#### **Minimum Subscription**

In accordance with Regulation 260 (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than Rs. 1,00,000 (Rupees One Lakh) per application.

As per section 39 of the Companies Act 2013, if the “stated minimum amount” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (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 8 (eight) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with SEBI ICDR Regulations, the minimum number of allottees in this 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 amounts in the ASBA Account shall be unblocked forthwith.

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.

#### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of 1200 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 SME Exchange.

#### **Application by Eligible NRIs, FPIs or VCFs 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.

**As per the extant Guidelines 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.

#### **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 Promoter minimum contribution in the Issue as detailed in the section titled "Capital Structure" beginning on page 41 of the Draft Prospectus, 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 sub-heading "Main Provisions of the Articles of Association" on page 190 of the Draft Prospectus.

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 Managers 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 or regulations, which may occur after the date of this Draft 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.

#### **Allotment of Securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

#### **Migration to Main Board**

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE 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 NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE 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 Crore 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 Promoter 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 NSE 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 our Company is more than Rs. 10.00 Crore and up to Rs. 25.00 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 NSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter 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.

### Market Making

The shares offered through this Issue are proposed to be listed on the SME platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to "General Information - Details of the Market Making Arrangements for this Issue" on page 38 of the Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

| Issue size     | Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size) | Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size) |
|----------------|---|---|
| Upto ₹20 Crore | 25%   | 24%   |

Further, the Market Maker shall give (2) two ways quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

### New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

### 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.

### Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Delhi.

The Equity Shares have not been and will not be registered under the U.S. 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.

## 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 NSE Emerge). 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 162 and 169.

The Issue comprises of a Public Issue of upto 3,90,000 Equity Shares of face value of 10/- each fully paid (The "Equity Shares") for cash at a price of Rs. [●] per Equity Shares (including a premium of Rs. [●] per equity share) aggregating to [●] Lakhs ( "the issue") by our Company of which 20,400 Equity Shares of Rs.10 each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 3,69,600 Equity Shares of Rs.10 each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 31.2 % and 29.56% % 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   |
|---|--|--|
| Number of Equity Shares available for allocation  | 3,69,600 Equity Shares   | 20,400 Equity Shares   |
| Percentage of Issue Size available for allocation | 29.56% of the Issue Size   | 1.63% of the Issue Size  |
| Basis of Allotment                                | Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to "Issue Procedure - Basis of Allotment" on page 183.  | Firm Allotment   |
| Mode of Application                               | All the applicants shall make the application (Online or Physical) through ASBA Process Only.  | Through ASBA Process Only.   |
| Mode of Allotment                                 | Compulsorily in dematerialized form.   | Compulsorily in dematerialized form.   |
| Minimum Application Size                          | For Other than Retail Individual Investors:<br>Such number of Equity Shares in multiples of [●] Equity Shares at an Issue price of Rs. [●] each, such that the Application Value exceeds Rs. 2,00,000/-<br><br>For Retail Individuals Investors:<br>[●] Equity Shares at an Issue price of Rs. [●] each. | 20,400 Equity Shares   |
| Maximum Application Size                          | For Other than Retails Individual Investors:<br><br>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.   | 20400 Equity Shares  |
|   | For Retail Individuals Investors:<br>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed Rs. 2,00,000/-.  |  |
| Trading Lot                                       | [●] Equity Shares  | [●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. |
| Terms of Payment                                  | 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 167.

\*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 fifty percent to retail individual investors; and
- b) Remaining to
  - (i) Individual Applicant other than retail Individual Investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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 Program**

|                    |     |
|--------------------|-----|
| ISSUE OPENING DATE | [•] |
| ISSUE CLOSING DATE | [•] |

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:**

- 1 A standard cut-off time of 3.00 p.m. for acceptance of applications.
- 2 A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- 3 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 NSE after taking into account the total number of applications received up to the closure of timings and reported by LM to NSE 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, 1956), 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 Draft 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 Draft 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% 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 NIIIs 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 Applicant's 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 Applicant's 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 color of the Application Form for various categories applying in this issue is as follows:

| Category   | Color |
|--|-------|
| 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 Draft 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) |
| 3.  | A depository participant (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 (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:

|   |   |
|---|---|
| For Applications submitted by investors to SCSB without use of UPI for payment:                         | 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.  |
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment: | <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 NSE i.e. [www.nseindia.com](http://www.nseindia.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:

#### **For Retail Individual Applicants**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] 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.

#### **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 [●] 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 Draft 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 Draft 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**

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. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

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:

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; 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 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, FIs, 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 Draft 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 Draft Prospectus.

#### **Information for the Applicants:**

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.

Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date. 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.

Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.

Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

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.

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.

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. 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 Draft 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**

Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.

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. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications. 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.

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. |

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. 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.

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.

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. [●] per Equity 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

The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange. 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.

The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,

- the applications accepted by them;
- the applications uploaded by them;
- the applications accepted but not uploaded by them or;
- 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.

