



(Please use this QR Code to view this Draft Prospectus.)

# DRAFT PROSPECTUS

Dated September 30, 2024

Please read section 26 and 32 of the Companies Act 2013



(The Draft Prospectus will be updated upon filing with the RoC)

100% Fixed Price Issue



## KRI ENTERTAINMENT LIMITED

Corporate Identification Number: U90009MH2023PLC410214

REGISTERED OFFICE		CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
A201 to 206, 2nd floor, Fairlink Centre, Oshiwara, Andheri, Mumbai, Maharashtra - 400053		Kriti Goyal, <i>Company Secretary and Compliance Officer</i>	Email: <a href="mailto:cs@worldofkri.com">cs@worldofkri.com</a> Tel No.: +91 9136046642	<a href="https://worldofkri.com">https://worldofkri.com</a>
OUR PROMOTERS: SHVATE SUSHMA KAULL AND ZAHID AKRAM KHAN				
DETAILS OF THE PUBLIC OFFER				
TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY
Fresh Issue	Fresh Issue of up to 24,00,000 Equity Shares aggregating up to ₹[●] lakhs	Upto 6,00,000 equity shares of ₹ 10/- each aggregating to ₹[●] lakhs	Up to ₹[●] lakhs	The Issue is being made pursuant to Regulation 229(1) of SEBI ICDR Regulations. As the Company's post issue face value capital does not exceed ₹10.00 Crores
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION				
Name	Type	Numbers of shares offered/ amount in ₹	Weighted Average Cost of Acquisition in ₹ per Equity Share	
Shvate Sushma Kaull	Promoter	3,00,000	0.01	
Zahid Akram Khan	Promoter	3,00,000	0.01	
RISKS IN RELATION TO THE FIRST OFFER				
This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times of the face value of the Equity Shares. The Offer Price (determined and justified by our Company in consultation with the Lead Manager as stated in " <i>Basis for Offer Price</i> " on page 81 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active 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 the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (" <i>SEBI</i> "), 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 " <i>Risk Factors</i> " on page 26.				
COMPANY AND SELLING SHAREHOLDERS' 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 the Offer, which is material in the context of the Offer, 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. Further, the Selling Shareholder accept responsibility for and confirm only those statements specifically made or confirmed by such Selling Shareholder in this Draft Prospectus to the extent of information specifically pertaining to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Selling Shareholder assume no responsibility for any other statements in this Draft Prospectus, including, inter alia, any of the statements made by or relating to our Company or its business or any other Selling Shareholder.				
LISTING				
The Equity Shares offered through this Draft Prospectus are proposed to be listed on the EMERGE platform of National Stock Exchange of India Limited (" <i>NSE</i> "). Our Company has received an 'in-principle' approval letter dated [●] from NSE for using its name in this Offer Document for listing our shares on the EMERGE Platform of the NSE. For the purpose of this Issue, the Designated Stock Exchange will be NSE (" <i>NSE</i> "). A signed copy of the Prospectus shall be delivered for filing with the RoC in accordance with Section 26(4) of the Companies Act, 2013.				
LEAD MANAGER				
Name of Lead Manager and Logo		Contact Person	Telephone and Email	
Khandwala Securities Limited 		Parika Shah / Sakshi Sharma	Telephone No: +91 22 4076 7373 Email: <a href="mailto:ipo@kslindia.com">ipo@kslindia.com</a>	
REGISTRAR TO THE OFFER				
Name of Registrar		Contact Person	Telephone and Email	
 Bigshare Private Limited		Babu Rapheal C	Telephone.: +91 22 6263 8200 E-mail: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a>	
OFFER PROGRAMME				
OFFER OPENS ON:		[●]**	OFFER CLOSSES ON:	[●]#



**KRI ENTERTAINMENT LIMITED**

Our Company was originally formed as partnership firm under the Indian Partnership Act, 1932 in the name and style of “KRI Entertainment”, pursuant to a deed of partnership entered on November 2, 2016. Further the Partnership Firm “KRI Entertainment” was converted into Public Limited Company, KRI Entertainment Limited public vide certificate of incorporation dated September 12, 2023 issued by the Registrar of Companies, Mumbai. For details of the changes in our name and registered office, please refer to the chapter titled ‘*History and Certain Corporate Matters*’ beginning on page no. 121 of this Draft Prospectus.

Registered Office: A201 to 206, 2nd floor, Fairlink Centre, Oshiwara, Andheri, Mumbai, Maharashtra, India - 400053 Tel. No+91 9136046642

Email: [cs@worldofkri.com](mailto:cs@worldofkri.com) Website: <https://worldofkri.com/> Contact Person: Kriti Goyal, Company Secretary and Compliance Officer

Corporate Identity Number: U90009MH2023PLC410214

OUR PROMOTERS: SHVATE SUSHMA KAULL AND ZAHID AKRAM KHAN	
INITIAL PUBLIC OFFERING OF UP TO 30,00,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH (“EQUITY SHARES”) OF KRI ENTERTAINMENT LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), CONSISTING OF FRESH ISSUE OF UP TO 24,00,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS AND AN OFFER FOR SALE OF UP TO 6,00,000 EQUITY SHARES BY SHVATE SUSHMA KAULL AND ZAHID AKRAM KHAN (“THE PROMOTERS SELLING SHAREHOLDER” OR “THE SELLING SHAREHOLDER”) AGGREGATING TO ₹ [●] LAKHS (“OFFER FOR SALE”), OF WHICH UP TO [●] EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY AGGREGATING MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THAN THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO [●] EQUITY SHARES OF ₹10 EACH IS HEREINAFTER 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 THE COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE NO. 207 OF THIS DRAFT PROSPECTUS.	
THIS OFFER 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) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN OFFER 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, SEE “OFFER PROCEDURE” ON PAGE 217 OF THE DRAFT PROSPECTUS.	
All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the irrespective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. A copy will be delivered for registration to the Registrar of Companies as under Section 26 and Section 28 of the Companies Act, 2013. For details in this regards, specific attention is invited to “Offer Procedure” on page 217. A copy of the Draft Prospectus will be delivered for registration to the Registrar of companies as required under Section 26 of the Companies Act, 2013.	
RISKS IN RELATION TO THE FIRST ISSUE	
THIS BEING THE FIRST PUBLIC OFFER OF EQUITY SHARES OF OUR COMPANY, THERE HAS BEEN NO FORMAL MARKET FOR THE EQUITY SHARES. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS [●], [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE OFFER PRICE DETERMINED AND JUSTIFIED BY OUR COMPANY IN CONSULTATION WITH THE LEAD MANAGER AS STATED IN CHAPTER TITLED AS “BASIS FOR ISSUE PRICE” BEGINNING ON PAGE NUMBER 81 OF THIS DRAFT PROSPECTUS, SHOULD NOT BE TAKEN TO BE INDICATIVE OF THE MARKET PRICE OF THE EQUITY SHARES AFTER THE EQUITY SHARES ARE LISTED. NO ASSURANCE CAN BE GIVEN REGARDING AN ACTIVE 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 Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the Issuer and the Offer including the risks involved. The Equity Shares in the Offer have neither been recommended nor approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled ‘ <i>Risk Factors</i> ’ beginning on page 26.	
ISSUER’S AND SELLING SHAREHOLDER’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 the Offer which is material in the context of the Offer, 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. Further, the Selling Shareholder assume responsibility that this Draft Prospectus contains all information about himself as a Selling Shareholder in the context of the Offer for Sale and further assumes responsibility for statements in relation to them included in this Draft Prospectus	
LISTING	
The Equity Shares issued through the Draft Prospectus are proposed to be listed on the SME Platform of NSE Emerge. Our Company has received ‘in-principle’ approval from National Stock Exchange of India Limited for the listing of the Equity Shares pursuant to letters dated [●]. For the purposes of the Offer, the Designated Stock Exchange shall be NSE Emerge.	
LEAD MANAGER	REGISTRAR TO THE ISSUE
<b>Khandwala Securities Limited</b> G II, Ground Floor, Dalamal House, Nariman Point, Mumbai 400021, Maharashtra India Telephone: +91 22 4076 7373 E-mail: <a href="mailto:ipo@kslindia.com">ipo@kslindia.com</a> Website: <a href="http://www.kslindia.com">www.kslindia.com</a> Investor Grievance E-mail: <a href="mailto:investorgrievances@kslindia.com">investorgrievances@kslindia.com</a> Contact Person: Parika Shah /Sakshi Sharma SEBI Registration No.: INM000001899	<b>Bigshare Services Private Limited</b> S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai, Maharashtra - 400093 Telephone: +91 22 6263 8200 E-mail: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> Contact Person: Babu Rapheal C SEBI Registration Number: INR000001385
OFFER PROGRAMME	
OFFER OPENS ON	[●] <sup>th</sup>
OFFER CLOSES ON	[●] <sup>th</sup>

## TABLE OF CONTENTS

<b>SECTION I – GENERAL</b>	<b>1</b>
DEFINITIONS AND ABBREVIATIONS	1
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION	14
FORWARD-LOOKING STATEMENTS	16
SUMMARY OF THE OFFER DOCUMENT	17
<b>SECTION II – RISK FACTOR</b>	<b>26</b>
<b>SECTION III – INTRODUCTION</b>	<b>46</b>
THE OFFER	46
GENERAL INFORMATION	54
CAPITAL STRUCTURE	62
OBJECTS OF THE OFFER	71
BASIS FOR THE OFFER PRICE	81
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS	86
SECTION – IV ABOUT OUR COMPANY	89
INDUSTRY OVERVIEW	89
OUR BUSINESS	102
KEY INDUSTRY REGULATIONS AND POLICIES	116
HISTORY AND CERTAIN CORPORATE MATTERS	121
OUR MANAGEMENT	124
OUR PROMOTERS AND PROMOTER GROUP	135
OUR GROUP COMPANIES	138
DIVIDEND POLICY	140
<b>SECTION V – FINANCIAL INFORMATION</b>	<b>141</b>
RESTATED FINANCIAL STATEMENTS	141
OTHER FINANCIAL INFORMATION	178
FINANCIAL INDEBTEDNESS	180
CAPITALISATION STATEMENT	182
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION	183
<b>SECTION VI – LEGAL AND OTHER INFORMATION</b>	<b>190</b>
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS	190
GOVERNMENT AND OTHER APPROVALS	194
OTHER REGULATORY AND STATUTORY DISCLOSURES	196
SECTION VII – OFFER INFORMATION	207
TERMS OF THE OFFER	207
OFFER STRUCTURE	215
OFFER PROCEDURE	217
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	248
<b>SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION</b>	<b>249</b>
<b>SECTION IX – OTHER INFORMATION</b>	<b>259</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	259
DECLARATION	261

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Prospectus uses certain definitions and abbreviations which, unless otherwise specified or the context otherwise indicates, requires or implies, shall have the meanings as provided below. References to any legislation, act, regulations, rules, guidelines, policies, circulars, notifications or clarifications shall be deemed to include all amendments, supplements, re-enactments and modifications thereto from time to time, and any reference to a statutory provision shall include any subordinate legislation framed from time to time thereunder that provision.*

*The words and expressions used in this Draft Prospectus but not defined herein will have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations framed thereunder. In the event of any inconsistency between the definitions given below and the definitions contained in the General Information document (as defined hereinafter), the following definitions shall prevail.*

*Notwithstanding the foregoing, the terms used in “Industry Overview”, “Key Regulations and Policies”, “Statement of Special Tax Benefits”, “Basis for the Offer Price”, “Financial Information”, “Outstanding Litigation and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” beginning on pages 89, 116, 86, 81, 141, 190 and 249 of this Draft Prospectus, respectively, will have the meaning ascribed to them in the relevant section.*

#### General Terms

Term	Description
KRI Entertainment Limited / The Company / Company / We / Us / Our Company	KRI Entertainment Limited, a public company incorporated under the Companies Act, 2013 and having its Registered Office at A201 to 206, 2nd floor, Fairlink Centre, Oshiwara Andheri, Mumbai, Maharashtra - 400053 India
You / your / yours	Prospective Investors in this Offer

#### Company Related Terms

Term	Description
Additional Director	An additional Director of our Company
AoA / Articles of Association / Articles	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Company, as described in “ <b>Our Management</b> ” beginning on page 124 of this Draft Prospectus
Auditor / Statutory Auditor / Peer Review Auditor	The Statutory Auditors of our Company, being M/s Naik Mehta & Co.
Board / Board of Directors	Unless otherwise specified the board of directors of our Company as duly constituted from time to time, including any committees thereof
Bankers to our Company	Standard Chartered bank and Central Bank of India
Corporate Identification Number	U90009MH2023PLC410214
Chief Financial Officer / CFO	Chief Financial Officer of our Company, Manish B Sharma. For details, see “ <b>Our Management</b> ” on page 124 of this Draft Prospectus.
Companies Act/Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable.
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, Kriti Goyal. For details, see “ <b>Our Management</b> ” on page 124 of this Draft Prospectus.
DIN	Director Identification Number
Director(s)	The director(s) on the Board of our Company as described in “ <b>Our Management</b> ” beginning on page 124 of this Draft Prospectus
Equity Shares	The equity shares of our Company of face value of ₹ 10 each

Term	Description
Equity Shareholders	The holders of Equity Shares of our Company from time to time
Executive Director(s)	Whole-time directors / executive directors on our Board
Group Companies	In terms of SEBI ICDR Regulations, the term ‘group companies’ includes companies (other than our Subsidiaries) with which there were related party transactions in accordance with IGAAP as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and such other companies as considered material by our Board in accordance with the Materiality Policy, and as identified in “ <b><i>Our Group Companies</i></b> ” on page 138.
Indian GAAP	Generally Accepted Accounting Principles in India.
Independent Director(s)	Independent directors on the Board, who are eligible to be appointed as an independent director under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, please refer to the chapter titled “ <b><i>Our Management</i></b> ” beginning on page 124.
ISIN	International Securities Identification Number, being INEOROJ01016.
Key Managerial Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as disclosed in “ <b><i>Our Management</i></b> ” beginning on page 124.
MD / Managing Director	The Managing Director of our Company is Shvate Sushma Kaull. For details, see “ <b><i>Our Management</i></b> ” on page 124 of this Draft Prospectus.
Materiality Policy	The policy adopted by our Board on February 15, 2024 for identification of material Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.
MoA / Memorandum / Memorandum of Association	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in “ <b><i>Our Management</i></b> ” beginning on page 124.
Non-executive Director(s)	The Non-executive Director(s) of our Company
Promoters	The Promoters of our Company, being Shvate Sushma Kaull and Zahid Akram Khan as disclosed in “ <b><i>Our Promoters and Promoter Group</i></b> ” beginning on page 135.
Promoter Group	The entities and persons constituting the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <b><i>Our Promoters and Promoter Group</i></b> ” beginning on page 135.
Registered Office	The registered office of our Company situated at A201 to 206, 2nd floor, Fairlink Centre, Oshiwara Andheri, Mumbai, Maharashtra - 400053 India
Registrar of Companies or RoC	The Registrar of Companies, Mumbai
Restated Financial Information / Restated Financial Statements/Financial Information	Restated financial statements of our Company for the year ended March 31, 2024, 2023 and 2022 prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) and examined by the Statutory Auditor in accordance with the requirements of the Companies Act and restated in accordance with the provisions of the SEBI ICDR Regulations. For details, see “ <b><i>Financial Information</i></b> ” on page 141 of this Draft Prospectus.
Stakeholders’ Relationship Committee	The Stakeholders’ Relationship Committee of our Board as described in “ <b><i>Our Management</i></b> ” beginning on page 124.
Senior Management Personnel/SMP	Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in the chapter titled “ <b><i>Our Management</i></b> ” beginning on page 124.
Stock Exchange	NSE Emerge
Whole-time Director(s)	Director(s) in the whole-time employment of our Company

## Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the respective Designated Intermediary(ies) to an Applicant as proof of registration of the Application Form
Allot / Allotment / Allotted /Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Offer of Equity Shares to the successful Applicants
Allotment Advice	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
Allottee(s)	A successful Applicant to whom the Equity Shares are being allotted
Applicant / Investor	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus and the Application Form.
Application	An indication to make an application during the Offer Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Offer Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus
Application Supported by Blocked Amount/ ASBA	An application (whether physical or electronic) by an ASBA Applicant to make an application authorizing the relevant SCSB to block the Application Amount in the relevant ASBA Account and will include application made by RIIs using the UPI Mechanism, where the Application amount will be blocked upon acceptance of UPI Mandate Request by RIIs
ASBA Account	A bank account maintained with an SCSB by an ASBA Applicant, as specified in the ASBA Form submitted by ASBA Applicants for blocking the Application Amount mentioned in the relevant ASBA Form and includes a bank account maintained by an RII linked to a UPI ID, which is blocked upon acceptance of a UPI Mandate Request made by the RII using the UPI Mechanism
ASBA Applicant	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this Draft Prospectus and the ASBA Form.
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicant which will be considered as the application for Allotment in terms of the Draft Prospectus.
Bankers to the Company	Such banks which are disclosed as Banker(s) to our Company in the chapter titled " <b>General Information</b> " on page 54.
Banker to the Offer / Refund Banker / Public Issue Bank	Collectively, Escrow Collection Bank, Public Offer Account Bank, Sponsor Bank and Refund Bank, as the case may be. In this case, being, [●].
Bankers to the Offer Agreement	Banker to the Offer Agreement entered on [●] amongst our Company, Lead Manager, the Registrar to the Issue and Banker to the Issue / Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Offer, described in the chapter titled " <b>Offer Procedure</b> " beginning on page 217.
Business Day	Any day on which commercial banks are open for the business.
CAN / Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange.
Circular's on Streamlining of Public Issues	Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 amended by circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular

Term	Description
	(SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard.
Client ID	Client Identification Number of the Beneficiary Account.
Collection Centers	Broker Centers notified by NSE where Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers, are available on the website of the EMERGE platform of NSE.
Collecting Depository Participant / CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Collecting Registrar and Share Transfer Agent / CRTAs	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://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 Applicant such as their address, PAN, occupation, bank account details and UPI ID (as applicable).
Depositories	National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depository Participant/ DP	A depository participant registered with SEBI under the Depositories Act.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange.
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, in terms of the Draft Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Offer.
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Offer.
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated RTA Locations	Such locations of the RTAs where applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the Stock Exchange.
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the ASBA Forms used by the applicant, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> .
Draft Prospectus	This draft prospectus issued in accordance with the SEBI ICDR Regulations.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules from jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the Application Form and this Draft Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares

Term	Description
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Offer and in relation to whom the Prospectus constitutes an invitation to subscribe to Equity Shares offered thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations.
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/ NACH in respect of the Applicant Amount.
Escrow Agreement	An agreement to be entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof.
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this case being [●].
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Fresh Offer	Fresh Offer of up to 24,00,000 Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs.
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 Offer 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 circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled “ <i>Offer Procedure</i> ” beginning on page 217 of this Draft Prospectus
Lead Manager/ LM	The Lead Manager to the Offer namely, Khandwala Securities Limited.
Listing Agreement	The Listing Agreement to be signed between our Company and EMERGE Platform of NSE (NSE EMERGE).
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, the Lead Manager and Market Maker.
Market Maker	The market maker of our Company being [●]
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of face value of ₹ 10 /- each fully paid-up for cash at a price of ₹ [●]/- per Equity Share aggregating to ₹ [●]Lakhs for the Market Maker in this offer.
MSME	Micro Small and Medium Enterprises

Term	Description
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of [●] Equity Shares of face value ₹ 10 /- each fully paid-up of our Company for cash at a price of ₹ [●]/- per Equity Share aggregating up to ₹ [●] Lakhs
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 71 of this Draft Prospectus.
Non-Institutional Bidders / Non-Institutional Investor / NIB/ NII	All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000.
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.
NRIs / Non-Resident Indian	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
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 Offer.
Offer/Public Offer/Offer Size Initial Public Offer /IPO/Offer	Offer of upto 30,00,000 Equity Shares of ₹10 each for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] lakh, comprising of fresh issue of 24,00,000 Equity Shares of ₹10 each for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] lakh by our Company and Offer for Sale of 6,00,000 Equity Shares of ₹10 each for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] lakh by Selling Shareholder, in terms of this Draft Prospectus.
Offer Agreement	The Offer Agreement dated August 8, 2024, between our Company and Lead Manager and Selling Shareholders
Offer Closing Date	The date on which Offer Closes for Subscription.
Offer for Sale / OFS	The offer for sale of up to 6,00,000 Equity Shares for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating up to ₹[●] lakhs by the Selling Shareholder at the Offer Price in terms of the Draft Prospectus.
Offer Opening Date	The date on which Offer Opens for Subscription.
Offer Period	The period between the Offer Opening Date and the Offer Closing Date, inclusive of both days, during which prospective Investors may submit their application.
Offer Price	The price at which Equity Shares are being Offered by our Company being ₹[●] per share.
Offered Shares	Shall mean the Equity Shares offered by the Selling Shareholder in the Offer by way of Offer for Sale.
Offer Proceeds	The proceeds of the Offer as stipulated by the Company. For further information about use of the Offer Proceeds please refer to Section titled “ <i>Objects of the Offer</i> ” beginning on page 71.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context may require.
Public Offer Account	Bank account opened with the Public Offer Account Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date

<b>Term</b>	<b>Description</b>
Public Offer Account Bank/ Public Offer Bank	The bank which is a clearing member and registered with SEBI as a banker to an Offer and with which the Public Offer Account has been opened, in this case being [●].
Publicity Guidelines	Publicity Guidelines as mandated under Schedule IX of the ICDR Regulations
QIBs/ Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI ICDR Regulations.
Refund Account	Account to which Application monies are to be refunded to the Bidders.
Refund through electronic transfer of funds	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable.
Refund Bank / Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Account will be opened, in this case being [●].
Registered Brokers	Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of [●] having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012.
Registrar Agreement	The agreement dated August 22, 2024 entered between our Company and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar pertaining to the Offer.
Registrar and Share Transfer Agents / RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of Circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar to the Issue/ Registrar	Registrar to the Offer being Bigshare Services Private Limited
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2 lakhs.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidders can revise their Application Forms during the Offer Period and withdraw their Application Forms until Offer Closing Date.
SME	Small and medium sized enterprises
SME Exchange	EMERGE platform of NSE
Self-Certified Syndicate Bank(s) / SCSBs	A bank registered with SEBI under SEBI (Bankers to an Offer) Regulations, 1994 and offer services in relation to ASBA a list of which is available on website of SEBI <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Sponsor Bank	Sponsor Bank being [●] being a Banker to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIIs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars.
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Stock Exchange	The SME Platform of NSE Emerge
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form.
Underwriter	[●]
Underwriting Agreement	The Agreement dated [●] entered between the Underwriter and our Company
UPI	Unified payment Interface, which is an instant payment mechanism,

Term	Description
UPI Applicant	developed by NPCI Collectively, individual investors applying as RIBs in the Retail Portion, and individuals applying as Non-Institutional Investors with a Application Amount of up to ₹5,00,000 in the Non-Institutional Portion by using the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 5,00,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/ dated March 16, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
UPI Investors	SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹5 lakhs shall use the UPI Mechanism. In light of the above, NIIs investment up to 5 lakhs may participate through UPI mechanism and accordingly they should be classified as UPI Investors
UPI ID	ID Created on the UPI for single-window mobile payment system developed by NPCI
UPI PIN	Password to authenticate UPI transaction
UPI Mandate Request	A request (intimating the UPI Investors by way of a notification on the UPI application and by way of a SMS directing the UPI Investors to such UPI mobile application) to the UPI Investors 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 Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 5.00 lakhs shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on

Term	Description
	the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Mechanism	The bidding mechanism that may be used by UPI Investors in accordance with the UPI Circulars to make an ASBA Bid in the Issue
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter	An entity or a person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	Working Day shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in city as mentioned in this Draft Prospectus are open for business and in case of the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

#### Industry Related Terms or Abbreviations

Term	Description
A&R	Artists & Repertoire
EMDEs	Emerging Market and Developing Economies
GDP	Gross Domestic Product
IFPI	International Federation of Phonographic Industry
IPR	Intellectual Property Rights
M&E	Media and Entertainment Industry
NSO	National Statistical Office
OOH	Out-of-home
OTT	Over-the-top
VFX	Visual Effects

#### Conventional Terms / General Terms / Abbreviations

Term	Description
AGM	Annual General Meeting
Alternative Investment Funds / AIFs	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
Arbitration Act	The Arbitration and Conciliation Act, 1996
AS or Accounting Standards	Accounting Standards as notified by Companies (Accounting Standards) Rules, 2016
CAGR	Compound Annual Growth Rate
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Code	The Code of Civil Procedure, 1908
Companies Act, 2013 or Companies Act	The Companies Act, 2013 read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder

Term	Description
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
COPRA	The Consumer Protection Act, 1986
CSR	Corporate Social Responsibility
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's identity number
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI
DP or Depository Participant	A depository participant as defined under the Depositories Act
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and the regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI
Financial Year(s) or Fiscal or Fiscal Year or FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
EMI	Equated Monthly Investment
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI	Central Government / Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	The Institute of Chartered Accountants of India
IEC	Importer Exporter Code
IFRS	International Financial Reporting Standards
Income Tax Act	Income Tax Act, 1961
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS Rules	The Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP/ IGAAP	Accounting standards notified under Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules 2006 and the Companies (Accounts) Rules, 2014 in so far as they apply to our Company, as amended
INR/ Indian Rupee/ ₹	Indian Rupee, the official currency of the Republic of India

Term	Description
IPR	Intellectual Property Rights
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
Listing Agreement	The agreement to be entered into between our Company and Stock Exchange in relation to listing of the Equity Shares on such Stock Exchange
MCA/ Ministry of Corporate Affairs	Ministry of Corporate Affairs, GoI
Mn/mn	Million
MSME	Micro, Small and Medium Enterprises
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NAV	Net asset value
NACH	National Automated Clearing House
NBFC	Non-banking financial company
NEFT	National Electronic Funds Transfer
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NR or Non-Resident	A person resident outside India, as defined under the FEMA, including Eligible NRIs, FPIs and FVCIs registered with the SEBI
NRE	Non-Resident External Accounts
NRO	Non-Resident Ordinary Accounts
NSDL	National Securities Depository Limited
MIM	Multi Investment Manager
P&L	Profit and loss account
p.a.	Per annum
PAT	Profit after tax
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PFRDA	Pension Fund Regulatory and Development Authority
Q&A	Questions & answers
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
RoW	Rest of the World
RTGS	Real Time Gross Settlement
SBO Rules	Companies (Significant Beneficial Owners) Rules, 2018

Term	Description
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as amended
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended
Sq. ft. / sq. ft.	Square feet
Stamp Act	The Indian Stamp Act, 1899
State Government	The Government of a State of India
STT	Securities Transaction Tax
Supreme Court	The Supreme Court of India
TAN	Tax Deduction and Collection Account Number
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
TDS	Tax deducted at source
Trademarks Act	Trade Marks Act, 1999, as amended
UPI	Unified Payments Interface
USA / United States of America / US	The United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
UK	United Kingdom
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the

Term	Description
	SEBI VCF Regulations
Year/ calendar year	Unless context otherwise required, shall mean the twelve-month period ending December 31

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

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to “India” contained in this Draft Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable.

Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time (“IST”). Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

In this Draft Prospectus, the terms “we”, “us”, “our”, “the Company”, “our Company”, “Issuer”, “Issuer Company”, unless the context otherwise indicates or implies, refers to “Kri Entertainment Limited”.

### Financial Data

Unless the context otherwise requires or indicates, the financial information, financial ratios and any percentages amounts, as set forth in “*Risk Factor*”, “*Our Business*” and “*Management’s Discussion and Analysis of the Financial Condition and Results of Operations*” beginning on page 26, 102 and 183, respectively, and elsewhere in this Draft Prospectus is derived from our Restated Financial Statements. Our Restated Financial Statements included in this Draft Prospectus comprises of the Restated Statement of Assets and Liabilities as at and **the financial information of the Company is for the period ended from September 26, 2023 to March 31, 2024 and for KRI Entertainment (Partnership Firm) for the period ended September 25, 2023 and for the financial year ended on March 31, 2023 and March 31, 2022** and the Restated Profit & Loss Account and Restated Cash Flow for financial years **of the Company is for the period ended from September 26, 2023 to March 31, 2024 and for KRI Entertainment (Partnership Firm) for the period ended September 25, 2023 and for the financial year ended on March 31, 2023 and March 31, 2022** March 31, 2023 and March 31, 2022 prepared in accordance with Indian GAAP, the Companies Act, restated in accordance with the SEBI (ICDR) Regulations, and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by ICAI, together with the schedules, notes and annexure thereto.

For further information on Our Company’s financial information see “*Restated Financial Information*” beginning on page 141.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year; accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Reference in this Draft Prospectus to the terms Fiscal or Fiscal Year of Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

The degree to which the financial information included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Indian GAAP, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Prospectus should be limited. There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide conciliation of its financial statements with IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data.

In this Draft Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Draft Prospectus.

### Currency and Units of Presentation

All references to “₹” or “Rupees” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$”, “U.S. Dollar”, “USD” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

In this Draft Prospectus, our Company has presented certain numerical information. All figures have been expressed in lakhs, except where specifically indicated. One lakh represents 1,00,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than lakhs in their respective sources, such figures appear in this Draft Prospectus expressed in such denominations as provided in such respective sources.

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”.

### Industry and Market Data

Unless stated otherwise, industry and market data and forecast used throughout this Draft Prospectus has been derived from Company reports, data, websites and publicly available industry sources as well as Government publications etc. Industry publications 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 are not guaranteed, and their reliability cannot be assured.

Although, we believe that the industry and market data used in this Draft Prospectus is reliable, it has not been independently verified by us or the LM or any affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.

In accordance with SEBI (ICDR) Regulations, 2018 the chapter titled “*Basis of Offer Price*” beginning on page 81 includes information relating to our group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

### Exchange Rates

This Draft Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency <sup>(1) (2)</sup>	Exchange rate as on March 31, 2024	Exchange rate as on March 31, 2023	Exchange rate as on March 31, 2022
1 USD	83.37	82.21	75.81
1 GBP	105.29	101.87	99.55

Source: [www.fbil.org.in](http://www.fbil.org.in)

(1) The reference rates are rounded off to two decimal places.

(2) In case of a public holiday, the previous working day not being a public holiday has been considered.

## FORWARD-LOOKING STATEMENTS

This Draft Prospectus contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as *aim, strive, anticipate, are likely, believe, expect, estimate, intend, likely to, objective, plan, project, propose, will, seek to, will continue, will pursue* or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Prospectus that are not statements of historical fact constitute 'forward-looking statements'. All statements regarding our expected financial conditions and results of operations, business plans and objectives, strategies and goals and prospects are forward looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. This could be due to risks or uncertainties associated with expectations relating to, and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/ or violence, regulations and taxes and changes in competition in the industries in which we operate. Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- We significantly rely on talent and celebrity management services for a significant amount of revenue, and any interruption or reduction in the customers in the said division may adversely affect our business and results of operation
- Our indebtedness and the conditions and restrictions imposed on us by our financing agreements;
- Exposure to regulatory and other geography specific risks such as weather and natural occurrences as well as regulatory, economic, demographic and other changes in Maharashtra and other states where we undertake our business activities;
- We depend on our talent rosters for a significant portion of our revenue, and any decrease in revenues from any one of such key customers may adversely affect our business and results of operations.
- The commercial success of our services depends to a large extent on the success of the success of our end use customers and the M&E industry as whole.

For details regarding factors that could cause actual results to differ from expectations, see “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 26, 102 and 183, respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Applicants that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Applicants are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as on the date of this Draft Prospectus 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. Neither our Company, our Promoters, our Directors, the LM 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 the SEBI ICDR Regulations, our Company and the LM will ensure that the Applicants in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity shares pursuant to the Offer.

## SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including "*Risk Factors*", "*The Offer*", "*Capital Structure*", "*Objects of the Offer*", "*Industry Overview*", "*Our Business*", "*Management's Discussion and Statements*", "*Restated Financial Statements*", "*Outstanding Litigation and Material Developments*", "*Offer Procedure*", and "*Description of Equity Shares and Terms of the Articles of Association*" beginning on pages 26, 46, 62, 71, 89, 102, 183, 141, 190, 217 and 249, respectively of this Draft Prospectus.

### Summary of Business

Our Company is primarily engaged in providing talent management services across the Media and Entertainment (M&E) industry. We manage artists, celebrities, and a wide array of technical talent, including writers, directors, hair & make up personnel. Beyond talent management, we offer services in production & content packaging, advertising and event management services

Originally formed as a partnership firm, M/s Kri Entertainment by Shvate Sushma Kaull and Zahid Akram Khan (the then partners of M/s Kri Entertainment and Promoters of our Company), the business of our Company was driven by our Promoters and their experience in the field of talent and celebrity management in the Bollywood film industry. Our Promoter and Managing Director, Shvate Sushma Kaull has an overall experience of around 14 years in the talent management and celebrity management industry, specializes in branding and has previously managed celebrities from 2011 to 2016 before the formation of M/s Kri Entertainment. Our Promoter and Executive Director, Zahid Akram Khan has an overall experience of around 15 years in the talent management and celebrity management industry and has previously managed celebrities from 2009 to 2016 before the formation of M/s Kri Entertainment.

### Summary of Industry

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. In India, though, the picture is more promising. E&M revenue in the country witnessed 15.9% growth to USD 46,207 million in 2022 compared to 2021. In fact, the Indian market is poised to grow at a compound annual growth rate (CAGR) of 9.7% in the forecast period to reach USD 73,560 million in 2027.

### Names of our Promoters

Shvate Sushma Kaull and Zahid Akram Khan are the Promoters of our Company. For further details, see "*Our Promoter and Promoter Group*" beginning on page 135 of this Draft Prospectus.

### The Offer

<b>Equity Shares Offered<sup>(1)</sup></b>	Offer of upto 30,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs.
Present Offer of Equity Shares by our Company and the Selling Shareholder	
<b>The Offer consists of</b>	
<b>Fresh Offer<sup>(1)</sup></b>	Upto 24,00,000 Equity Shares of ₹ 10. Each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs.

<b>Offer for Sale</b>	Upto 6,00,000 Equity Shares of ₹ 10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs.
<b>Out of which</b>	
<b>Market Maker Reservation Portion</b>	Up to [●] Equity Shares of ₹[●] each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●]
<b>Net Offer to the Public</b>	Up to [●] Equity Shares of ₹[●] each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●]

(1) The Offer including the Issue has been authorised by our Board of Directors and our Shareholders pursuant to the resolutions passed at their meetings dated July 11, 2024 and August 5, 2024 respectively.

For further details, see “*The Offer*”, “*Offer Structure*”, and “*Offer Procedure*” on page 46, 215 and 217 of this Draft Prospectus.

### Objects of the Offer

The fund requirements for each of the Object of the Offer are stated as below:

	(₹ in lakhs)
<b>Objects</b>	<b>Amount</b>
Gross Proceeds from the Fresh Offer	[●]
Less: Estimated Issue related expenses in relation to the Fresh Offer (only those apportioned to the Company)	[●]
<b>Net Proceeds from the Fresh Offer (Net Proceeds)*</b>	<b>[●]</b>

\*To be updated in the Prospectus prior to filing with the RoC.

### Utilization of Net Proceeds

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

		(₹ in Lakhs)
<b>Sr. No.</b>	<b>Objects</b>	<b>Amount</b>
1.	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	296.28
2.	Funding of working capital requirements of our Company	400
3.	General Corporate Purposes includes inorganic opportunity <sup>#</sup>	[●]
<b>Total</b>		<b>[●]</b>

<sup>#</sup>To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the ROC

<sup>#</sup> The amount utilised for general corporate purposes and pursuing inorganic acquisitions shall not exceed 35% of the Gross Proceeds. The amount to be utilised for general corporate purposes alone or for pursuing inorganic initiatives alone shall not exceed 25% of the Gross Proceeds

### The aggregate shareholding of the Promoters and Promoter group

<b>Sr. No.</b>	<b>Name of the Shareholder</b>	<b>Number of Equity Shares</b>	<b>Percentage of the Pre-Issue Equity Share capital (%)<sup>*</sup></b>	<b>Percentage of the Post-Issue Equity Share capital (%)</b>
<b>Promoters</b>				
1.	Zahid Akram Khan	34,92,450	46.44	[●]
2.	Shvate Sushma Kaull	34,92,450	46.44	[●]
<b>Promoter Group</b>				
1.	Mahasweta Ghosh	7,020	0.09	[●]
2.	Sushma Ravi Kaul	7,020	0.09	[●]
3.	Neha Kaul	7,020	0.09	[●]
4.	Parina Suresh Parekh	7,020	0.09	[●]
5.	Arif Gulam Khan	7,020	0.09	[●]
<b>Total</b>		<b>70,19,800</b>	<b>93.24</b>	

\*Rounded off to the closest decimal

### Summary of Financial Information:

The financial information of the Company is for the period ended from September 26, 2023 to March 31, 2024 and for KRI Entertainment (Partnership Firm) for the period ended September 25, 2023 and for the financial year ended on March 31, 2023 and March 31, 2022.

### STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS RESTATED

(₹ In Lakhs)						
Sr No	Particulars	Annexure No.	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
	<b>EQUITY AND LIABILITIES</b>					
1.	Shareholders Funds					
	a. Share Capital	V	351.00	-	-	-
	b. Partners capital account	VI(a)	-	1.00	1.00	1.00
	c. Partners current account	VI(b)	-	316.50	254.81	85.13
	d. Reserves & Surplus	VI	301.88	-	-	-
2.	Non - Current Liabilities					
	a. Long-term Borrowings	VII	305.91	219.66	213.42	247.97
3.	Current Liabilities					
	a. Short Term Borrowings	VIII	569.20	201.25	81.43	-
	b. Trade Payables	IX				
	- Due to Micro, Small and Medium Enterprises		-	1.07	0.15	-
	- Due to Others		315.41	126.31	324.96	17.86
	c. Other Current liabilities	X	171.89	69.44	69.28	35.34
	d. Short Term Provisions	XI	5.90	30.02	20.67	33.60
	Total		2,021.19	965.25	965.72	420.90
	<b>ASSETS</b>					
	Non Current Assets					
	a. Property, Plant & Equipment and Intangible Assets	XII				
	- Property, Plant & Equipment		336.24	128.25	100.53	72.87
	- Intangible Assets		175.00			
	- Capital Work-in-Progress				-	-
	b. Non-Current Investments	XIII	0.30	-	-	-
	c. Deferred Tax Assets (Net)	XIV	13.55	5.55	3.90	1.13
	d. Long-term Loans & Advances	XV	-	-	-	-
	e. Other Non-current assets	XVI	10.95	10.75	35.75	28.51
	Total		2,021.19	965.25	965.72	420.90

### STATEMENT CONSOLIDATED OF PROFIT AND LOSS AS RESTATED

(₹ In Lakhs)							
Sr. No	Particulars	Annexure No.	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
1.	<b>INCOME</b>						
	Revenue from Operations	XXI	2,157.29	1,400.98	756.31	1,461.56	364.64
	Other Income	XXII	11.42	2.53	8.89	19.78	4.64
	Total Income (A)		2,168.71	1,403.51	765.20	1,481.34	369.28
2.	<b>EXPENDITURE</b>						

Sr. No	Particulars	Annexure No.	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
	Employee benefits expense	XXIII	136.20	95.51	40.69	110.38	135.48
	Finance costs	XXIV	80.03	46.79	33.24	33.33	16.39
	Depreciation and amortization expense	XXV	72.34	54.69	17.65	27.00	11.80
	Other expenses	XXVI	1,391.11	757.33	633.78	1,020.56	134.66
	Total Expenses (B)		1,679.68	954.32	725.36	1,191.27	298.33
3.	Profit before extraordinary items and tax(A-B)		489.03	449.19	39.84	290.07	70.95
	Prior period items (Net)						
	Profit before exceptional, extraordinary items and tax			449.19	39.84	290.07	70.95
	Exceptional items			-	-	-	-
	Profit before extraordinary items and tax			449.19	39.84	290.07	70.95
	Extraordinary items			-	-	-	-
3.	Profit before tax		489.03	449.19	39.84	290.07	70.95
4.	<b>Tax Expense:</b>						
	(i) Current tax	XXXII	133.70	121.81	11.89	77.14	18.93
	(ii) Deferred tax expenses/(credit)	XIV	(9.66)	(8.00)	(1.65)	(2.76)	(0.82)
	(iii) Short /excess provision for tax			-	-	-	-
	(iii) MAT Credit Entitlement			-	-	-	-
	<b>Total tax Expenses (D)</b>		<b>124.05</b>	<b>113.81</b>	<b>10.24</b>	<b>74.38</b>	<b>18.11</b>
5.	<b>Profit for the year (C-D)</b>		<b>364.98</b>	<b>335.38</b>	<b>29.60</b>	<b>215.70</b>	<b>52.84</b>
6.	<b>Earnings per share (Face value of ₹ 10/- each):</b>						
	<b>i. Basic</b>		<b>305.54</b>	<b>9.56</b>	<b>295.98</b>	<b>2,156.97</b>	<b>528.41</b>
	<b>ii. Diluted</b>		<b>305.54</b>	<b>9.56</b>	<b>295.98</b>	<b>2,156.97</b>	<b>528.41</b>

#### STATEMENT OF CONSOLIDATED CASH FLOW AS RESTATED

(₹ In Lakhs)

Particulars	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash Flow From Operating Activities:</b>				
Net Profit before tax as per Profit And Loss A/c	449.19	39.84	290.07	70.95
<b>Adjustments for:</b>				
Finance Cost	46.79	33.24	33.33	16.39
Depreciation and Amortisation Expense	54.69	17.65	27.00	11.80
<b>Operating Profit Before Working</b>	<b>550.67</b>	<b>90.73</b>	<b>350.40</b>	<b>99.14</b>

Particulars	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25 , 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Capital Changes</b>				
Adjusted for (Increase)/Decrease in operating assets				
Inventories	-	-	-	-
Trade Receivables	(428.44)	(35.31)	(468.76)	(28.04)
Long / Short term loan and advances	(155.05)	144.12	(43.87)	61.28
Other assets	(79.90)	(125.51)	16.74	(41.30)
Adjusted for Increase/(Decrease) in operating liabilities:				
Trade Payables	188.03	(197.73)	307.25	5.56
Other Current Liabilities & Provisions	103.35	1.96	19.27	22.24
<b>Cash Generated From Operations Before Extra-Ordinary Items</b>	<b>178.66</b>	<b>(121.74)</b>	<b>181.03</b>	<b>118.87</b>
Net Income Tax paid/ refunded	(146.82)	(4.33)	(75.41)	-
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>31.84</b>	<b>(126.07)</b>	<b>105.62</b>	<b>118.87</b>
Purchase of property, plant & equipment and intangible assets	(437.68)	(45.37)	(54.66)	(82.52)
Purchase of investments	(0.30)	-	-	-
<b>Investment Made in Debt Securities</b>				
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(437.98)</b>	<b>(45.37)</b>	<b>(54.66)</b>	<b>(82.52)</b>
<b>Cash Flow from Financing Activities:</b>				
Proceeds/(Repayment) of Borrowings	454.15	126.08	46.89	44.78
Withdrawal by partners	-	32.09	-	(50.00)
Contribution from partners	-	-	(46.02)	-
Finance Cost Paid	(46.79)	(33.24)	(33.33)	(16.39)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>407.36</b>	<b>124.93</b>	<b>(32.46)</b>	<b>(21.61)</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	1.22	(46.51)	18.51	14.74
Cash & Cash Equivalents As At Beginning of the Year	24.79	71.30	52.80	38.05
Cash & Cash Equivalents As At End of the Year	<b>26.02</b>	<b>24.76</b>	<b>71.30</b>	<b>52.80</b>

For further details, see “*Financial Information*” beginning on page 141 of this Draft Prospectus.