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,

- the applications accepted by any Designated Intermediaries;
- the applications uploaded by any Designated Intermediaries or;
- the applications accepted but not uploaded by any Designated Intermediaries.

The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be 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. 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.

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 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.

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.

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.

**Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.**

In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in this Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

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 Draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

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.

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.

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**

The Issue is being made through the Fixed Price Process wherein 20400 Equity Shares shall be reserved for Market Maker, at least 1,84,800 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.

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.

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.

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.

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**

Our company has entered into an Underwriting Agreement dated [●]. 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**

Upon approval of the Basis of Allotment by the Designated Stock Exchange.

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.

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 authorization 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 NSE i.e. [www.nseindia.com](http://www.nseindia.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 centers for collecting the application shall be disclosed is available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.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 front 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.

### **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### **MULTIPLE APPLICATIONS**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications;
- Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

- Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

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.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of “know your client” norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] Equity Shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] Equity Shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawalof lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.
6. 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) The net offer of shares to the Public shall be made available for allotment to retail individual investors; and
- b) The balance net offer of shares to the public shall be made available for allotment to Non-Institutional Investors, including Qualified Institution Buyers, Corporate Bodies/Institutions.
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this chapter titled “*Issue Procedure*” on page 169 of this Draft Prospectus.

“Retail Individual Investor” means an investor who applies for shares of value of not more than Rs. 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the NSE EMERGE.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of NSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchanges, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Procedure and Time of Schedule for Allotment and Demat Credit**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares.

#### **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 NSE 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:

Allotment and Listing of Equity Shares shall be made within three (3) days of the Issue Closing Date; 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

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—  
makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or  
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  
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:**

- That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 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
- 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;
- That the our Promoters' contribution in full has already been brought in;
- 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;
- 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;
- 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;
- Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- 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.;
- 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;
- That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and
- 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:**

- 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;
- 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;
- 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;
- 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.
- 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 shall sign the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Agreement dated [●] between NSDL, the Company and the Registrar to the Issue; and
- Agreement dated [●] between CDSL, the Company and the Registrar to the Issue; The Company's equity Shares bear an ISIN No. [●].

## 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 April 28, 2017 later amended in January 2018, 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 with amendments in January 2018 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 and as amended in January 2018 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.

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 and amendments from time to time thereupon, 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 recognized 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 and amendments in January 2018, 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.**

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.

### **Revised Policy for Investment by Non-Resident Entities in India Amid current COVID-19 Pandemic Conditions:**

In order to curb opportunistic takeover / acquisition of Indian Companies due to current COVID-19 pandemic conditions, the Government of India has vide Press Note No. 3(2020 Series) have amended the extant FDI Policy, 2017 according to which A non-resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. **However, an entity of a country, which shares land border with**

**India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route.** Further In the event of the transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the restriction/purview as mentioned herein, such subsequent change in beneficial ownership will also require Government approval.



## SECTION IX

### MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

#### PRELIMINARY

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company.

#### INTERPRETATION

2. (1) In these Regulations:-

(a) "Company" means BODHI TREE MULTIMEDIA LIMITED\*

(b) "Office" means the Registered Office of the Company.

(c) "Act" means the Companies Act, 2013, and any statutory modification thereof.

(d) "Seal" means the Common Seal of the Company.

(e) "Directors" means the Directors of the Company and includes persons occupying the position of the Directors by whether names called.

(2) Unless the context otherwise requires words or expressions contained in these Articles shall be the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

#### Share capital and variation of rights

II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company 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 par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be

\*Note: Adoption of New set of AOA under Companies Act, 2013 by the Company special resolution passed by the Members in their Extra Ordinary General Meeting held on 03rd March, 2020.

(ii) Deleted PRIVATE from the Name of the Company by converting into Private to Public vide Special Resolution passed in the Extra Ordinary General Meeting of the members held on 18th August, 2020.

Deleted Article 3 vide special resolution passed in the Extra Ordinary General Meeting of the members held on 18th August, 2020.

provided, –

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back 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 is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5 (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

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

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking pari passu therewith

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

## **Lien**

9. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) 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 person entitled to the shares at the date of the sale.

### **Calls on shares**

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) 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 regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

### **Transfer of shares**

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **Transmission of shares**

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled

to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to 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, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

27. In case of a One Person Company—

(i) on the death of the sole member, the person nominated by such member shall be the person recognized by the company as having title to all the shares of the member;

(ii) the nominee on becoming entitled to such shares in case of the member's death shall be informed of such event by the Board of the company;

(iii) such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable;

(iv) on becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

#### **Forfeiture of shares**

28. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33 (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Alteration of capital**

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

#### **Capitalisation of profits**

39. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

### **Buy-back of shares**

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### **General meetings**

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

### **Proceedings at general meetings**

44 (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

45 .The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

48 . In case of a One Person Company—

(i) the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118;

(ii) such minutes book shall be signed and dated by the member;

(iii) the resolution shall become effective from the date of signing such minutes by the sole member.