### Qualifications of the Statutory Auditors

Our Statutory Auditor has not included any qualifications in the financial statements which have not been given effect to in the Restated Financial Statements.

### Summary of outstanding litigation

A summary of outstanding litigation proceedings as on the date of this Draft Prospectus as disclosed in the section titled “*Outstanding Litigations and Material Development*” in terms of the SEBI ICDR Regulations and the

Materiality Policy is provided below:

(₹ in lakhs)

Nature of Cases	Number of outstanding cases	Amount Involved*
<b><i>Litigation involving our Company</i></b>		
Criminal proceedings	Nil	Nil
Outstanding Actions by regulatory and statutory authorities	Nil	Nil
Material civil litigation	Nil	Nil
Direct and indirect tax proceedings	12	143.45
<b><i>Litigation involving our Directors(other than Promoters)</i></b>		
Criminal proceedings	Nil	Nil
Outstanding Actions by regulatory and statutory authorities	Nil	Nil
Material civil litigation	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
<b><i>Litigation involving our Promoters</i></b>		
Criminal proceedings	Nil	Nil
Outstanding Actions by regulatory and statutory authorities	Nil	Nil
Material civil litigation	Nil	Nil
Direct and indirect tax proceedings	2	22.73

For further details on the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" and "***Risk Factors***" beginning on page 190 and page 26 respectively of this Draft Prospectus.

#### **Risk factors**

For further details, see "***Risk Factors***" beginning on page 26 of this Draft Prospectus.

#### **Summary of contingent liabilities**

The Company has no contingent liability as on date of the draft prospectus.

For details, see "***Restated Financial Statements***" beginning on page 141 of this Draft Prospectus.

### Summary of Related Party Transactions

Following is the summary of the related party transactions entered by the Company (based on the Restated Financial Statements) for the Financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022:

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the year ended March 31, 2024	Amount outstanding as on March 31, 2024 (Payable)/ Receivable	Amount of transaction during the year ended September 25, 2023	Amount outstanding as on September 25, 2023 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2023	Amount outstanding as on March 31, 2023 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2022	Amount outstanding as on March 31, 2022 (Payable)/ Receivable
Shvate Sushma Kaull	Partner & Managing Director	Remuneration	18.00	(16.84)	-	-	18.00	-	36.00	-
		Advance given	-	-	-	-	7.37	147.39	15.02	140.02
		Advance Repaid	-	-	147.39		-		-	
Zahid Akram Khan	Partner & Director	Remuneration	18.00	(2.46)	-	-	18.00	-	36.00	-
		Advance given	-	-	-	-	-	-	1.45	1.45
		Advance Repaid			-		1.45		-	
		Advance Taken	41.86	(41.86)	-	-	-	-	-	-
		Advance Repaid	-		-		-		-	
Neha Kaul	Relative of director	Advances Given	-	30.00	-	30.00	-	30.00	-	-
Parina Suresh Parekh	Relative of director	Salary	7.16	(0.35)	5.01	(0.90)	7.28	(0.84)	5.76	(0.50)
Smash Factor Sport Private Limited	Related Company	Loan Given	2.27	56.79	2.07	54.52	3.93	52.44	1.00	48.51
		Loan Repaid	-		-		-		-	

## Financing Arrangements

There have been no financing arrangements whereby our Promoter, member of Promoter Group, Directors of our Company and their relatives have financed the purchase of any securities of our Company by any other person during a period of six (6) months immediately preceding the date of this Draft Prospectus.

## Weighted average price at which the Equity Shares were acquired by our Promoters in the one year preceding the date of this Draft Prospectus

Name of the Promoters	Number of equity shares acquired in the one year preceding the date of this Draft Prospectus	Weighted average price per Equity Share (₹)
<b>Promoters</b>		
Shvate Sushma Kaull	34,87,478	00
Zahid Akram Khan	34,87,478	00
<b>Total</b>	<b>69,74,956</b>	

## Average Cost of Acquisition of Equity Shares by our Promoters

Name of the Promoters	Number of equity shares acquired in the one year preceding the date of this Draft Prospectus	Average cost price per Equity Share (₹)
<b>Promoters</b>		
Shvate Sushma Kaull	34,87,478	0.01
Zahid Akram Khan	34,87,478	0.01
<b>Total</b>	<b>69,74,956</b>	

## Details of Pre-IPO Placement

Our Company is not proposing to undertake any pre-IPO placement.

## Issue of Equity Shares for consideration other than cash in the last one year

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
February 15, 2024	35,00,000	10	N.A	Bonus issue in the ratio of Three hundred and Fifty (350) bonus Equity Shares for every one (1) Equity Share held in the Company <sup>(1)</sup>	Capitalization of reserves
June 21, 2024	37,60,000	10	N.A	Bonus issue in the ratio of One (1) bonus Equity Shares for every one (1) Equity Share held in the Company <sup>(2)</sup>	Capitalization of reserves

(1) Allotment of 17,41,250 Equity Shares to Zahid Akram Khan, 17,41,250 Equity Shares to Shvate Sushma Kaull, 3,500 Equity Shares to Mahasweta Ghosh, 3,500 Equity Shares to Sushma Ravi Kaul, 3,500 Equity Shares to Neha Kaul, 3,500 Equity Shares to Parina Suresh Parekh and 3,500 Equity Shares to Arif Gulam Khan.

(2) Allotment of 17,46,225 Equity Shares to Shvate Sushma Kaull, 17,46,225 Equity Shares to Zahid Akram Khan, 3,510 Equity Shares to Sushma Kaul, 3,510 Equity Shares to Neha Kaul, 3,510 Equity Shares to Parina Suresh Parekh, 3,510 Equity Shares to Arif Gulam Khan, 3,510 Equity Shares to Mahasweta Ghosh, 75,000 Equity Shares to M/s Intgrai Technology Private Limited, 75,000 Equity Shares to Sandeep Kumar Agarwal and 1,00,000 Equity Shares to PJ Wealth Management and Consultant Private Limited,

For further details pertaining to Offer of Equity Shares for consideration other than cash, kindly refer to the chapter titled "**Capital Structure**" beginning on page 62

**Split/ Consolidation of equity shares in the last one year.**

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year as on date of filing of this Draft Prospectus.

**Exemption from complying with any provisions of securities laws, if any, granted by SEBI.**

Our Company has not taken any exemption from complying with any provisions of the Securities Law from SEBI as on the date of filing of this Draft Prospectus.

## SECTION II –RISK FACTOR

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Offer. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the sections “*Industry Overview*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 89, 102 and 183 of this Draft Prospectus, respectively. The industry-related information disclosed in this section is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications 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.

This Draft Prospectus also contains forward-looking statements that involve risks, assumptions, estimates 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, in the section titled “*Forward-Looking Statements*” on page 16 of this Draft Prospectus.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information.

### **Materiality:**

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

- Some events may not be material individually but may be found material collectively;
- Some events may have material impact qualitatively instead of quantitatively; and
- Some events may not be material at present but may have a material impact in future.

The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this Draft Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to 'Kri Entertainment Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding.

## INTERNAL RISK FACTORS

### BUSINESS RELATED RISKS

**1. Our Registered Office from where we operate are not owned by us.**

Our Registered Office premise situated at A201 to 206, 2nd floor, Fairlink Centre, Oshiwara, Andheri, Mumbai, Maharashtra - 400053 is not owned by us, it is taken on rental basis vide rent agreement dated May 5, 2022, for a period of 55 months December 6, 2026. We cannot assure that we will be able to continue the above arrangement on commercially acceptable / favorable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and it cannot be assured that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or must pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition. Additionally, any termination of the lease agreements in connection with the property or our failure to renew the same could adversely affect our operations.

**2. We depend on our talent rosters for a significant portion of our revenue, and any decrease in revenues from any one of such key customers may adversely affect our business and results of operations.**

Our Company is primarily engaged in providing talent and celebrity management services and also provides services relating to content packaging. We are majorly dependent upon our talent rosters (customers), who have been associated with our Company. The revenue from our top five rosters during the preceding three Fiscals ended 2024, 2023 and 2022 is as under;

Particulars	March 31, 2024		March 31, 2023		March 31, 2022	
	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue
Revenue from top five talent rosters	442.08	20.38	148.28	10.01	298.64	80.87
Total	2168.71	100	1481.34	100	369.28	100

Any decrease in the demand for our offerings from our rosters, or a termination of our arrangements altogether, would adversely impact our results of operations, financial condition and cash flow. These customers may change their outsourcing strategy by replacing us with our competitors. Also, these customers may demand price reductions and there is no assurance that we will be able to offset any reduction of prices to these customers with reductions in our costs or by acquiring new customers. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business or that we will be able to significantly reduce customer concentration in the future.

To increase our revenue, we must continue to attract new customers. Our success will depend to a substantial extent on the widespread adoption of our offerings. Numerous factors may impede our ability to add new customers, including but not limited to, our failure to compete effectively against competitors, failure to attract qualified personnel and effectively train our personnel, failure to successfully innovate and deploy new services or failure to provide a quality customer experience and customer support.

**3. We typically do not have firm commitment with our customers. If our customers choose not to source their requirements from us, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.**

While we have long term relationships with our customers, we typically do not enter into agreements with our customers and the success of our business is accordingly significantly dependent on us

maintaining good relationships with our customers. Due to the absence of agreements with our customers, the actual sale of services by our Company may differ from the estimates of our management. The loss of one or more of these significant or key customers could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

In the absence of formal agreements, if our customers arbitrarily terminate work orders or fail to make payment towards the services offered by us, we may not be in a position to claim compensation. We cannot assure you that such customers shall fulfil their obligations under such arrangements entirely, or at all, shall not breach certain terms of their arrangements with us, including with respect to payment obligations or shall not choose to terminate their arrangements with our Company. In the absence of formal arrangements, the ability of our Company to litigate our customer on account of termination of arrangements or non-adherence of terms of arrangements may be curtailed. We cannot assure you that such instances will not occur in the future and will not adversely affect our business, results of operations and financial condition.

**4. The commercial success of our services depends to a large extent on the success of our end use customers and the M&E industry as whole.**

Our Company is significantly dependent on our celebrities/rosters engaged in M&E industries who approach us and engage our services for managing them. The demand of our services is directly proportional to the demand of the services of our customers and the success in M&E industries. Therefore the commercial success of our business is highly dependent on the commercial viability and success of our customers. Any downturn in the industries or the demand of the products or services of our customers, could have a direct impact on the demand of our services and our business operations. Any disturbance in the industry in which our customers operate could adversely impact our business due to our high dependence on our customers. Alternatively, in the event our customers are able to internalise their event management operations, or if our customers are able to find a cheaper alternative for our services, it may conversely result in a reduction in the demand of our services and have a material adverse effect on our business, financial condition and results of operations.

**5. Our content packaging business is dependent upon the taste and preferences of the audience. Any shift in consumer taste and preference will have a negative impact on our business.**

Our Company also undertakes content packaging for films, web series, or other multimedia projects whereby our Company pre-packages and constructs a project (whether films, web series or other multimedia projects) from the ground-up whereby our Company takes care of all the aspects of content creation which involves several key steps to ensure the content is market-ready and appeals to the target audience. The entertainment industry is prone to unforeseen shifts in tastes and preferences of audiences, which can significantly impact our Company's operations. Production of content to various TV Channels and digital platforms, demand for which depends substantially on consumer tastes or preferences that often change in unpredictable ways. This unpredictability makes it crucial for us to consistently produce entertainment that meets the dynamic and evolving tastes of the broad consumer market within India. The popularity and economic success of our TV series, web series and other digital content depends on many factors including general public tastes, key talent involved, the promotion and marketing of the 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 the content that appeal to audiences or to accurately judge audience acceptance of content, the commercial success of such serials will be in doubt, which could result in costs exceeding revenues generated or anticipated profits not being realized, which could have material adverse effect on our business, prospects, financial condition and results of operations.

**6. For our content packaging services, we rely on third parties and our inability to manage our relationship with third parties may adversely affect our profitability, and our future results of operations and growth prospects**

The content packaging involves various activities including concept development, talent acquisitions, pre-production, production, post-production, marketing and promotion, distribution, monetisation, audience engagement, etc. Therefore, we are dependent on third party talents including but not limited to actors, directors and script writers for executing the ideas in respect of our digital content, production team, distribution and marketing agencies. If we are unable to manage our relationship with third parties, we may not be able to recover costs of our investments and eventually achieve profitability, and our future results of operations and growth prospects may be materially and adversely affected.

**7. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.**

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. The total amount outstanding and payable by us as secured loans was ₹176.49 lakhs, as on March 31, 2024. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be subject to forfeiture by lenders, which in turn could have significant adverse effect on our business, financial condition or results of operations. For further details of the secured loans availed by us, see “*Financial Indebtedness*” on page 180.

**8. Our events business is dependent on third party vendors for activities related to the event like décor & production, lighting, and other equipment, other services & facilities etc. Non-availability of such vendor may adversely affect our business and results of operations.**

Our Company is engaged in the business of designing, planning, overseeing and executing events. Activities related to the event like décor & production, lighting, and other equipment, other services & facilities etc. are outsourced third party vendors who undertake the process related to transportation of the resources and equipment to the venue. Non-availability of such third-party vendors could adversely affect logistics movement. Further, any price volatility of these vendors and our inability to adjust to the same could adversely affect results of our operations and profitability. It may also happen that we may have to reduce our revenue share on account of such price volatility which impact our cash flows and revenue from operations.

**9. If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business, it may have a material adverse effect on our business, results of operations and financial condition.**

We require certain statutory and regulatory licenses, registrations and approvals to operate our business some of which are granted for a fixed period of time and need to be renewed from time to time. Further, in future, we may also be required to obtain new licenses, registrations and approvals for any proposed operations, including any expansion of existing operations. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. We cannot assure you that once applied we shall receive the license in a timely manner or at all. We also cannot assure you that the applicable authorities shall not take adverse actions against us for delayed application for the aforementioned approvals.

Further, these licenses, registrations and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. We may be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. Further, our Company will be responsible for bearing any and all liabilities arising out of this non-compliance. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues and operations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company’s operations and may have a material adverse effect on our business. For further details on the licenses obtained by our Company, see “*Government and Other Approvals*” on page 194.

10. **There have been instances of delays in payment of statutory dues, by the Company. In case of any delay in payment of statutory due in future by our Company, the Regulatory Authorities may impose monetary penalties on us or take certain punitive actions against our Company in relation to the same which may have adverse impact on our business, financial condition and results of operations.**

There have been instances of delays in payment of statutory dues such as GST, by the Company. In case of any delay in payment of statutory due in future by our Company, the Regulatory Authorities may impose monetary penalties on us or take certain punitive actions against our Company in relation to the same which may have adverse impact on our business, financial condition and results of operations. Our Company has already made provisions in the financials of the Company for such delay payments. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to payment of statutory dues. The happening of such event may cause imposition of fine / penalty which may have adverse effect on the results of our operations and financial position. The Delayers are set forth below:

For the Financial Year Ended	Return Type	Total number of returns filed	Delayed filings
FY 2021-22	GSTR-1	4	1
FY 2022-23	GSTR-1	8	2
FY 2023-24	GSTR-1	10	2
FY 2021-22	GSTR-3B	4	2
FY 2022-23	GSTR-3B	4	4
FY 2023-24	GSTR-3B	10	4

#### **PTRC**

For the Financial Year Ended	Return Type	Total number of returns filed	Delayed filings
FY 2021-22	III B	1	1
FY 2022-23	III B	1	1
FY 2023-24	III B	7	7

#### **EPF Returns**

For the Financial Year Ended	Return Type	Total number of returns filed	Delayed filings
FY 2021-22	EPF Return	NA	NA
FY 2022-23	EPF Return	NA	NA
FY 2023-24	EPF Return	2	2

#### **TDS Return**

For the Financial Year Ended	Return Type	Total number of returns filed	Delayed filings
FY 2021-22	26Q	4	2
FY 2022-23	26Q	4	1
FY 2023-24	26Q	4	4
FY 2021-22	27Q	1	1
FY 2022-23	27Q	NIL	NIL
FY 2023-24	27Q	2	2
FY 2021-22	24Q	NIL	NIL
FY 2022-23	24Q	1	1
FY 2023-24	24Q	4	4

**11. Failures in IT systems and infrastructure supporting our system and operations could significantly disrupt our operations and have a material adverse effect on our business, results of operations, cash flows and financial condition.**

Our business relies on the continued and uninterrupted performance of our technology infrastructures. The success of our businesses depends on part upon our ability to effectively deploy, implement and use information technology systems and initiatives in a cost effective and timely basis. Our computer networks may be vulnerable to unauthorised access, computer hacking, computer viruses, worms, malicious applications and other security problems caused by unauthorised access to, or improper use of, systems by our employ subcontractors or third-party vendors. Any systems failure or security breach or lapse on our part or on the part of our employees and other ecosystem participants that results in the release of user data could harm our operations and have a material adverse effect on our business, results of operations, cash flows and financial condition.

**12. Our Group Companies have incurred losses in the previous Fiscals.**

Our Group Company namely Smash Factor Sports Private Limited has suffered a loss of ₹ 27.42 lakhs in Financial Year 2021-2022 and ₹ 21.61 lakhs in the Financial Year 2022-23. Financial losses by our Group Company may not be perceived positively by external parties such as customers, bankers, suppliers etc., which may affect our credibility and business operations.

**13. There may have been certain instances of non-compliances with respect to certain corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties.**

In past, there has also been one non-compliances under Companies Act with respect to the preferential issue of 75,000 Equity Shares to Sandeep Kumar Agarwal. Our Company had received the share application amount before filing of the form MGT-14 with ROC regarding the intimation of raising of funds by the Company and thus a non-compliance of section 42 read with section 62 was inadvertently committed. Although, the non-compliance was an inadvertent procedural non-compliance and while we have not been subject to any penalties by regulatory authorities, there can be no assurance that we would not be subject to such penalties or fines in the future. Our Company has Suo Moto filed compounding application dated September 13, 2024. Further, there can be no assurance that there will be no delays or non-compliances with the filing of certain documents in the future.

**14. We have experienced negative cash flows from operating activities and may do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

The Company has reported negative cash flow from operating activities in Financial year 2023-24 as per the Restated Consolidated Financial Information as given below:

Particulars	For year ended March 31,		
	2024	2023	2022
Net cash flow generated from/ (utilized in) operating activities (A)	(94.23)	105.62	118.87

(Figures in brackets are negative)

For details, see “*Restated Financial Information – Restated Cashflow Statement*” on page 147s.

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient operating cash flows, it may adversely affect our business and financial operations. For further details, see “*Restated Financial Statement*” on page 141.

**15. Any delays and/or defaults in payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition**

We, to an extent, are exposed to payment delays and/or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition. There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

**16. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.**

Our business requires a significant amount of working capital. In the event, we are unable to source the required amount of working capital for addressing an increased demand of our services, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our services.

Further, one of the objects of this Offer include funding of working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, see "*Objects of the Offer*" on page 71. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

**17. Our Company proposes to utilize part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain unsecured borrowings availed by our Company and accordingly, the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.**

Our Company intends to utilise a part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain secured and unsecured borrowings availed by our Company. For details, see "*Objects of the Offer*" on page 71. While we believe that utilization of Net Proceeds for repayment of secured loans would help us to reduce our cost of debt and enable the utilization of our funds for further investment in business growth and expansion, the repayment or pre-payment of loans will not result in the creation of any tangible assets for our Company.

**18. We operate in a competitive business environment and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.**

The M&E in which we operate are competitive with both organized and unorganized markets. However, we are required to compete both in the domestic and international markets. We may be unable to compete with the prices and services offered by our competitors. We may have to compete with new players in India and abroad who enter the market and are able to offer competing services. Our competitors may have access to greater financial, research and development, marketing, distribution and other resources and more experience in obtaining the relevant regulatory approvals. Increasing competition may result in pricing pressures and decreasing profit margins or loss of market share or failure to improve our market position, any of which could substantially harm our business and results of operations. We cannot assure you that we will be able to compete with our existing as well as future competitors as well as the prices and payment terms of our services. Our failure to successfully face existing and future competitors may

have an adverse impact on our business, growth and development. Further, some of our competitors may be larger than we are or develop alliances to compete against us and may have greater resources, market presence and geographic reach and have services with better brand recognition than ours. As a result, our competitors may be able to withstand industry downturns better than us or provide customers with services at more competitive prices. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. Consequently, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition. We cannot assure you that we will be able to maintain our existing market share. Our competitors may significantly increase their marketing expenses to promote their brands, which may require us to similarly increase our marketing expenses and engage in effective pricing strategies, which we may not be able to pass on to our customers which in turn may have an adverse effect on our business, results of operations and financial condition.

**19. Our Company, its Directors and its Promoters are party to certain litigation and claims. These legal proceedings are pending at different levels of adjudication before various forums and regulatory authorities. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status.**

There are outstanding legal proceedings involving the Company, its Promoters and its Directors. These proceedings are pending at different levels of adjudication before various courts. The details of such outstanding litigations as at the date of this Draft Prospectus are as follows:

(in Rs. Lakhs)		
Nature of Cases	Number of outstanding cases	Amount Involved*
<b><i>Litigation involving our Company</i></b>		
Criminal proceedings	Nil	Nil
Outstanding Actions by regulatory and statutory authorities	Nil	Nil
Material civil litigation	Nil	Nil
Direct and indirect tax proceedings	12	143.45
<b><i>Litigation involving our Directors(other than Promoters)</i></b>		
Criminal proceedings	Nil	Nil
Outstanding Actions by regulatory and statutory authorities	Nil	Nil
Material civil litigation	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
<b><i>Litigation involving our Promoters</i></b>		
Criminal proceedings	Nil	Nil
Outstanding Actions by regulatory and statutory authorities	Nil	Nil
Material civil litigation	Nil	Nil
Direct and indirect tax proceedings	2	22.73

We may be required to devote management and financial resources in the defend or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure you that similar proceedings will not be initiated in the future. Any adverse order or direction in these cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition. For further details,

please refer to "*Outstanding Litigation and Material Developments*" on page 190.

**20. If we are unable to successfully execute our growth strategies, our business, prospects and results of operations could be materially and adversely affected.**

Our growth depends on the continued growth of the industry, and the growth of our clients and any adverse developments in the industry could materially and adversely primarily affect our growth prospects. Our growth is also dependent on our ability to expand our market share and our inability to do so may adversely affect our growth prospects. Our growth strategies could place significant demand on our management and our administrative, operational and financial infrastructure. Our management may also change its view on the desirability of current strategies, and any change in our strategies could put significant strain on our resources. Further, we may be unable to achieve any synergies or successfully integrate our plans and strategies. Additionally, expansion into new geographic regions, may subject us to various challenges, including those relating to our lack of familiarity with the social, political, economic and cultural conditions of these new regions, language barriers, difficulties in staffing and managing such operations and the lack of support from authorities and reputation in such regions. We may also encounter other additional anticipated risks and significant competition in such markets. If we are unable to successfully execute our growth strategies, our business, prospects and results of operations could be materially and adversely affected.

**21. We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights.**



Our logo is registered under class 35 under the Trade Marks Act, 1999. If we are unable to renew or register our trademark for various reasons including our inability to remove objections to any trademark application. Any failure to register or renew registration of our registered trademark may affect our right to use such trademark in future. Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

Further, if do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad. For further details, see "*Government and Other Statutory Approvals*" on page 194.

**22. We are dependent upon the business experience and skill of our promoters and management personnel. Loss of our management personnel or our inability to attract or retain such qualified personnel, could adversely affect our business, results of operations and financial condition.**

We believe that our management team plays a key role in the development of our business and we benefit from their industry knowledge and expertise, vision and leadership. We believe the stability of our management team and the industry experience brought on by our individual Promoters and Directors enables us to continue to take advantage of future market opportunities. We believe that our management team is well qualified to leverage our market position with their collective experience and knowledge in the industry, to execute our business strategies and drive our future growth.

Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. The loss of the services of our key personnel or our inability to recruit or train sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. If we are unable to hire additional qualified personnel or retain our existing qualified personnel, our ability to expand our business may be impacted. Our Company's profitability, financial condition and results of operations may also be impacted due to lack of experienced and talented workforce.

**23. We have availed unsecured loans which are repayable on demand. Any demand for repayment of such unsecured loans, may adversely affect our cash flows.**

As on September 10, 2024 we have unsecured loans amounting to ₹ 463.71 lakhs which are repayable on demand to the relevant lender. Further, these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. For further details of unsecured loans of our Company, see "*Financial Indebtedness*" on page 180.

**24. We have in past entered into related party transactions and we may continue to do so in the future**

In past, we have entered into several related party transactions. We confirm that the transactions with Related Parties entered into by our Company in the preceding three years have been carried out at arms' length price and are in compliance with the Companies Act 2013 and the applicable laws. Further, we confirm that the transactions are not prejudicial to the interest of our Company. A summary of the related party transactions during the Financial Year 2024, 2023 and 2022 as per applicable accounting standard is derived from our Restated Financial Statements. For further details, see "*Restated Financial Statement*" on page 141.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

**25. We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. Any defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our cash flows, business, results of operations and financial condition.**

We have entered into agreements for secured short term and long-term borrowings with certain lenders. As on March 31, 2024 an aggregate of ₹411.42 lakhs, was outstanding towards loans availed from banks. The credit facilities availed by us are secured. In case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered. This could severely affect our operations and financial condition. Our financing agreements may include certain covenants that require us to obtain lender consents prior to carrying out certain corporate activities and entering into certain transactions, such as, incurring any additional borrowings, undertaking capital expenditure amongst others. In addition, any breach of financial or non-financial covenant may qualify as an event of default under financing agreements.

We cannot assure you that the lenders will not seek to enforce their rights in respect of any breach by us under our financing agreements. Any failure to comply with any condition or covenant under our financing agreements that is not waived by the lenders or is not otherwise cured by us, may lead to a termination of our credit facilities and/or acceleration of all amounts due under the relevant credit facility. Further, if the obligations under any of our financing agreements are accelerated, we may have to dedicate

a substantial portion of our cash flow from operations to make payments under the financing documents, thereby reducing the availability of cash for our operations. In addition, the lenders may enforce their security interest in certain of our assets. Moreover, during the period in which we are in default, we may face difficulties in raising further loans. Any future inability to comply with the covenants under our financing agreements or to obtain the necessary consents required thereunder may lead to termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such financing agreements and enforcement of any security provided. Any of these circumstances may have an adversely affect our business, results of operation and financial condition. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lenders refuse to renew / enhance the credit facilities and/or cancel / suspend / reduce the said credit facilities and/or alter the terms and conditions to the derogation of our Company, then our existing operations as well as our future business prospects and financial condition may be severely affected.

26. **We have not obtained credit ratings and may not be able to access capital to finance our operations and future growth of our business, which could have a material adverse effect on our business, results of operations, financial condition, cash flows, and future prospects.**

The cost and availability of capital, among other factors, depends on our credit rating. We have not received any credit ratings, as of the date of this Draft Prospectus. Credit ratings typically reflect, amongst other things, the rating agency's opinion of the financial strength, operating performance, strategic position, and ability to meet obligations of a company. The non-availability of credit ratings may increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business and results of operations. In addition, non-availability of credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

27. **We propose to utilize the Net Proceeds to undertake inorganic growth for which has not be identified. If Net Proceeds to be utilized towards funding strategic acquisitions and investment are insufficient for the cost of our proposed acquisitions and other strategic initiative, we may have to seek alternative forms of funding.**

We propose to utilise a certain portion of the Net Proceeds towards funding strategic acquisitions and investment as set forth in "*Objects of the offer*" on page 71. As on the date of this Draft Prospectus, we have not identified any potential target for investment or acquisition or entered into any definitive agreements towards any future acquisitions or strategic initiatives. It is also possible that we may not be able to identify suitable targets, or that if we do identify suitable targets, we may not be able to complete those transactions on terms commercially acceptable to us or at all and/or be able to complete all aspects of the acquisition process and/or receive relevant regulatory clearances (as applicable) in a timely manner or at all. The inability to identify suitable targets or investments and the inability to complete such transactions may adversely affect our competitiveness and growth prospects. Further, we will from time to time continue to seek attractive inorganic opportunities that will fit well with our strategic business objectives and growth strategies, and the amount of Net Proceeds to be used for acquisitions will be based on our management's decision. The amounts deployed towards such initiatives may not be the total value or cost of such acquisitions or investments, resulting in a shortfall in raising requisite capital from the Net Proceeds towards such acquisitions or investments. Consequently, we may be required to explore a range of options to raise requisite capital, including internal accruals or debt financing from third party lenders or institutions.

28. **Our management will have broad discretion in how we apply the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the objects of the Offer will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.**

We intend to use Net Proceeds from the Offer towards; (i) repayment of certain borrowing; (ii) funding the working capital requirements of the company; and (iii) general corporate purposes including inorganic growth. For details of the objects of the Offer, see "*Objects of the Offer*" on page 71. Our management will have broad discretion to use the Net Proceeds as per applicable laws, and investors will

be relying on the judgement of our management regarding the application of the Net Proceeds. Moreover, we cannot undertake any material deviation in the utilisation of the Net Proceeds as disclosed in this Prospectus without obtaining the approval of shareholders of our Company through a special resolution. Our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in its business.

**29. An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.**

While we are of the view that the insurance coverage which our Company maintains would be reasonably adequate to cover the normal risks associated with the operations of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Our Company's insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial condition may be adversely affected.

**30. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Offer, which will allow them to determine the outcome of matters submitted to shareholders for approval.**

After completion of the Offer, our Promoters and Promoter Group will collectively own a majority of the Equity Shares of our Company. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

**31. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.**

We propose to utilize the Net Proceeds as stated under "*Objects of the Offer*" on page 71. However, our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised.

As per section 27 of the Companies Act, the objects of utilization of the Net Proceeds from the fresh offer as disclosed in this Draft Prospectus can only be varied after obtaining the shareholders' approval vide a special resolution. In the event, the Company wishes to vary the objects for which the net proceeds from the fresh offer are required to be varied, our Company may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company. This may restrict our ability to respond to any change in our business or financial condition, and thus, adversely affecting our business and results of operations.

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter our Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in the Draft Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

**32. We may be affected by competition law, the adverse application or interpretation of which could adversely affect our business.**

The Competition Act, 2002 ("**Competition Act**") seeks to prevent business practices that have an Appreciable Adverse Effect on Competition ("**AAEC**") in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an AAEC in India is void and attracts substantial monetary penalties. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require that the acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by CCI. However, the applicability or impact of the provisions of the Competition Act on any future acquisition or arrangement entered into by us cannot be predicted with certainty at this stage.

**33. We have not made any alternate arrangements in order to meet our capital requirements for the Objects of the Offer. Additionally, we have not identified any alternate source of financing the 'Objects of the Offer'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.**

As on date, our Company has not made any alternate arrangements for meeting the capital requirements for the Objects of the Offer. We meet our capital requirements through our internal accruals. Any shortfall in the same and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, see "*Objects of the Offer*" on page 71.

**34. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.**

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, see "*Dividend Policy*" on page 140.

**35. The average cost of acquisition of Equity Shares by our Promoter could be lower than the Offer Price.**

Our Promoter's average cost of acquisition of Equity Shares in our Company may be lower than the Offer Price. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapters "*Capital Structure*" on page 62.

**36. Our Promoters and some of our Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses.**

Some of Promoters and our Directors are interested in our Company to the extent of their respective shareholding in our Company as well as to the extent of any dividends, bonus or other distributions on such Equity Shares. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Further, our Promoters holding Equity Shares may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For further information on the interest of our Promoters and Directors, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management*" and "*Our Promoters and Promoter Group*" on pages 124 and 135, respectively.

**37. Industry information included in the Draft Prospectus has been derived from an industry report from various websites. The reliability on the forecasts of the reports could be incorrect and would significantly impact our operations.**

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Prospectus.

**Offer Specific Risks**

**38. *Our Company will not receive any proceeds from the Offer for Sale portion***

The Offer comprises an Offer for Sale aggregating up to ₹ [•] lakhs. Our Company will not receive any proceeds of the Offer for Sale portion. The expenses of the Selling Shareholder will, at the outset, be borne by our Company and the Selling Shareholder will reimburse our Company for such expenses (inclusive of taxes) incurred by our Company on behalf of the Selling Shareholders in relation to the Offer in the manner as prescribed under applicable law and in a manner as may be mutually agreed among our Company and the Selling Shareholder. However, in the event that the Offer is withdrawn or not completed for any reason whatsoever, all the Offer related expenses will be borne by our Company, subject to applicable law and except as may be prescribed by the SEBI or any other regulatory authority.

**39. Subsequent to the listing of the Equity Shares, we may be subject to surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors**

Subsequent to the listing of the Equity Shares, we may be subject to Additional Surveillance Measures (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchanges and the Securities and Exchange Board of India. These measures have been introduced to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market-based parameters such as high low-price variation, concentration of client accounts, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. A scrip is subject to GSM when the share price is not commensurate with the financial health and fundamentals of the company. Specific parameters for GSM include net worth, net fixed assets, PE, market capitalization and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

- 40. The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.**

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

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

The Offer Price of our Equity Shares will be determined by the book-building method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Offer. For details, see “*Basis for Offer Price*” on page 81. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

- 42. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.**

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares

by our Company may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an offer of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not offer additional Equity Shares. Any sale of our Equity Shares by our Promoters or major shareholders or future equity issuances, by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not offer Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**43. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.**

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

**45. Non-Institutional Investors are not permitted to withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after submitting an Application.**

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage after submitting an Applications. Retail Individual Investors can revise their Applications during the Offer Period and withdraw their Applications until Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within 3 Working Days from the Offer Closing Date, events affecting the Applicants decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Applicant ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

**EXTERNAL RISK FACTORS:**

**46. Our business and results of operations could be adversely affected by disruptions in global economic and geo political conditions.**

As we derive majority of our revenue from export sales, our financial performance and growth are

necessarily dependent on economic conditions prevalent globally. The global economy may be materially and adversely affected by political instability or regional conflicts; a general rise in interest rates; inflation; exchange rate fluctuations; changes in tax including antidumping duties and countervailing duties, trade, and monetary policies; occurrence of natural or man-made disasters; downgrade in debt rating; and adverse global economic conditions due to various reasons such as, effect of COVID Pandemic, ongoing dispute between Russia and Ukraine etc. While the Indian economy has grown significantly in recent years, it has experienced economic slowdowns in the past due to global economic and geo political conditions. The Indian economy in particular could be adversely impacted by inflationary pressures, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, recent initiatives by the Indian government and other factors. Unfavourable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business.

**47. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.**

The regulatory and policy environment in India is evolving and subject to change. Such changes in applicable law and policy in India, including the instances described below, may adversely affect our business, financial condition, results of operations, performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

**48. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.**

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

**49. Investors may not be able to enforce judgements obtained in foreign courts against us.**

We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgements against them.

obtained from courts outside India, including judgements predicated on the civil liability provisions of the United States federal securities laws.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgement from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the “Civil Code”). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgements or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgement for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgement in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgement is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgement. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgement rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the Reserve Bank of India to repatriate any amount recovered pursuant to the execution of the judgement.

- 50. We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgements against them obtained from courts outside India, including judgements predicated on the civil liability provisions of the United States federal securities laws. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.**

The Government of India has traditionally exercised and continues to exercise 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. The rate of economic liberalization could change, and specific laws and policies affecting the industry in which we operate, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, and our business, prospects, financial condition and results of operations, in particular.

- 51. We are subject to regulatory, economic and social and political uncertainties and other factors beyond our control.**

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on the Emerge platform of NSE, subject to the receipt of the final listing and trading approvals from the NSE. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- political instability, terrorism, military conflict, epidemic or public health issues in India or in

- countries in the region or globally, including in India's various neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- Instability in financial markets and volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- changes in India's tax, trade, fiscal or monetary policies; and
- other significant regulatory or economic developments in or affecting India or its logistics sector.

Moreover, a fall in the purchasing power of our customers, for any reason whatsoever, including rising consumer inflation, availability of financing to our customers, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers' revenues, savings and could in turn negatively affect their demand for our products. In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

**52. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.**

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation relative to developed countries in the recent past. Continued high rates of inflation may increase our expenses related to costs of raw material, rent, salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

**53. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.**

Under the foreign exchange regulations currently in force in India, transfers 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 falls 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 Rupee proceeds from a 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 authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**54. Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.**

Any adverse revisions to India's credit ratings for international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

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

**56. The occurrence of natural or man-made disasters may adversely affect our business, financial condition, results of operations and cash flows.**

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war such as Russia's invasion of Ukraine, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

**57. Our ability to raise foreign capital may be constrained by Indian law.**

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

**58. Rights of shareholders under Indian laws may be different from laws of other jurisdictions.**

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as our shareholder than as a shareholder of an entity in another jurisdiction.

## SECTION III – INTRODUCTION

### THE OFFER

Present Offer in terms of this Draft Prospectus:

Particulars	No. of Equity Shares
<b>Equity Shares Offered<sup>(1)(3)</sup></b>	Offer of upto 30,00,000 Equity Shares of ₹10 each for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs.
Present Offer of Equity Shares by our Company and the Selling Shareholder <sup>(2)</sup>	

#### The Offer Consists of

<b>Fresh Offer<sup>(1)</sup></b>	Upto 24,00,000 Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs.
<b>Offer for Sale<sup>(4)</sup></b>	Upto 6,00,000 Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs.

#### Of which:

Reserved for Market Makers	Upto [●] Equity Shares of face value of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating ₹[●] Lakhs
Net Offer to the Public*	[●] Equity Shares of face value of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating ₹[●] Lakhs

#### Of which:

Retail Investors Portion	[●] Equity Shares of face value of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating ₹[●] Lakhs
Non-Retail Investors Portion	[●] Equity Shares of face value of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per (including premium of ₹[●] per Equity Share) Equity Share (including premium of ₹[●] per Equity Share) aggregating ₹[●] Lakhs

#### Pre-and post-Offer Share Capital of our Company:

Equity Shares outstanding prior to the Offer 75,20,000 Equity Shares

Equity Shares outstanding after the Offer [●] Equity Shares

Use of Offer Proceeds	For details, please refer chapter titled ' <i>Objects of the Offer</i> ' beginning on page 71.
-----------------------	--

#### \*Assuming Full Allotment

- The Offer has been authorized by a resolution by our Board dated July 11, 2024 and a special resolution of our Shareholders dated August 5, 2024.
- The present Offer is being made by our Company in terms of Regulation 229(1) of the SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Offer paid-up equity share capital of our Company are being offered to the public for subscription
- This Offer is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Offer is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net Offer to public category shall be made as follows:
  - Minimum 50% to the Retail individual investors; and
  - Remaining to: a. individual applicants other than retail individual investors; and b. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for.

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

Explanation: For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the Offer size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details, kindly refer the chapter titled "*Terms of the Offer*" beginning on page 207 of this Draft Prospectus.
- The Equity Shares being offered by the Selling Shareholder have been held for a period of at least one year immediately preceding the date of this Draft Prospectus with the stock exchange and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholder has confirmed and approved his portion in the Offer for Sale as set out below:

Name of the Selling Shareholder	Consent Letter dated	No. of Equity Shares held	No. of Equity Shares offered
Zahid Akram Khan	August 07,2024	3,49,24,500	3,00,000
Shvate Sushma Kaull	August 07,2024	3,49,24,500	3,00,000

*The Selling Shareholder has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholder has also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.*

For further details, kindly refer the chapter titled "**Terms of the Offer**" on page 207.