### **Adjournment of meeting**

49 .(i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### **Voting rights**

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.



56. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **Proxy**

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **Board of Directors**

60. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

Subject to the provisions of the Companies Act, 2013, the following shall be the First Directors of the Company who shall be non-rotational Directors till they voluntarily resign:

1. Mr. Mautik Ajit Tolia
2. Mr. Sukesh Devdas Motwani

61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

62. The Board may pay all expenses incurred in getting up and registering the company.

63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may think fit respecting the keeping of any such register.

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

65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

66. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors

together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

### **Proceedings of the Board**

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

68. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

69. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

72 .(i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

73. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

76 In case of a One Person Company—

(i) where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118;

(ii) such minutes book shall be signed and dated by the director;

(iii) the resolution shall become effective from the date of signing such minutes by the director, Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

77. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or 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 or 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 or chief financial officer.

78. 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 or 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 or chief financial officer.

### **The Seal**

79. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

### **Dividends and Reserve**

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

82. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the

shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for

dividend accordingly.

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

88. No dividend shall bear interest against the company.

### **Accounts**

89. (i) 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 directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

### **Winding up**

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **Indemnity**

91 .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 favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## 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 Draft 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 Draft Prospectus until the Issue Closing Date.

#### **A. Material Contracts to the Issue**

- Issue Agreement dated September 2, 2020 entered into among our Company and the Lead Manager.
- Agreement dated September 2, 2020 entered into among our Company and the Registrar to the Issue.
- Public Issue Account Agreement dated [●] between our Company, the Lead Manager, Banker to the Issue/Sponsor Bank and the Registrar to the Issue.
- Market Making Agreement dated September 2, 2020 between our Company, the Lead Manager and the Market Maker.
- Underwriting Agreement dated [●] between our Company, the Lead Manager and the Underwriters.
- Tripartite Agreement dated [●] entered into among our Company, NSDL and the Registrar to the Issue.
- Tripartite Agreement dated [●] entered into among our Company, CDSL and the Registrar to the Issue.

#### **B. Material Documents**

- Certified copies of the Memorandum of Association and Articles of Association of our Company.
- Certificate of Incorporation dated July 4, 2013 issued by the Registrar of Companies, Mumbai. In the name of Bodhi Tree Multimedia Private Limited
- Subsequent Certificate of Incorporation pursuant to conversion into Public Limited Company dated September 1, 2020 issued by Registrar of Companies, Mumbai, Maharashtra in the name of Bodhi Tree Multimedia Limited
- Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated September 1, 2020 and September 2, 2020 respectively, authorizing the Issue and other related matters.
- Copies of the Audited Financial Statements of our Company for the Period ended March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017
- Copy of Restated Financial statements for Financial Year ended March 31, 2020, March 31, 2019, March 31, 2018 and March 31, 2017 along with Auditors report dated September 2, 2020
- Copy of the Statement of Tax Benefits dated September 2, 2020 as included in this Draft Prospectus from the Statutory Auditor M/s SARA & Associates, Chartered Accountants.
- Consents of Banker to the Issue, the Lead Manager, Market Maker, 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.
- Board Resolutions dated September 2, 2020 for approval of Draft Prospectus.
- Due Diligence Certificate from Lead Manager dated September 2, 2020 filed with NSE and dated [●] filed with SEBI.
- In-principle approval from NSE vide letter dated [●] to use their name in the offer document for listing the Equity Shares on the SME Platform of NSE.

Any of the contracts or documents mentioned in this Draft 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 hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/ regulations issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Draft Prospectus. No statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Draft Prospectus are true and correct.

### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

| Name and Designation  | Signature |
|---|-----------|
| MR. MAUTIK AJIT TOLIA<br>DIN: 06586383<br>Designation: Managing Director                | Sd/-      |
| MR. SUKESH DEVDAS MOTWANI<br>DIN: 06586400<br>Designation: Whole Time Director          | Sd/-      |
| Mrs. Saloni Kapadia<br>DIN: 08836105<br>Designation: Non-Executive Independent Director | Sd/-      |
| Mrs. Uma Krishnan<br>DIN: 08824361<br>Designation: Non-Executive Independent Director   | Sd/-      |
| Mrs. Nutan Jha<br>DIN: 08848553<br>Designation: Non-Executive Independent Director      | Sd/-      |

|  |  |
|--|--|
| SIGNED BY THE COMPANY SECRETARY &<br>COMPLIANCE OFFICER<br><br>Sd/-<br><br>_____ | SIGNED BY THE CHIEF FINANCIAL OFFICER<br><br>Sd/-<br><br>_____ |
| Ms. Saloni Jain  | Mr. Ravi Bhatt   |

Dated: September 2, 2020

Place: Mumbai