## SUMMARY FINANCIAL STATEMENTS

*The following tables provide the summary of financial information of our Company derived from the Restated Consolidated Financial Information as at and for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022. The Restated Consolidated Financial Information referred to above is presented under the section titled “**Financial Information**” beginning on page 141. The summary of financial information presented below should be read in conjunction with the Restated Consolidated Financial Information, the notes thereto and the chapters titled “**Financial Information**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on pages 141 and 183.*

*(The remainder of this page is intentionally left blank)*

The financial information of the Company is for the period ended from September 26, 2023 to March 31, 2024 and for KRI Entertainment (Partnership Firm) for the period ended September 25, 2023 and for the financial year ended on March 31, 2023 and March 31, 2022.

## RESTATED CONSOLIDATED BALANCE SHEET

### STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS RESTATED

(₹ In Lakhs)

Sr No	Particulars	Annexure No.	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<b>EQUITY AND LIABILITIES</b>						
1.	Shareholders Funds					
	a. Share Capital	V	351.00	-	-	-
	b. Partners capital account	VI(a)	-	1.00	1.00	1.00
	c. Partners current account	VI(b)	-	316.50	254.81	85.13
	d. Reserves & Surplus	VI	301.88	-	-	-
2.	Non - Current Liabilities					
	a. Long-term Borrowings	VII	305.91	219.66	213.42	247.97
3.	Current Liabilities					
	a. Short Term Borrowings	VIII	569.20	201.25	81.43	-
	b. Trade Payables	IX				
	- Due to Micro, Small and Medium Enterprises		-	1.07	0.15	-
	- Due to Others		315.41	126.31	324.96	17.86
	c. Other Current liabilities	X	171.89	69.44	69.28	35.34
	d. Short Term Provisions	XI	5.90	30.02	20.67	33.60
	Total		2,021.19	965.25	965.72	420.90
<b>ASSETS</b>						
Non Current Assets						
	a. Property, Plant & Equipment and Intangible Assets	XII				
	- Property, Plant & Equipment		336.24	128.25	100.53	72.87
	- Intangible Assets		175.00			
	- Capital Work-in-Progress				-	-
	b. Non-Current Investments	XIII	0.30	-	-	-
	c. Deferred Tax Assets (Net)	XIV	13.55	5.55	3.90	1.13
	d. Long-term Loans & Advances	XV	-	-	-	-
	e. Other Non-current assets	XVI	10.95	10.75	35.75	28.51
	Total		2,021.19	965.25	965.72	420.90

**STATEMENT CONSOLIDATED OF PROFIT AND LOSS AS RESTATED**

(₹ In Lakhs)

Sr. No	Particulars	Annexure No.	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
1.	<b>INCOME</b>						
	Revenue from Operations	XXI	2,157.29	1,400.98	756.31	1,461.56	364.64
	Other Income	XXII	11.42	2.53	8.89	19.78	4.64
	<b>Total Income (A)</b>		<b>2,168.71</b>	<b>1,403.51</b>	<b>765.20</b>	<b>1,481.34</b>	<b>369.28</b>
2.	<b>EXPENDITURE</b>						
	Employee benefits expense	XXIII	136.20	95.51	40.69	110.38	135.48
	Finance costs	XXIV	80.03	46.79	33.24	33.33	16.39
	Depreciation and amortization expense	XXV	72.34	54.69	17.65	27.00	11.80
	Other expenses	XXVI	1,391.11	757.33	633.78	1,020.56	134.66
	<b>Total Expenses (B)</b>		<b>1,679.68</b>	<b>954.32</b>	<b>725.36</b>	<b>1,191.27</b>	<b>298.33</b>
3.	Profit before extraordinary items and tax(A-B)		489.03	449.19	39.84	290.07	70.95
	Prior period items (Net)						
	Profit before exceptional, extraordinary items and tax			449.19	39.84	290.07	70.95
	Exceptional items			-	-	-	-
	Profit before extraordinary items and tax			449.19	39.84	290.07	70.95
	Extraordinary items			-	-	-	-
3.	<b>Profit before tax</b>		<b>489.03</b>	<b>449.19</b>	<b>39.84</b>	<b>290.07</b>	<b>70.95</b>
4.	<b>Tax Expense:</b>						
	(i) Current tax	XXXII	133.70	121.81	11.89	77.14	18.93
	(ii) Deferred tax expenses/(credit)	XIV	(9.66)	(8.00)	(1.65)	(2.76)	(0.82)
	(iii) Short /excess provision for tax			-	-	-	-
	(iii) MAT Credit Entitlement			-	-	-	-
	<b>Total tax Expenses (D)</b>		<b>124.05</b>	<b>113.81</b>	<b>10.24</b>	<b>74.38</b>	<b>18.11</b>
5.	<b>Profit for the</b>		<b>364.98</b>	<b>335.38</b>	<b>29.60</b>	<b>215.70</b>	<b>52.84</b>

year (C-D)					
6.	Earnings per share (Face value of ₹ 10/- each):				
	i. Basic	305.54	9.56	295.98	2,156.97 528.41
	ii. Diluted	305.54	9.56	295.98	2,156.97 528.41

**STATEMENT OF CONSOLIDATED CASH FLOW AS RESTATED**

	(₹ In Lakhs)			
<b>Particulars</b>	<b>For the Period from September 26 , 2023 to March 31, 2024</b>	<b>For the Period ended September upto 25 , 2023</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
<b><u>Cash Flow From Operating Activities:</u></b>				
Net Profit before tax as per Profit And Loss A/c	449.19	39.84	290.07	70.95
<b>Adjustments for:</b>				
Finance Cost	46.79	33.24	33.33	16.39
Depreciation and Amortisation Expense	54.69	17.65	27.00	11.80
<b>Operating Profit Before Working Capital Changes</b>	<b>550.67</b>	<b>90.73</b>	<b>350.40</b>	<b>99.14</b>
Adjusted for (Increase)/Decrease in operating assets				
Inventories	-	-	-	-
Trade Receivables	(428.44)	(35.31)	(468.76)	(28.04)
Long / Short term loan and advances	(155.05)	144.12	(43.87)	61.28
Other assets	(79.90)	(125.51)	16.74	(41.30)
Adjusted for Increase/(Decrease) in operating liabilities:				
Trade Payables	188.03	(197.73)	307.25	5.56
Other Current Liabilities & Provisions	103.35	1.96	19.27	22.24
<b>Cash Generated From Operations Before Extra-Ordinary Items</b>	<b>178.66</b>	<b>(121.74)</b>	<b>181.03</b>	<b>118.87</b>
Net Income Tax paid/ refunded	(146.82)	(4.33)	(75.41)	-
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>31.84</b>	<b>(126.07)</b>	<b>105.62</b>	<b>118.87</b>
Purchase of property, plant & equipment and intangible assets	(437.68)	(45.37)	(54.66)	(82.52)
Purchase of investments	(0.30)	-	-	-
<b>Investment Made in Debt Securities</b>				
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(437.98)</b>	<b>(45.37)</b>	<b>(54.66)</b>	<b>(82.52)</b>
<b><u>Cash Flow from Financing Activities:</u></b>				
Proceeds/(Repayment) of Borrowings	454.15	126.08	46.89	44.78
Withdrawal by partners	-	32.09	-	(50.00)
Contribution from partners	-	-	(46.02)	-
Finance Cost Paid	(46.79)	(33.24)	(33.33)	(16.39)
<b>Net Cash Flow from/(used in)</b>	<b>407.36</b>	<b>124.93</b>	<b>(32.46)</b>	<b>(21.61)</b>

Particulars	For the Period from September 26 , 2023 to March 31, 2024	For the Period ended September upto 25 , 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Financing Activities (C)</b>				
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	1.22	(46.51)	18.51	14.74
Cash & Cash Equivalents As At Beginning of the Year	24.79	71.30	52.80	38.05
Cash & Cash Equivalents As At End of the Year	<b>26.02</b>	<b>24.76</b>	<b>71.30</b>	<b>52.80</b>

## GENERAL INFORMATION

### Registered Office

A201 to 206, 2nd floor,  
Fairlink Centre, Oshiwara Andheri,  
Mumbai, Maharashtra – 400 053 India

**Corporate Identity Number:** U90009MH2023PLC410214

**Registration Number:** 410214

### Registrar of Companies

Our Company is registered with the RoC located at the following address:

#### RoC Mumbai

100, Everest,  
Marine Drive, Mumbai,  
Maharashtra – 400 002 India

### Board of Directors

Name And Designation	DIN	Address
Shvate Sushma Kaull <i>Managing Director</i>	08295411	B/6, Sunder Park, New Link Road, Andheri West, Mumbai, Maharashtra - 400053
Zahid Akram Khan <i>Executive Director</i>	07126276	A/504. Kohinoor-1 CHSL, Millat Nagar, Oshiwara, Andheri West, Mumbai, Maharashtra - 400053
Aneesh Mohan <i>Non-Executive Director</i>	10458463	Flat No. 1403, ASPEN Mahindra Eminante CHSL, SV Road, Goregaon West, Next to Patkar College, Mumbai, Maharashtra - 400104
Chahan Vinod Vora <i>Independent Director</i>	10275707	B-605, Dheeraj Enclave, Opposite Bhoir Industries, Off W E Highway, Behind Carnival Cinema, Borivali East, Mumbai, Maharashtra - 400066
Meenakshi Saini <i>Independent Director</i>	07455823	RZ-72/1-D/RZ72/2-D, UG-3 B Block Street no. 6, Mahaveer Enclave, Palma Village, Delhi 110 045 India

For further details of our Directors, see ***Our Management*** beginning on page 124 of this Draft Prospectus.

### Company Secretary and Compliance Officer

#### Kriti Goyal

A201 to 206, 2nd floor, Fairlink Centre,  
Oshiwara, Andheri, Mumbai, Maharashtra - 400053  
**Tel:** +91 9136046642  
**E-mail id:** [cs@worldofkri.com](mailto:cs@worldofkri.com)

### Investor Grievances

**Investors may contact the Company Secretary and Compliance Officer, the Lead Manager or the Registrar to the Offer in case of any pre-Issue or post-Issue related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.**

Investors can contact our Company Secretary and Compliance Officer, the Lead Manager or the Registrar to the Offer, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt

of funds by electronic mode etc.

All Offer related grievances relating to the ASBA process and UPI payment mechanism may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form Number, Applicant DP ID, Client ID, UPI ID, PAN, date of the ASBA Form, address of the applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant and ASBA Account number (for Applicants other than Retail Investors using the UPI Mechanism) in which the amount equivalent to the Application Amount was blocked or the UPI ID in case of Retail Investor using the UPI Mechanism.

Further, the investors shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents/ information mentioned above. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicants whose application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and EBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 SCSBs are required to compensate the investor immediately on the receipt of complaint.

#### **Lead Manager**

##### **Khandwala Securities Limited**

G II, Ground floor, Dalamal House, Nariman Point,  
Mumbai 400021, Maharashtra India.

**Telephone:** +91 22 4076 7373

**E-mail:** [ipo@kslindia.com](mailto:ipo@kslindia.com)

**Website:** [www.kslindia.com](http://www.kslindia.com)

**Investor Grievance E-mail:** [investorgrievances@kslindia.com](mailto:investorgrievances@kslindia.com)

**Contact Person:** Parika Shah /Sakshi Sharma

**SEBI Registration No.:** INM000001899

#### **Legal Counsel to the Company**

##### **Vidhigya Associates, Advocates**

A-105, Kanara Business Centre, Link Road,  
Laxmi Nagar, Ghatkopar East,  
Mumbai -400075 Maharashtra India

**Tel No:** +91 8424030160

**Email:** [rahul@vidhigyaassociates.com](mailto:rahul@vidhigyaassociates.com)

**Contact Person:** Rahul Pandey

#### **Registrar to the Offer**

##### **Bigshare Services Private Limited**

S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai, Maharashtra - 400093

**Telephone.:** +91 22 6263 8200

**E-mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**Contact Person:** Babu Rapheal C

**SEBI Registration Number:** INR000001385

**Banker to our Company**

**Standard Chartered Bank**

23-25, Mahatma Gandhi Road, Fort  
Mumbai 400 001, Maharashtra, India.

**Contact person:** Aman Sinha

**Website:** [www.sc.com](http://www.sc.com)

**Central Bank of India**

Churchgate branch, Kasturi Building,  
J Tata Road, Mumbai 400020

**Contact person:** Shobita Ranatunga

**E-mail:** [agmmums0604@centralbank.co.in](mailto:agmmums0604@centralbank.co.in)

**Website:** [www.centralbankofindia.co.in](http://www.centralbankofindia.co.in)

**Banker / Sponsor Bank / Refund Bank to the Offer**

The Banker / Sponsor Bank / Refund Bank to the Offer shall be appointed prior to filing of the Prospectus.

**Registered Brokers**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on Registered Brokers, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

**Statutory Auditor to our Company**

**Naik Mehta & Co.**

22, Megh Building, Megh Malhar Complex,  
Gen. A.K. Vaidya Marg, Goregaon (East),  
Mumbai, Maharashtra - 400063

**Tel:** +91 98204 62132

**E-mail:** [naikmehta100@yahoo.co.in](mailto:naikmehta100@yahoo.co.in)

**ICAI Firm Registration Number:** 124529W

**Peer Review Number:** 013738

**Changes in Auditors**

There have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Prospectus.

**Designated Intermediaries**

**Self-Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>. Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned link.

The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. 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 it's updated from time to time.

Syndicate SCSB Branches

In relation to applications submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

### **Registered Brokers**

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Applicant can submit Application Form for the Issue using the stockbrokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Brokers Centres.

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on Registered Brokers, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

### **Collecting Depository Participants**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, 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 website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### **Registrar and Share Transfer Agent**

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

### **Grading of the Offer**

No credit agency registered with SEBI has been appointed for grading for the Offer.

### **Expert**

Our Company has not obtained any expert opinions except we have received consent from the Peer Reviewed Auditors of the Company to include their name as an expert in this Draft Prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits by the Peer review Auditors and such consent has not been withdrawn as on the date of this Draft Prospectus.

Such consent has not been withdrawn as on the date of this Draft Prospectus.

### **Monitoring Agency**

Since the size of the Offer does not exceed one hundred crore rupees, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations.

Our Company has not appointed any monitoring agency for this Offer. However, as per Section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Offer.

### Appraising Entity

Our Company has not appointed any appraising agency for appraisal of the Project.

### Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

### Debenture trustees

As the Offer is of Equity Shares, the appointment of debenture trustees is not required.

### Green Shoe Option

No green shoe option is applicable for the Offer.

### Filing of Offer Document

A soft copy of this Draft Prospectus and Prospectus will be filed with SME Platform of NSE Emerge. The Draft Prospectus and the Prospectus shall not be filed with SEBI, nor shall SEBI issue any observation on the Issue Document in terms of Regulation 246(2) of SEBI ICDR Regulations.

However, pursuant to Regulation 246(5), the soft copy of Prospectus shall be submitted to SEBI, pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 shall be filed to the Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai, Maharashtra – 400 002

### Type of Offer

The present Offer is considered to be 100% Fixed Price Issue.

### Underwriter

Our Company and Lead Manager to the Offer hereby confirm that the Offer is 100% underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Offer

Details of the Underwriter	No. of Shares Underwritten*	Amount Underwritten	% of the total Issue Size Underwritten
[●]	[●]	[●]	[●]

*\*Includes [●] Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated [●] in order to comply with the requirements of Regulation 261 of the SEBI ICDR Regulations.*

In terms of Regulation 260(1) of the SEBI ICDR Regulations, the initial public offer shall be underwritten for hundred per cent (100%) of the Issue and shall not be restricted up to the minimum subscription level. As per Regulation 260(2) of SEBI ICDR Regulations, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

### Details of Market Making Arrangement

Our Company and the Lead Manager have entered into Market Making Agreement dated [●] with the following Market Maker to fulfil the obligations of market making for this Issue:

<b>Name</b>	[●]
<b>Address</b>	[●]
<b>Telephone</b>	[●]
<b>E-mail</b>	[●]
<b>Contact Person</b>	[●]
<b>SEBI Registration No.</b>	[●]
<b>Market Maker Registration No.</b>	[●]

[●], registered with Emerge platform of NSE, will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified in SEBI ICDR Regulations as amended from time to time.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by the Designated Stock Exchange and SEBI in this matter from time to time.

*In terms of Regulation 261(1) of SEBI ICDR Regulations, the market making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the Designated Stock Exchange and SEBI regarding this matter from time to time.*

*In terms of Regulation 261(2) of SEBI ICDR Regulations, the Market Maker or Issuer, in consultation with the Lead Manager may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the Designated Stock Exchange.*

*In terms of regulation 261(3) of SEBI ICDR Regulations, flowing is a summary of the key details pertaining to the Market Making arrangement:*

The Market Maker [●], shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

The prices quoted by Market Maker shall be in compliance with the market maker spread requirements and other particulars as specified or as per the requirements of Designated Stock Exchange and SEBI from time to time.

The minimum depth of the quote shall be ₹ [●]. However, the investors with holdings of value less than ₹ [●] shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, Designated Stock Exchange may intimate the same to SEBI after due verification.

The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on [●] (in this case currently the minimum trading lot size is [●] Equity Shares; however, the same may be changed by the [●] from time to time).

The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on the Emerge Platform of NSE and market maker will remain present as per the guidelines mentioned under the Designated Stock Exchange and SEBI circulars.

The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the SEBI.

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.

In terms of regulation 261(6) of SEBI ICDR Regulations, Market Maker shall not buy the Equity Shares from the Promoters or persons belonging to Promoter Group of the Company or any person who has acquired equity shares from such Promoters or person belonging to Promoter Group, during the compulsory market making period.

In terms of regulation 261(7) of SEBI ICDR Regulations, the Promoters' holding of the Company shall not be eligible for offering to the Market Maker during the compulsory market making period. However, the promoters' holding of our Company which is not locked-in as per the SEBI ICDR Regulations, can be traded with prior permission of the NSE Emerge, in the manner specified by SEBI from time to time.

The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI ICDR Regulations.

The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of our Company via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.

**Risk containment measures and monitoring for Market Maker:** The Emerge 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 Emerge may impose other margins as deemed necessary from time-to-time.

**Punitive Action in case of default by Market Maker:** The Emerge platform of NSE 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 they are 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.

The Market Maker shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

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. Further the Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.

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.

Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

<b>Issue Size</b>	<b>Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue size)</b>	<b>Re-entry threshold for buy quote (Including mandatory initial inventory of 5% of the Issue size)</b>
Up to ₹20 Crore	25%	24%
₹20 to ₹50 Crore	20%	19%
₹50 to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / [●] from time to time.

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.

#### Withdrawal of the Issue

Our Company in consultation with the Lead Manager and Selling Shareholder, reserve 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 2 (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 (in case of RII's using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants, within 1 (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.

## CAPITAL STRUCTURE

Details of the share capital of our Company, as on the date of this Draft Prospectus, are set forth below.

(in ₹ in Lakhs, except share data)			
Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Issue Price*
<b>A.</b>	<b>AUTHORIZED SHARE CAPITAL</b>		
	1,50,00,000 Equity Shares of face value of ₹10 each	1,500.00	-
<b>B.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	75,20,000 Equity Shares of face value of ₹10 each	752.00	-
<b>C.</b>	<b>PRESENT OFFER IN TERMS OF THIS DRAFT PROSPECTUS<sup>#</sup></b>		
	Offer of upto 30,00,000 Equity Shares of face value of ₹10 each aggregating to ₹ [●] lakh	Up to ₹ 300.00	[●]
	<i>Which Comprises:</i>		
	Fresh Offer of upto 24,00,000 Equity Shares	Up to ₹ 240.00	[●]
	Offer for Sale of upto 6,00,000 Equity Shares <sup>#</sup>	Up to ₹ 60.00	[●]
	<i>Which Comprises:</i>		
	[●] Equity Shares of face value of ₹10 each at a price of ₹[●] per Equity Share reserved as Market Maker Portion	[●]	[●]
	Net Offer to Public of [●] Equity Shares of ₹10 each at a price of ₹ [●] per Equity Share to the Public	[●]	[●]
	<i>Of which:</i>		
	Allocation to Retail Individual Investors of [●] Equity Shares at a price of ₹[●] per Equity Share	[●]	[●]
	Allocation to other than Retail Individual Investors of [●] Equity Shares at a price of ₹[●] per Equity Share	[●]	[●]
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER</b>		
	[●] Equity Shares of face value ₹10 each	[●] <sup>##</sup>	-
<b>E.</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Offer		Nil
	After the Offer <sup>##</sup>		[●]

<sup>\*\*</sup> For details in relation to the changes in the authorised share capital of our Company, see “History and Certain Corporate Matters – Amendments to our Memorandum of Association” on page 121.

<sup>#</sup> The Offer has been authorised by our Board of Directors and our Shareholders pursuant to the resolutions passed at their meetings dated July 11, 2024 and August 5, 2024 respectively.

<sup>##</sup> Subject to finalization Basis of Allotment.

Name of the Selling Shareholder	Number of Equity Shares offered in	Date of Consent Letter
Shvate Sushma Kaull	3,00,000	August 07, 2024
Zahid Akram Khan	3,00,000	August 07, 2024

### Notes to Capital Structure

#### I. Share Capital History of our Company

Our Company has only one class of share capital i.e., Equity Shares of face value of ₹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.

## 1. Equity Share capital

The history of the Equity Share capital of our Company is set forth in the table below:

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
September 12, 2023	10,000	10	10	Cash	Subscription to MOA (Conversion of partnership firm into Company) <sup>(1)</sup>	10,000	1,00,000
February 15, 2024	35,00,000	10	-	Other than Cash	Bonus Issue in the ratio of Three Hundred and Fifty (350) shares for every One (1) share held <sup>(2)</sup>	35,10,000	3,51,00,000
April, 2024	5, 1,75,000	10	100	Cash	Allotment on conversion of unsecured loan <sup>(3)</sup>	36,85,000	3,68,50,000
April, 2024	5, 75,000	10	100	Cash	Preferential Issue <sup>(4)</sup>	37,60,000	3,76,00,000
June 2024	21, 37,60,000	10	10	Other than cash	Bonus issue in the ratio of One (1) bonus Equity Shares for every one (1) Equity Share held in the Company <sup>(5)</sup>	75,20,000	7,52,00,000

(1) Allotment of 4975 Equity Shares to Zahid Akram Khan, 4975 Equity Shares to Shvate Sushma Kaull, 10 Equity Shares to Mahasweta Ghosh, 10 Equity Shares to Sushma Ravi Kaul, 10 Equity Shares to Neha Kaul, 10 Equity Shares to Parina Suresh Parekh and 10 Equity shares to Arif Gulam Khan.

(2) Allotment of 17,41,250 Equity Shares to Zahid Akram Khan, 17,41,250 Equity Shares to Shvate Sushma Kaull, 3,500 Equity Shares to Mahasweta Ghosh, 3,500 Equity Shares to Sushma Ravi Kaul, 3,500 Equity Shares to Neha Kaul, 3,500 Equity Shares to Parina Suresh Parekh and 3,500 Equity shares to Arif Gulam Khan.

(3) Allotment of 75,000 Equity Shares to Intgrai Technology Private Limited and 1,00,000 Equity Shares to P J Wealth Management and Consultants Private Limited

(4) Allotment of 75,000 Equity Shares to Sandeep Kumar Agarwal.

(5) Allotment of 17,46,225 Equity Shares to Shvate Sushma Kaull, 17,46,225 Equity Shares to Zahid Akram Khan, 3,510 Equity Shares to Sushma Kaul, 3,510 Equity Shares to Neha Kaul, 3,510 Equity Shares to Parina Suresh Parekh, 3,510 Equity Shares to Arif Gulam Khan, 3,510 Equity Shares to Mahasweta Ghosh, 75,000 Equity Shares to M/s Intgrai Technology Private Limited, 75,000 Equity Shares to Sandeep Kumar Agarwal and 1,00,000 Equity Shares to P J Wealth Management and Consultant Private Limited.

## 2. Preference Share Capital

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

## II. Issue of shares for consideration other than cash or out of revaluation of reserves or by way of bonus

Except as set out below, our Company has not issued any Equity Shares for consideration other than cash or out of revaluation of reserves or by way of bonus at any time since incorporation.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
February 15, 2024	35,00,000	10	N.A	Bonus issue in the ratio of Three hundred and Fifty (350) bonus	Capitalization of reserves

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
				Equity Shares for every one (1) Equity Share held in the Company <sup>(1)</sup>	
June 21, 2024	37,60,000	10	10	Bonus issue in the ratio of One (1) bonus Equity Shares for every one (1) Equity Share held in the Company <sup>(2)</sup>	Capitalization of reserves
<p>(1) Allotment of 17,41,250 Equity Shares to Zahid Akram Khan, 17,41,250 Equity Shares to Shvate Sushma Kaull, 3,500 Equity Shares to Mahasweta Ghosh, 3,500 Equity Shares to Sushma Ravi Kaul, 3,500 Equity Shares to Neha Kaul, 3,500 Equity Shares to Parina Suresh Parekh and 3,500 Equity shares to Arif Gulam Khan.</p> <p>(2) Allotment of 17,46,225 Equity Shares to Shvate Sushma Kaull, 17,46,225 Equity Shares to Zahid Akram Khan, 3,510 Equity Shares to Sushma Kaul, 3,510 Equity Shares to Neha Kaul, 3,510 Equity Shares to Parina Suresh Parekh, 3,510 Equity Shares to Arif Gulam Khan, 3,510 Equity Shares to Mahashweta Ghosh, 75,000 Equity Shares to M/s Intgrai Technology Private Limited, 75,000 Equity Shares to Sandeep Kumar Agarwal and 1,00,000 Equity Shares to PJ Wealth Management and Consultant Private Limited,</p>					

### III. Issue of Equity Shares pursuant to schemes of arrangement

Our Company has not allotted any Equity Shares pursuant to a scheme of amalgamation approved under Section 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013.

### IV. Issue or transfer of Equity Shares under employee stock option schemes

The Company does not have any employee stock option schemes under which any equity shares of the Company is granted. Accordingly, no Equity Shares have been issued or transferred by our Company pursuant to the exercise of any employee stock options.

### V. Issue of shares at a price lower than the Issue Price in the last year

The Issue Price for the Equity Shares is ₹[●]. Except for the bonus issue of shares, our Company has not issued any shares in the last year. For details of the allotments made in the last one year, see “*Capital Structure – Share Capital History of Our Company – Equity Share capital*” beginning on page 63.

[Remainder of the page has been intentionally left blank]

## Shareholding Pattern of our Company

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

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Class: Equity Shares	Total	Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(A)	Promoters and Promoter Group	7	70,20,000	-	-	-	93.35	-	-	-	-	-	-	-	-	-	70,20,000
(B)	Public	3	5,00,000	-	-	-	6.65	-	-	-	-	-	-	-	-	-	5,00,000
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	10	75,20,000	-	-	-	100	-	-	-	-	-	-	-	-	-	75,20,000

## Other details of shareholding of our Company

As on the date of the filing of this Draft Prospectus, our Company has 10 Shareholders.

Set forth below are the details of the build-up of our Promoters' shareholding in our Company since incorporation:

Date of allotment/ acquisition/ transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Co nsiderati on per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of Pre- Issue capital (₹)*	% of Post- Issue capital (₹)	
Zahid Akram Khan									
September 2023	12,	4,975	10	10	Cash	Subscription to MOA (Conversion of partnership firm into Company)	4,975	Negligible	[●]
February 2024	15,	17,41,250	10	-	Other than Cash	Bonus Issue in the ratio of Three Hundred and Fifty (350) shares for every One (1) share held	17,46,225	2.32	[●]
June 21, 2024		17,46,225	10	-	Other than Cash	Bonus issue in the ratio of One (1) bonus Equity Shares for every one (1) Equity Share held in the Company <sup>(2)</sup>	34,92,450	46.44	[●]
Sub-total (A)	34,92,450							46.44	[●]
Shvate Sushma Kaull									
September 2023	12,	4,975	10	10	Cash	Subscription to MOA (Conversion of partnership firm into Company)	4,975	Negligible	[●]
February 2024	15,	17,41,250	10	-	Other than Cash	Bonus Issue in the ratio of Three Hundred and Fifty (350) shares for every One (1) share held	17,46,225	2.32	[●]
June 21, 2024		17,46,225	10	-	Other than Cash	Bonus issue in the ratio of One (1) bonus Equity Shares for every one (1) Equity Share held in the Company <sup>(2)</sup>	34,92,450	46.44	[●]
Sub-total (B)	34,92,450							46.44	[●]
Total (A + B)	69,84,700							92.88	[●]

\*The figures in the row have been rounded-off to the closest decimal.

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as on the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
1.	Zahid Akram Khan	34,92,450	46.44
2.	Shvate Sushma Kaull	34,92,450	46.44
3.	P J Wealth Management and Consultants Private Limited	2,00,000	2.66
4.	Intgrai Technology Private Limited	1,50,000	1.99
5.	Sandeep Kumar Agarwal	1,50,000	1.99
<b>Total</b>		<b>69,84,700</b>	<b>99.53</b>

<sup>\*</sup>Rounded off to the closest decimal

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as of 10 days prior to the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
1.	Zahid Akram Khan	34,92,450	46.44
2.	Shvate Sushma Kaull	34,92,450	46.44
3.	P J Wealth Management and Consultants Private Limited	2,00,000	2.66
4.	Intgrai Technology Private Limited	1,50,000	1.99
5.	Sandeep Kumar Agarwal	1,50,000	1.99
<b>Total</b>		<b>69,84,700</b>	<b>99.53</b>

<sup>\*</sup>Rounded off to the closest decimal

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of one year prior to the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
<b>NIL</b>			

Set forth below is a list of Shareholders holding 1% or more of the paid-up capital, on a fully diluted basis, as of two years prior to the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
<b>NIL</b>			

#### The aggregate shareholding of the Promoters and Promoter group

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%) <sup>*</sup>	Percentage of the Post-Issue Equity Share capital (%)
<b>Promoters</b>				
1.	Zahid Akram Khan	34,92,450	46.44	[●]
2.	Shvate Sushma Kaull	34,92,450	46.44	[●]
<b>Promoter Group</b>				
3.	Mahasweta Ghosh	7,020	0.09	[●]
4.	Sushma Ravi Kaul	7,020	0.09	[●]
5.	Neha Kaul	7,020	0.09	[●]
6.	Parina Suresh Parekh	7,020	0.09	[●]
7.	Arif Gulam Khan	7,020	0.09	[●]
<b>Total</b>		<b>70,19,800</b>	<b>93.24</b>	[●]

<sup>\*</sup>Rounded off to the closest decimal

The number of specified securities purchased or sold by the Promoter Group and/ or by the Directors of our Company and their relatives in the preceding six months.

No.	Name of the Shareholder	Date of Purchase/ Sale	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%)
<b>Sold</b>				
<i>NIL</i>				
<b>Purchased</b>				
<i>NIL</i>				

#### Details of lock-in

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoter shall be considered as promoter's contribution ("**Promoter's Contribution**") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter's 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.

Name of Promoters	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Issue / Acquisition price per Equity Share (₹)	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-Issue paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
<b>Zahid Akram Khan</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Shvate Sushma Kaull</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]				[•]	[•]	[•]	

The shareholding of the Promoters in excess of 20% of the fully diluted Post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

All the Equity Shares held by our Promoters are in dematerialised form.

The Equity Shares held by shareholders other than promoter shall be locked-in for a period of one (1) year from the date of Allotment in the Issue, the same may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the Takeover Regulations.

In this connection, please note that:

The Equity Shares issued for Promoter's contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction, (ii) Equity Shares resulting from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of minimum Promoter's contribution.

The minimum Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being issued to the public in the Issue.

Our Company has been formed by the conversion of partnership firms in the year 2023.

As on the date of this Draft Prospectus, none of the Equity Shares held by our Promoters are pledged.

In terms of Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to the other Promoters or any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by persons (other than our Promoters) prior to the Offer and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the provisions of the Takeover Regulations.

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Prospectus.

Except for the allotment of Equity Shares pursuant to the Offer, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, undersubscription etc., as the case may be.

Our Company, our Directors and the Lead Manager have no existing buy-back arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

All Equity Shares offered pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus.

Except as disclosed in “**Risk Factors**” no 14 on page 31, the Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Prospectus

As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the 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.

There are no outstanding convertible securities, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Prospectus.

Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of filing the draft offer documents with the Registrar of Companies and the Offer Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

No person connected with the Offer, including, but not limited to, the Lead Manager, the members of the Syndicate, our Company and Directors shall offer any incentive, whether direct or indirect, in any manner, whether

in cash or kind or services or otherwise to any Investor for making an Application.

There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

## OBJECTS OF THE OFFER

The Offer comprises of a fresh issue of upto 30,00,000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share (the "Offer Price"), including a share premium of ₹ [●]/- per equity share aggregating to ₹ 24,00,000 Lakh by our Company and Offer for Sale of upto 6,00,000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share (the "Offer Price"), including a share premium of ₹ [●]/- per equity share aggregating upto ₹ [●] Lakh by our Promoters.

### Net Proceeds

The details of the proceeds of the Offer are set forth in the table below:

(₹ in lakh)	
Particulars	Amount
Gross Proceeds of the Offer	[●]
Less: Offer for Sale by Promoter	[●]
Less: Offer Expenses*	[●]
Net Proceeds**	[●]

\*For details see "Offer Related Expenses" below on page 78.

\*\* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to the filing with the RoC.

### The Objects of the Offer are:

- A. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company
- B. To meet working capital requirement
- C. General Corporate Purposes includes inorganic opportunity.

(Collectively, referred to herein as the "Objects")

The main objects clause and the objects incidental and ancillary to the main objects as set out in the Memorandum of Association our Company enable us: (i) to undertake our existing business activities; (ii) to undertake the activities proposed to be funded from the Net Proceeds (including the activities for which the funds earmarked towards general corporate purposes shall be used); (iii) to undertake the activities for which the relevant loans were raised, which are proposed to be prepaid or repaid from the Net Proceeds.

Further, our Company expects to receive the benefits of listing of the Equity Shares on the SME Platform of National Stock Exchange of India Limited ("NSE") including the enhancement of our Company's visibility and brand image among our existing and potential customers as well as vendors and creation of a public market for our Equity Shares in India.

### Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in the manner set forth below:

(₹ in lakh)	
Particulars	Amount
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	296.28.00
Funding of working capital requirements of our Company	400.00
General Corporate Purposes includes inorganic opportunity	[●]

The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Offer.

\* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

# The amount utilised for general corporate purposes and pursuing inorganic acquisitions shall not exceed 35% of the Gross Proceeds. The amount to be utilised for general corporate purposes alone or for pursuing inorganic initiatives alone shall not exceed 25% of the Gross Proceeds.

The requirement and deployment of funds as indicated above are based on our current business plan, internal management estimates, prevailing market conditions and other commercial and technical factors, including interest rates and other charges, and the financing and other agreements entered into by our Company, and have not been appraised by any bank or financial institution. Given the dynamic nature of our business, we may have

to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations and configuration of the business segment, increase in input costs, labour costs, Fuel costs, incremental preoperative expenses, taxes and duties, interest and finance charges, procurement costs, working capital margin, regulatory costs, environmental factors 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 our management, subject to compliance with applicable law.

Moreover, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Offer in accordance with Regulation 230(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated amount of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals, general corporate purposes and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Offer. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of employment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

For further details of factors that may affect these estimates, see "**Risk Factors**" on page 26.

## Means of Finance

We propose to fund the requirements of the Objects detailed above entirely from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer and existing identifiable internal accruals as required under Regulation 230(1)(e) the SEBI ICDR Regulations.

## Details of the Objects

### 1. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company:

Our Company has entered into various financing arrangements from time to time, with banks. The financing arrangements availed by our Company include, inter alia, term loans and working capital facilities. For further details, please refer "**Financial Indebtedness**" on page 180.

As at September 10, 2024, our total outstanding borrowings amounted to ₹ 851.70 lakhs. Our Company proposes to utilise an estimated amount of up to ₹ 296.28 lakhs from the Net Proceeds towards prepayment or scheduled repayment of all or a portion of certain loans availed by our Company.

We believe that the pre-payment or scheduled repayment will help reduce our existing borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion and decrease in cost.

The following table provides details of loans and facilities which are proposed to be pre-paid or partly or fully repaid by our Company from the Net Proceeds:

(in Rs. Lakhs)								
S. No.	Name of the entity	Date of Sanction letter/Disbursement	Outstanding loans as at September 10, 2024	Purpose of availing loans	Interest rate (%) P. A	Whether repayable on demand	Prepayment penalties, if any	Important terms of the loans
1	Axis Bank BL	August 20, 2024	30.00	Business Purpose	17.00 %	No	No prepayment charges	Nil

S. No.	Name of the entity	Date of Sanction letter/Disbursement	Outstanding loans as at September 10, 2024	Purpose of availing loans	Interest rate (%) P. A	Whether repayable on demand	Prepayment penalties, if any	Important terms of the loans
2	Fedbank Financial Services Ltd BL	July 17, 2024	27.8	Business Purpose	17%	No	No prepayment charges	Nil
3	HDFC Bank BL	July 11, 2023	23.3	Business Purpose	15%	No	No prepayment charges	Nil
4	ICICI B.Loan	June 23, 2023	33.6	Business Purpose	16.50%	No	No prepayment charges	Nil
5	IDFC B.Loan	June 23, 2023	27.2	Business Purpose	16.25%	No	No prepayment charges	Nil
6	PalSmith Advisor Pvt Ltd B.Loan	October 10, 2023	05.80	Business Purpose	9%	No	No prepayment charges	Nil
7	SCB B.Loan	June 26, 2023	33.4	Business Purpose	16.50%	No	No prepayment charges	Nil
8	SMFG India Credit Company Ltd B.Loan	August 27, 2024	38.9	Business Purpose	17%	No	No prepayment charges	Nil
9	Tata Capital Financial B.Loan	June 27, 2023	16.00	Business Purpose	16%	No	No prepayment charges	Nil
10	Unity Small Finance Bank Ltd B.Loan	August 20, 2024	47.6	Business Purpose	17%	No	No prepayment charges	Nil
11	Vincent Commercial Company Limited B.Loan	January 15, 2024	12.7	Business Purpose	15%	No	No prepayment charges	Nil
<b>Total</b>			<b>296.28</b>					

*In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposed availed, our Company has obtained the requisite certificate dated September 17, 2024 for the loans to be prepaid by our Company.*

For further details in relation to our borrowings, please see “**Financial Indebtedness**” on page 180.

## 2. Funding of working capital requirements of our Company

We propose to utilise ₹ 400.00 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2025.

We have significant working capital requirements and we fund a majority of our working capital requirements in the ordinary course of business from our existing equity, internal accruals and financing facilities from various banks, financial institutions and non-banking financial companies.

Further, the funding of the incremental working capital requirements of our Company will help to a consequent increase in our profitability and in achieving the proposed targets as per our business plan.

### Existing and Estimated Working Capital Requirement

The details of our Company’s working capital requirement for the Fiscal 2022, 2023, 2024 derived from

the restated consolidated financial statements as certified by our Statutory Auditor through their certificate dated September 17, 2024, are provided in the table below, and the sources of funding of the same and estimated working capital requirements for Fiscal 2025 and proposed funding of such working capital requirements are as set out in the table below

(₹ in lakh)				
S. No.	Particulars	As at March 31, 2022(Actual)	As at March 31, 2023 (Actual)	As at March 31, 2024 (Actual)
1	Current Assets			
a)	Trade Receivables	50.75	519.51	983.26
b)	Cash and cash equivalents	52.80	71.30	26.02
d)	short term loan and advances	190.86	234.73	245.66
e)	Other Current Assets	23.98	-	230.21
	<b>Total Current Assets (A)</b>	<b>318.39</b>	<b>825.54</b>	<b>1,485.15</b>
2	Current Liabilities			
a)	Short Term Borrowings	-	81.00	569.20
b)	Trade Payables	17.86	325.00	315.41
c)	Other Current Liabilities	35.34	69.00	171.89
d)	Short-term provisions	33.60	21.00	5.90
	<b>Total Current Liabilities (B)</b>	<b>86.80</b>	<b>496.00</b>	<b>1,062.00</b>
3	<b>Net Working Capital Requirements (A-B)</b>	<b>231.59</b>	<b>329.24</b>	<b>422.75</b>
4	Existing Funding Pattern			
a)	Short Term Borrowings	-	81.43	* 277.98
b)	Internal Accrual	44.27	84.31	15.35
c)	Long Term Borrowing for working capital purpose	187.32	163.50	129.42
4	<b>Total</b>	<b>231.59</b>	<b>329.24</b>	<b>422.75</b>

\*As of March 31, 2024, short-term borrowings exceed the necessary working capital because the Company has invested in acquiring intellectual property assets, which are classified as intangible assets and are part of normal business operations.

**Projected Working Capital Requirement of company for financial year FY 2024-25 are set out in Below Table.**

(₹ in lakh)	
Particular	31st March, 2025
<b>Current Assets</b>	
a. Trade receivables	1,084.74
b. Cash and cash equivalents	232.78
c. Short term loan and advances	221.09
d. Other Current Asset	311.15
<b>Total Current Assets</b>	<b>1,849.76</b>
<b>Current Liabilities</b>	
a. Short Term Borrowings	276.20
b. Trade Payables	497.34
c. Other Current Liabilities	51.57
d. short term Provisions	7.38
<b>Total Current Liabilities</b>	<b>832.48</b>
<b>Net Working Capital Requirement</b>	<b>1,017.28</b>
<b>Existing Funding Pattern</b>	
Net Proceeds from Offer	400.00
Short term borrowing	276.20
Internal Accrual	184.08
Long Term Borrowing for working capital purpose	157.00

### Holding Period (Number of Days)

The table below contains the details of holding period (in number of days) Fiscal 2024, Fiscal 2023 and Fiscal 2022 and the estimated holding period (in days) for the Fiscal 2025 and the assumptions based on which the working plan projections have been made and approved by our Board of Directors:

Number of days for the year and period ended				
Particulars	March 31, 2022 (Actual)	March 31, 2023 (Actual)	March 31, 2024 (Actual)	March 31, 2025 (Estimated)
<b>Current Assets</b>				
Inventories	-	-	-	-
Trade Receivables	50	128	164	134
<b>Current Liabilities</b>				
Trade Payables	24	103	74	90

### Key Justification:

#### Fiscal year 2022 2023 and 2024:

##### Trade receivables:

This variation is largely influenced by the nature of the industry, where revenue recognition often coincides with the release schedules and distribution agreements of advertisement, talent management services.

In Fiscal 2022, the receivable holding period was relatively low at 50 days, increasing to 128 days in Fiscal 2023. By Fiscal 2024, the holding period surged to 164 days, due to the company strategically offered extended payment terms to clients in order to secure contracts and establish a strong market presence in a competitive industry. This was a conscious decision to create sustained business relationships, even if it temporarily impacted the cash flow cycle.

As the company's portfolio expanded, larger contracts and projects with bigger clients became more common. These contracts often come with longer payment terms as part of the negotiation, contributing to the rise in debtor days.

The entertainment sector, faced substantial disruption due to the pandemic, with delayed productions and event schedules. As the industry slowly recovers, the timelines for payments have extended, which is reflected in the debtor days.

The entertainment industry often involves complex financial agreements and payment cycles that can be significantly longer due to factors such as project delays, post-release settlements, and endorsement-related payments. These cyclical and unpredictable payment schedules have contributed to the increase in debtor days.

##### Trade payables:

The trade payable holding levels show significant variations across different fiscal years. The substantial increase from 24 days in Fiscal 2022 to 103 days in Fiscal 2023 and 74 days in Fiscal 2024 is due to the creditor days surged as the company negotiated extended payment terms with its vendors. This was likely a strategy to manage cash flow more effectively, especially as the company offered extended payment terms to its clients, thus aligning outgoing payments with the delayed incoming cash from receivables.

The company expanded its talent management portfolio significantly in FY 22-23, Company opted for longer payment cycles with these vendors, resulting in higher creditor days.

**Reason for substantial increase of working capital requirement are mentioned below:-**

**Fiscal year 2025**

During the fiscal year 2024, the total working capital requirement was ₹ 422.75 Lakhs. However, this is estimated to increase to ₹ 1,118.27 Lakhs during FY2025. The reasons for increase in future working capital requirements of our company are as under:

The debtor days have been projected at 134 days for FY 2024-25. This projection aligns with the industry norms for talent management agencies, Advertisement and event management and Production and content which typically experience a 90-day receivable cycle due to the nature of client contracts and billing cycles. This period allows adequate time for clients to process payments after the completion of services, thus ensuring a consistent cash flow. Ensuring that the company maintains sufficient liquidity to support ongoing operations and growth, as reflected in the financial projections for the upcoming fiscal years.

For FY 2024-25, the creditors' days are projected 90 days. This projection aligns with industry norms observed within the Media & Entertainment industry. Agencies in this sector typically negotiate extended payment terms with their suppliers to manage cash flow effectively, ensuring sufficient working capital.

**3. General Corporate Purposes includes inorganic opportunity:**

We propose to deploy the balance Net Proceeds, aggregating to ₹ [●] Lakhs, towards general corporate purposes and unidentified inorganic acquisitions subject to such utilisation not exceeding 35% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. Further, the amount to be utilised for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.

**Unidentified inorganic acquisitions**

We have grown organically since inception and expanded our verticals and as one of our strategy is setting up new offices in India and Abroad which can be achieved by either by establish offices at new locations or pursue inorganic growth through strategic acquisitions of high margin businesses supplemental to our operations.

Additionally, the company aims to establish partnerships with new clients and new talent by executing projects at higher margins and extending more favorable credit terms. These strategic initiatives are expected to drive future growth.

The Company is planning to enter into newer geographies and expand our business. This strategic decision is not just about reaching new markets, new talents and rosters, it's about solidifying our position in the industry and fostering sustainable growth. By venturing into untapped territories, new talent we aim to unlock fresh opportunities, broaden our client base, and diversify our revenue streams.

**Rationale for acquisitions in future:**

**1 Strategic Diversification**

- **Vertical-Specific Expertise:** Acquiring firms in our business verticals or expanding verticals vide inorganic route will allow us to diversify our portfolio and deepen our expertise in high-demand sectors in relatively less time.
- **Geographic Expansion:** Company is having a presence in Mumbai today but there is good opportunity in other Geographies like Southern India, Central India, and overseas for talent management, events, etc. Having presence there will open many more opportunities

**2 Enhanced Competitive Edge**

- **Client Relationships:** Media & Entertainment industry typically operates on close, long-term relationships with clients, offering highly personalized services. Identifying new talents and rosters will allow us to inherit these strong relationships, enhancing our ability to retain and grow the client base.

### 3 Scalability and Synergy

- **Scalability in Niche Segments:**

Acquiring firms will provide us an opportunity to scale operations in niche segments without the need for developing expertise from scratch. It will allow us to leverage the acquired firm's existing processes, workforce, and market knowledge to rapidly scale up in targeted areas.

Our acquisition strategy is primarily driven by our Board and senior management and the typical framework and process that would be followed by us for acquisitions will involve identifying the strategic acquisitions based on the rationale set out above, entering into requisite non-disclosure agreements and conducting diligence of the target. On satisfactory conclusion of the diligence exercise, we will enter into definitive agreements to acquire the target based on the approval of our Board and the shareholders, if required. As on the date of this Draft Prospectus, we have not entered into any definitive agreements towards any future acquisitions or strategic initiatives for the object set out above.

We intend to utilize the above-stated portion of the Net Proceeds towards our strategic acquisitions and/or investments which may be undertaken over the course of financial years (i.e FY 2024-25). The proposed inorganic acquisitions shall be undertaken in accordance with the applicable laws, including the Companies Act, FEMA and the regulations notified thereunder, as the case may be

The amount of Net Proceeds to be used for each individual acquisition and/ or investments will be based on our management's decision and may not be the total value or cost of any such investments, but is expected to provide us with sufficient financial leverage to pursue such investments. The actual deployment of funds will also depend on a number of factors, including the timing, nature, size and number of acquisitions undertaken in a particular period, as well as general factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential acquisitions, i.e., whether they will be in the form of equity, debt or any other instrument or combination thereof, or whether these will be in the nature of joint ventures. Acquisitions and inorganic growth initiatives may be undertaken as share-based transactions, including share swaps, or a combination thereof, or be undertaken as cash transactions. At this stage, our Company cannot identify any acquisition targets and whether the form of investment will be cash, equity, debt or any other instrument or combinations thereof

Further, in accordance with the SEBI Listing Regulations, our Company will disclose to the Stock Exchanges, details of acquisition and/or investments such as cost and nature of such acquisition and/or investments, as and when acquired. We undertake that the acquisition and/or investments proposed to be undertaken from the Net Proceeds shall not be acquired from the Promoter, Promoter Group entities, Group Companies, affiliates or any other related parties.

#### **General Corporate purpose:**

Our Company proposes to deploy the balance Net Proceeds, aggregating to [\*], towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time, subject to such amount not exceeding 25% of the Gross Proceeds of the Offer, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, meeting ongoing general corporate contingencies, strengthening marketing capabilities and brand building exercises, strategic initiatives and acquisition and/or funding any shortfall in any of the abovementioned objects. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business

requirements of our Company, from time to time.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes

#### 4. Offer Related Expenses

The total expenses of the Offer are estimated to be approximately [\*] lakh. The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the LM, Legal Advisor to the Offer, Registrar to the Offer, Escrow Collection Bank(s) and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to Members of the Syndicate, Registered Brokers, CRTAs, SCSBs and CDPs, printing and stationery expenses, advertising and marketing expenses, fee payable to consultants and auditors for deliverables in connection with the Offer and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange

All Offer expenses will be borne, upon successful completion of the Offer, by our Company in accordance with applicable law.

The break-up of the estimated Offer expenses are as follows:

(₹ in Lacs)			
Particulars	Estimated Expenses (1)	As a % of the total estimated Offer Expenses(1)	As a % of the total Offer Size(1)
Fees payable to the LM and commissions (including underwriting commission, brokerage and selling commission)	[•]	[•]	[•]
Selling Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Offer and fee payable to the Sponsor Bank for Applications made by RIIs. Brokerage, underwriting commission and selling commission and applying charges for Members of the Syndicate, Registered Brokers, CRTAs and CDPs ((2)(3)(4)(5)(6)	[•]	[•]	[•]
Fees payable to the Registrar of the Offer	[•]	[•]	[•]
Fees payable to the other advisors to the Offer/ Company	[•]	[•]	[•]
Other Expenses	[•]	[•]	[•]
a. Listing fees, SEBI fees, Stock Exchange processing fees, ASBA software fees, and other regulatory expenses	[•]	[•]	[•]
b. Printing and distribution of Offer Stationery	[•]	[•]	[•]
c. Advertising and Marketing Expenses	[•]	[•]	[•]
d. Fees payable to the Legal Advisor to the Offer	[•]	[•]	[•]
e. Miscellaneous	[•]	[•]	[•]
Total estimated Offer expenses	[•]	[•]	[•]

#### 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 Offer are currently based 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 unsecured Loans

### **Bridge Financing Facilities**

We have not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

### **Interim Use of Fund**

Pending utilization of the Offer Proceeds for the Objects of the Offer described above, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Offer as described above, it shall not use the funds from the Offer Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

### **Monitoring Utilization of Funds**

As the size of the Fresh Offer does not exceed ₹ 2,500 Lakhs, in terms of Regulation 262 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Offer. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, 2015, our Company shall on a half-yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulation, 2015 our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Prospectus.

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Offer without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the —Postal Ballot Notice) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and SEBI Regulations.

### **Other Confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, Subsidiary, our Directors, our Key Management Personnel, our Senior Management Personnel or our Group Companies, either directly or indirectly. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our

Promoters, Promoter Group, our Director.

## BASIS FOR THE OFFER PRICE

The Offer Price of ₹[●]/- per Equity Share has been determined by our Company, in consultation with the Lead Manager and justified by our Company, on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is ₹10/- and Offer Price is ₹[●]/- which is [●] times the face value. Investors should also refer “**Our Business**”, “**Risk Factors**” and “**Financial Statements as Restated**” beginning on page no. 102, 26 and 141 respectively, of this draft prospectus, to have an informed view before making an investment decision.

**QUALITATIVE FACTORS:** Some of the qualitative factors, which form the basis for computing the price, are–

- Long Standing Relationship with key Clients
- Quality Assurance
- Wide range of services offerings
- Experienced Promoters and professional management team with technical expertise

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled, “**Our Business**”, beginning on page no. 102 of this draft prospectus.

For more details on quantitative factors, please refer to chapter “**Our Business- Competitive Strengths**” on page 111.

### Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Consolidated Financial Statements. For more details, please refer to “**Restated Financial Information**” on page 141.

Investors should evaluate our Company and form their decisions taking into consideration its earnings, and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

#### 1. Basic and Diluted Earnings per Share ("EPS")

Fiscal Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2024#	305.54	305.54	3
March 31, 2023*	2,156.97	2,156.97	2
March 31, 2022*	528.41	528.41	1
<b>Weighted Average</b>	<b>959.83</b>		

*Notes:*

*EPS has been calculated in accordance with the Indian Generally Accepted Accounting Policy – “Earnings per share”. The face value of equity shares of the Company is ₹. 10.*

*# EPS for the financial year 23-24 has been calculated based on sum of earnings available to equity share holder for period from April 1, 2023 to September 25, 2023 with respect to partnership firm & period from September 26, 2023 to March 31, 2024 with respect to company divided by number of shares outstanding as on March 31, 2024.*

- *EPS for the financial ended March 31, 2023 and March 31, 2022 is calculated basis the partnership firm capital.*

#### 2. Price to Earning ("P/E") Ratio in relation to the Offer Price ₹ /- per Equity Share:

Particulars	P/E Ratio (number of times)*
P/E ratio based on Basic and Diluted EPS as at March 31, 2024	[●]
P/E ratio based on Weighted Average EPS	[●]

#### 3. Industry Peer Group P/E ratio

Particulars	Industry P/E
Highest	142
Lowest	41.0

Particulars	Industry P/E
Industry Average	91.5

**Source:** The industry high and low has been considered from the industry peer set provided later in this section. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

#### 4. Return on Networth ("RoNW")

Fiscal Year ended	RoNW (%)	Weight
March 31, 2024	51.37	3
March 31, 2023	84.32	2
March 31, 2022	61.35	1
<b>Weighted Average</b>	<b>32.84</b>	

**Notes:**

- (1) Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.
- (2) Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the year.
- (3) Net worth = Equity Share capital plus Reserves and Surplus

#### 5. Net Asset Value per Equity Share (Face Value of ₹ 10/- each)

Particulars	NAV per Equity Share (₹)
As on March 31, 2024	18.6
As on March 31, 2023	2,558.08
As on March 31, 2022	861.31

##### After the Completion of the Offer:

- At Offer Price

[●]

**Notes:** Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of the year as per Restated Financial Statements.

#### 6. Comparison with Listed Industry Peers

Name of the Company	Revenue from Operations (₹ in lakhs)	Face Value per equity share (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	(in lakhs)
							NAV per equity share (₹)
<b>KRI Entertainment Limited</b>	2,157.29	10	[●]	305.54	305.54	51.37	18.6
<b>Innokaiz India Limited</b>	7,763.23	10	20.7	2.11	2.11	4.39%	26.67

As certified by Naik Mehta & Co, Chartered Accountants pursuant to their certificate dated September 17, 2024

#### 7. Financial Key Performance Indicators ("KPIs")

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our listed peers. The table below sets forth the details of our KPIs that our Company considers have a bearing for arriving at the basis for Offer Price.

(₹ in lakh except percentages and ratios)

Key Performance Indicators#	For the period ended March 31, 2024	For The Period Ended September 25, 2023	Financial year ended March 31, 2023	Financial year ended March 31, 2022
<b>Partnership Firm</b>				
Revenue From Operation	1,400.98	756.31	1461.56	364.64

Key Performance Indicators#	For the period ended March 31, 2024	For The Period Ended September 25, 2023	Financial year ended March 31, 2023	Financial year ended March 31, 2022
EBITDA	542.96	90.45	350.09	98.96
EBITDA Margin %	38.76	11.96	23.95	27.14
PAT	335.38	29.60	215.70	52.84
PAT Margin %	23.94	3.91	14.76	14.49
Net worth	652.9	317.5	225.8	86.10
RONW%	51.37	9.32	84.32	61.35
RoCE %	56.63	16.84	74.61	29.62

<sup>#</sup>As certified by the Statutory Auditor vide their certificate dated September 17, 2024

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated September 17, 2024.

#### Explanation for the Key Performance Indicators

1. EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance costs, and depreciation & amortisation expenses.
2. EBITDA Margin is calculated as EBITDA as a percentage of Total Revenue.
3. PAT Margin is calculated as profit after tax for the year as a percentage of Total Revenue.
4. Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the Company less deferred tax assets
5. Return on Net worth is ratio of Profit after Tax and Dividend by total net worth of the Company.
6. Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total liabilities less goodwill, other intangible assets, Right-of-use assets and Deferred tax assets (Net), if any, plus total borrowings (including lease liabilities) as at the end of the period/year.

Our Company shall continue to disclose the KPIs disclosed hereinabove in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges, or until the utilization of Offer Proceeds as per the disclosure made in the section "**Objects of the Offer**" starting on page 71 of this Draft Prospectus, whichever is later, or for such other period as may be required under the SEBI ICDR Regulations.

#### Comparison the Key Performance Indicators with our listed peers:

	(₹ in lakhs, except EPS, % and ratios)					
	For the year ended on March 31			For the year ended on March 31		
	KRI Entertainment Limited			Innokaiz India Limited		
	2024	2023	2022	2024	2023	2022
Revenue from Operations (₹ in Lakhs)	2157.29	1,461.56	364.64	7,763.23	22,251.52	28,592.69
EBITDA (₹ in Lakhs)	633.41	350.09	98.96	397.06	1,195.30	1,099.76
EBITDA Margin	29.36	23.95	27.14	5.11%	5.37%	3.85%
Net Profit after tax (₹ in Lakhs)	364.98	215.70	52.84	210.24	886.20	791.52
Net Profit Margin	16.92	14.76	14.49	2.71%	3.98%	2.77%
Return on Capital Employed		74.61	29.62	5.77%	42.35%	56.46%
Net Debt/ EBITDA (In Times)	1.34	1.15	2.88	(0.62)	(0.44)	3.53

#### Comparison the Key Performance Indicators with our unlisted peers:

(₹ in lakhs, except EPS, % and ratios)

	For the year ended on March 31			For the year ended on March 31		
	Exceed Entertainment Limited			Matrix India Entertainment Consultants Private Limited		
	2023	2022	2022	2023	2022	2021
Revenue from Operations (₹ in Lakhs)	3,923.67	3,198.87	2,559.35	33,482	35,178.68	16,044.66
EBITDA (₹ in Lakhs)	482.94	468.12	296.26	2,406	1,247.61	754.58
EBITDA Margin	12.31%	14.63%	11.58%	7.19%	3.55%	4.70%
Net Profit after tax (₹ in Lakhs)	288.42	356.78	206.03	1,866	1,025.63	614.60
Net Profit Margin	7.35%	11.15%	8.05%	5.57%	2.92%	3.83%
ROE	16.94%	25.22%	19.48%	24.75%	13.50%	6.62%
Return on Capital Employed	16.44%	27.55%	22.69%	29.99%	16.06%	7.86%
Net Debt/ EBITDA (In Times)	0.62	0.37	0.82	0.04	0.62	0.30

#### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakh)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA (₹ in Lakh)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ in Lakh)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Net Debt/ EBITDA (In Times)	Net Debt by EBITDA is indicator of the efficiency with which our Company is able to leverage its debt service obligation to EBITDA.

#### WEIGHTED AVERAGE COST OF ACQUISITION:

- a) **The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).**

There have been issuance of Equity Shares, excluding shares issued as bonus shares, during the 18 months preceding the date of this Draft Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days.

Date of Allotment	No of securities allotted	Face value per equity share	Issue price per share	Nature of consideration	Total consideration
5-4-2024	1,75,000	10	100	Conversion Of ICD	1,75,00,000
5-4-2024	75,000	10	100	Cash	75,00,000
<b>Total</b>	<b>2,50,000</b>	<b>10</b>	<b>100</b>		<b>2,50,00,000</b>
<b>Weighted Average Cost of Acquisition (WACA)</b>					<b>100</b>

**b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities).**

There have been no secondary sale / acquisitions of Equity Shares or convertible securities, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

**c) Price per share based on the last five primary or secondary transactions;**

Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions.

**d) Weighted average cost of acquisition, Offer price:**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Offer Price (₹ [●] /-)
Weighted average cost of acquisition of primary issuances	100	[●]
Weighted average cost of acquisition for secondary transactions	N.A*	NA

*\*There have been no instances of secondary sale / acquisition during 18 months prior to the date of this Draft Prospectus.*

**8. Detailed explanation for Offer Price being ₹ [●]/- price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (as set out above) along with our Company's key financial and operational metrics and financial ratios for Fiscal 2024, 2023 and 2022.**

[●]\* \*To be included on finalization of offer price

**9. Explanation for Offer Price being ₹ [●]/- price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (as set out above) in view of the external factors which may have influenced the pricing of the Offer.**

The Offer price is [●] times of the face value of the Equity Shares. The Offer Price of ₹ [●]/- has been determined by our Company, in consultation with the Lead Manager and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "**Risk Factors**", "**Our Business**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Financial Information**" on pages 26, 102, 183 and 141 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "**Risk Factors**" on page 26 and you may lose all or part of your investment.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date 17<sup>th</sup> September, 2024

To,  
**The Board of Directors,**  
**Kri Entertainment Limited**  
A201 to 206, 2nd floor, Fairlink Centre,  
Oshiwara, Andheri,  
Mumbai - 400053  
Maharashtra, India

Dear Sirs,

**Subject: Statement of Possible Special Tax Benefits Available to the Company prepared in accordance with the requirements under Schedule VI-PART A, Clause (9) (L) of the SEBI (ICDR) Regulations, 2018, as amended (the “Regulations”)**

We hereby report that this certificate along with the annexure states the special tax benefits available to KRI Entertainment Limited and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2024 (i.e. applicable to F.Y. 2024-25 relevant to A.Y. 2025-26) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax[GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have installed for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions, which based on business imperatives, which the Company may or may not choose to fulfil or face in the future.

The benefits discussed in the enclosed Annexure cover the special tax benefits available to the Company and its shareholders but does not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure and its contents is the responsibility of the management of the Company and is not exhaustive. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company comprising a fresh issue of the Equity Shares by the Company. Neither we are suggesting nor advising the investors to invest money based on this Statement.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (the “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 have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

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

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

The contents of enclosed Annexures are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Tax Laws 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. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby consent for inclusion of this certificate or any extracts or annexures thereof, in full or part, in the Draft Prospectus (DP), and the Prospectus, to be filed with the Registrar of Companies, Mumbai at Maharashtra (ROC) and submitted with Emerge platform of National Stock Exchange of India where the equity shares of the Company are proposed to be listed (the "Stock Exchange") with respect to the Issue, and in any other material used in connection with the Issue and may be relied upon by the Company, the Lead Manager and legal advisor appointed in relation to the Issue by the LM and the legal advisor in relation to the Issue

Yours faithfully,

**For Naik Mehta & Co.**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 124529W**

**CA Alpa Mehta**  
**Partner**  
**Membership No.: 107896**  
**Place: Mumbai**  
**UDIN: 24107896BKCTXX7028**  
**Date: 17<sup>th</sup> September, 2024**

## **ANNEXURE TO THE STATEMENT OF TAX BENEFITS**

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

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

### **SPECIAL TAX BENEFITS TO THE COMPANY**

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that it has opted for section 115BAA for the assessment year 2025-26. Apart from this, the Company is not entitled to any special tax benefits under the Act.

### **SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

**The Shareholders of the Company are not entitled to any special tax benefits under the Act.**

#### **Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## SECTION – IV ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

#### **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.

India being the seventh-largest country by area, the second-most populous country with over 1.44 billion people, and the most populous democracy in the world. India boasts of an immensely rich cultural heritage, including numerous languages, traditions, and people. The country holds its uniqueness in its diversity and hence has adapted itself to international changes with poise and comfort. While the economy has welcomed international companies to invest in it with open arms since liberalisation in the 1990s, Indians have been prudent and proactive in adopting global approaches and skills. Early 1990s brought in the era of globalisation in India, trade controls were relaxed, which eventually benefitted the broadcasting industry immensely and India got its first private TV Channel. Then ushered in a number of TV programmes and niche channels for music, movies, entertainment, infotainment, cartoons and news.

In 1997 with establishment of a regulator for broadcasting space, Media and Entertainment sector was accorded an Industry status, qualifying it for funding from banks and other financial institutions. Exports of the films and entertainment sector increased manifolds.

As the world entered the new millennium, new opportunities opened up for the media and entertainment industry as mobile phones and the internet made its way to households. Over the past few decades, there has been an unprecedented boom in creative media, content creation, and digital marketing space. According to the I&B Ministry the media and entertainment industry is expected to become a 100 billion dollar (INR 7.5 lakh crore) sector by 2030.

For the industry, 2022 marked an important inflection point. The total global E&M revenue of USD 2.32 trillion witnessed a sharp drop from the 10.6% growth rate in 2021 to 5.4% in 2022. This sluggish E&M growth comes on the back of a decline in consumer spending.

For some key sectors, the surge in uptake and revenues experienced during COVID-19 ran out of steam – for example, podcasts, which were among the industry’s major success stories in the pandemic, fell by an estimated 80% in 2022. The global slowdown was further pronounced in advertising, as the internet advertising segment – by far the single largest contributor to overall advertising revenues – saw sluggish growth in 2022.

In India, though, the picture is more promising. E&M revenue in the country witnessed 15.9% growth to USD 46,207 million in 2022 compared to 2021. In fact, the Indian market is poised to grow at a compound annual growth rate (CAGR) of 9.7% in the forecast period to reach USD 73,560 million in 2027.

Powered by over-the-top (OTT) platforms, the gaming sector, traditional TV, internet and out-of-home (OOH) advertising and the use of the metaverse, India’s E&M industry is expected to grow exponentially. With multidisciplinary cultural spaces being set up in different metros, a rise in in-person events will also provide considerable room for growth as advertisers are keen to access India’s diverse demography and large live audiences.

Source: <https://www.pwc.in/assets/pdfs/industries/entertainment-and-media/global-entertainment-and-media-outlook-2023-2027-india-perspective-v1.pdf>

#### **Media and Entertainment (M&E) Industry**

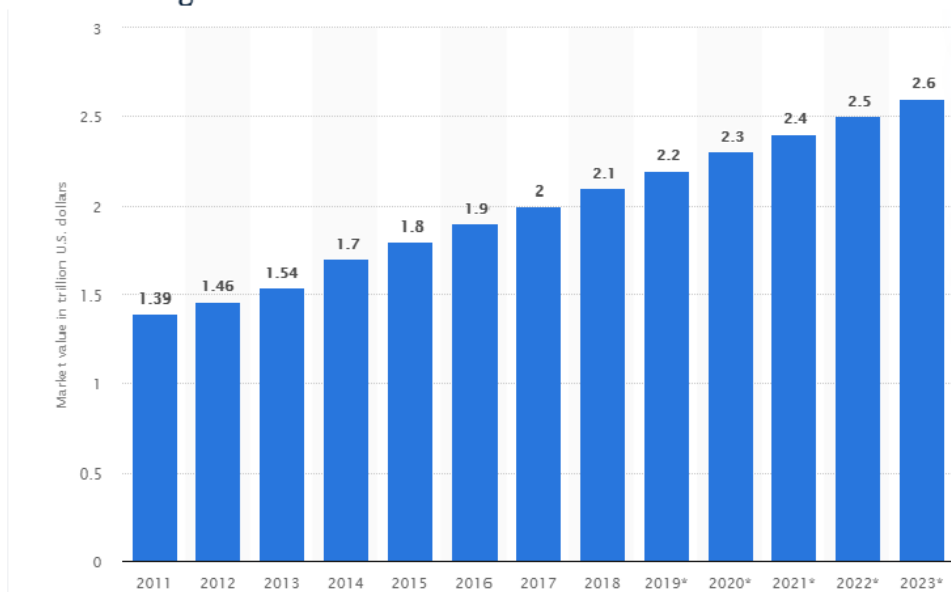
The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making high growth strides. Proving its resilience to the world, the Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenues. The industry 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.

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



Above 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.

### **Media & Entertainment industry In India**

The Media & Entertainment (M&E) industry in India is one of the fastest growing sectors of the economy. It is riding on the economic growth and rising income levels that India has been experiencing over the past few years; a trend which is expected to consolidate and increase in the coming years.

India's media and entertainment industry tends to outpace the nation's GDP growth. Last year, the industry grew over 8%, despite global headwinds. While traditional media, such as television and radio, continue to dominate the market reaching 800 and 400 million consumers respectively, digital has truly caught up, recording a reach of 600 million. While print, with a reach of 300 million, and cinema with 100 million, may appear smaller, they continue to remain essential in shaping the future of the industry. What is clear from 2023 is that digital is not eating away share from the other mediums but is additive to the industry. The reach of online news is higher than that of newspapers or news television. Digital video is now larger than television in certain areas of the country, with online sports setting global viewership records. And online entertainment platforms cater to audience segments both from an original content perspective as well as for catch-up television.

### **Indian Media & Entertainment (M&E) Sector Growth Projections**

The Indian Media & Entertainment (M&E) sector is set for substantial growth, with a projected 10.2% increase, reaching Rs. 2,55,000 crore (US\$ 30.8 billion) by 2024 and a 10% CAGR, hitting Rs. 3.08 trillion (US\$ 37.2 billion) by 2026.

The Indian media and entertainment sector posted a robust 19.9% growth in 2022 and crossed the Rs. 2 lakh crore (US\$ 24 billion) mark in annual revenue for the first time led by a sharp jump in the digital advertising mop-up. India's media and entertainment industry is the fifth largest market globally and is growing at the rate of 20% annually, according to Union Information and Broadcasting Minister Mr. Anurag Thakur.

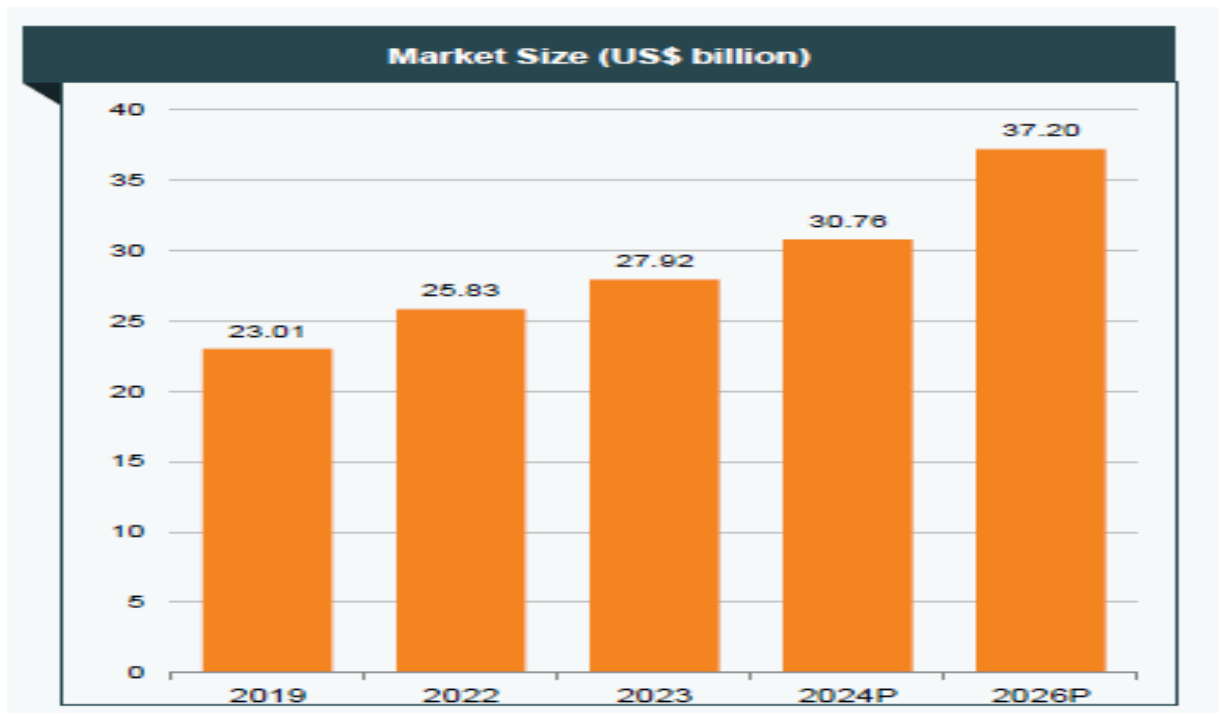
As per the latest report by the EY, India's Media and Entertainment Industry is expected to grow 10.2% to reach Rs. 2,55,000 crore (US\$ 30.72 billion) by 2024, then grow at a CAGR of 10% to reach Rs. 3,08,000 crore (US\$ 37.11 billion) by 2026.

India's OTT video industry is expected to reach Rs. 21,032 crore (US\$ 2.63 billion) by 2026.

India's newspapers and consumer magazines industry is expected to reach Rs. 29,945 crore (US\$ 3.756 billion) by 2026.

In 2023, new media comprised 52% of total advertising revenues, and digital subscription, if corresponding data charges are included, would also comprise a majority of subscription revenues. 70% of the M&E sector's growth in 2023 was driven by new media

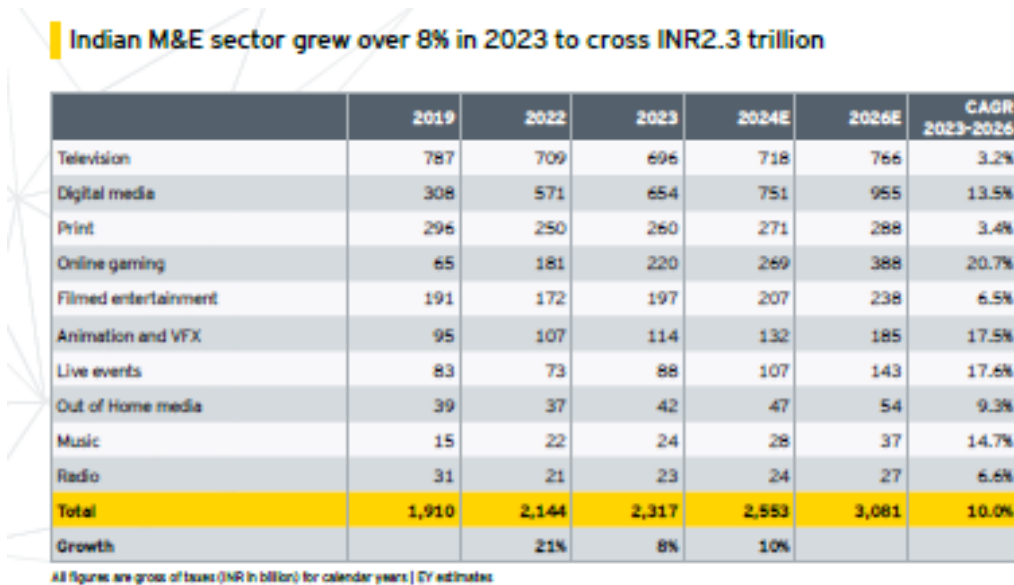
Television will account for 40% of the Indian media market in 2024, followed by print media (13%), digital advertising (12%), cinema (9%), and the OTT and gaming industries (8%).



Source: EY report, BCG reports, PwC Report

Notes: P - Projected, CAGR is calculated from Rs. Figures

## Key trends



Source: EY Report

- The Indian M&E sector continued its growth trajectory; it grew by INR173 billion (8.1%) to reach INR2.32 trillion (US\$27.9 billion)
- While the sector was 21% above its pre-pandemic levels, television, print and radio still lagged their 2019 levels
- While television remained the largest segment, we expect digital media to overtake it in 2024
- We expect the M&E sector to grow 10.2% to reach INR2.55 trillion by 2024, then grow at a CAGR of 10% to reach INR3.08 trillion by 2026

## Future outlook

The M&E sector will grow by INR763 billion to reach INR3.1 trillion in 2026



Source: EY Report

- The Indian M&E sector will grow at a CAGR of 10% and add INR763 billion in three years
- New media will provide 61% of this growth, followed by animation and VFX (9%) and television (9%)
- We expect all segments to grow, barring unforeseen situations, and so long as India's GDP grows 5% or more

## The Economic Impetus

Over the past 10 years, India has registered the fastest growth among major democracies, having grown at over

seven per cent in four years in the 1990s. It represents the fourth largest economy in terms of “purchasing power parity”.

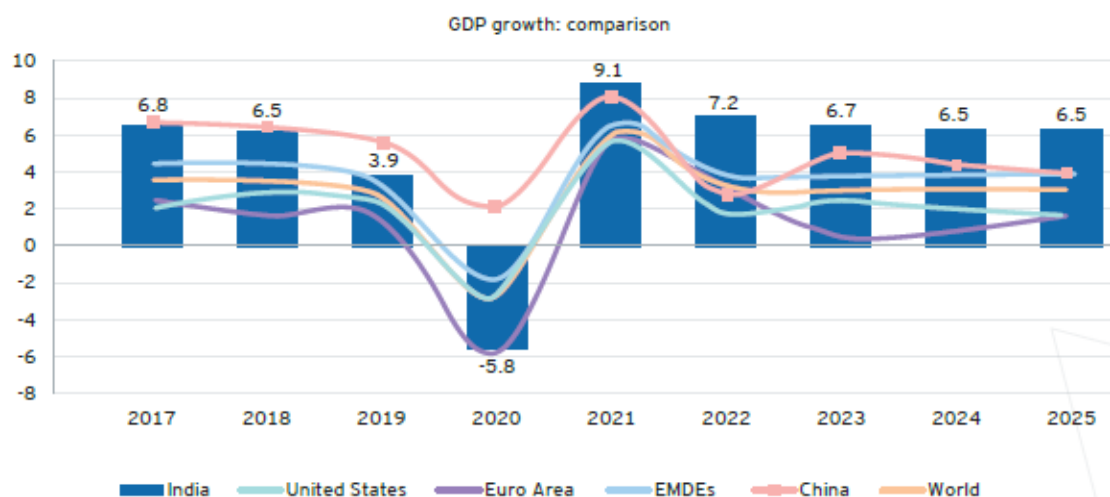
The Entertainment and Media industry is expected to significantly benefit from this fast economic growth, as this industry is a cyclically sensitive industry that grows faster when the economy is expanding. It also grows faster than the nominal gross domestic product growth (GDP) during all phases of economic activity due to income elasticity wherein when incomes rise, proportionately more resources get spent on leisure and entertainment and less on necessities. India is interestingly poised to enter this phase of bullish growth for the sector.

*Source: EY report, BCG reports, PwC Report*

### **Indian economy and its impact on M&E**

#### **India is expected to remain a global growth leader amid the global slowdown**

Traditionally, the growth rate in the media and entertainment sectors has outperformed that of India’s GDP growth rate. What makes this interesting is that consumer spending in this sector is discretionary. With the per capita outlook for the Indian economy looking to increase several notches in the coming years, the consequent overall consumer spend outlook in the sector remains positive. In addition, favorable FDI policy in telecom and digital channels would impact investments trends positively across all segments.



- The National Statistical Office (NSO) has estimated India to continue showing a strong real GDP growth at 7.3% in FY24, as compared to 7.2% in FY23. This robust performance has been delivered largely by investment growth led by the GoI’s emphasis on capital expenditure
- The IMF, in its January 2024 issue of the World Economic Outlook Update, has forecasted India’s growth at 6.7% in FY24, stabilizing at 6.5% over the next two years, reflecting resilience in domestic demand. India is projected to remain the fastest growing major economy in the medium term
- India’s 2024 (FY25) growth is projected to be 2.1 times global growth and 1.6 times EMDE growth in this year. It is also projected to outpace China’s growth by 1.9% points
- The FY25 Union Budget has shown a strong commitment towards fiscal consolidation while retaining its emphasis on growth supporting capital expenditures. These measures would enable laying down a strong foundation for robust medium-term growth
- India is expected to have contributed more than 15% to global growth in 2023 (FY24)<sup>2</sup>. The IMF expects India’s growth momentum to be sustained in the medium-term owing to its foundational digital public infrastructure and a strong government infrastructure program<sup>3</sup>

### **The Demographic Impetus**

Over the years, spending power is steadily increasing in India. Between 1995 and 2002, nearly 100 million people

became part of the consuming and rich classes. Over the next five years, 180 million people are expected to move into the consuming and very rich classes.

On an average, 30-40 million people are joining the middle class every year, representing huge consumption spending in terms of the demand for mobile phones, televisions, music systems, cars, credit goods and the basket of a consumption pattern typically associated with rising income.

The consumption spending is rising due to rising disposable incomes on account of sustained growth in income levels and reduction in personal income tax over the last decade.

Lifestyle changes brought about by changes in economic activity is also spurring the growth of the entertainment and media sector. “Because of India’s status as a good IT hub for outsourcing by U.S. companies, young Indians between 20 to 24 years old, who ordinarily wouldn’t be able to find work easily, are finding jobs with call centres straight out of college. This is a consumer base that typically lives at home, with the family. Now they have disposable income that’s totally discretionary and about 20 to 30 per cent higher than prevailing wages, which they are spending on books, movies, music, cell phones, food and branded clothes” says Indian retail consultancy KSA Technopak.

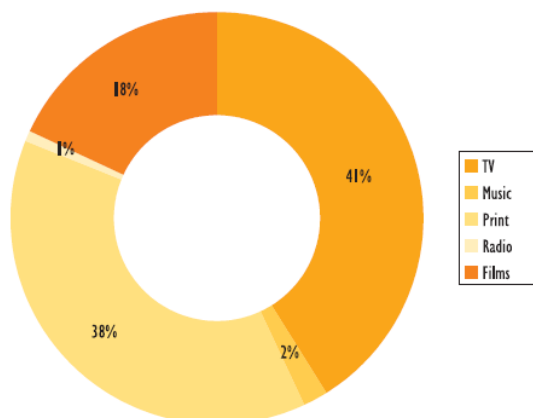
In India’s urban areas, the consumer mindset is changing due to increased exposure to global influences via media and other interactions leading to higher aspirations, which have provided a further fillip to leisure related spending.

The Indian rural market with its vast size of about 150 million households, nearly three times that of urban India, also offers a huge opportunity that has remained largely untapped due to reasons of poor accessibility and affordability. As a result of the growing affluence, fuelled by good monsoons and the increase in agricultural output, rural India now has a large consuming class with over 40 per cent of India’s middle-class and over 50 per cent of the total disposable income.

The entertainment and media industry in India is now experiencing a steady growth after a brief deceleration in 2001-02 and is leading growth in this sector in Asia-Pacific and the world as a whole. This sector currently worth about US\$ 6900 million is expected to grow at a CAGR of 14 per cent over the coming five years. The segments constituting the Indian Entertainment & Media industry are as follows:

- Filmed Entertainment
- Television
- Music
- Radio
- Print (Primarily Newspapers & Magazines)

**Indian entertainment and media industry constituents - 2004**



Source: Industry Estimates & PwC analysis

In terms of players, this industry has traditionally been fragmented and has different players providing content in segments of films, television, radio etc and another set of players providing delivery of the content using the medium of cinema halls, television, radio etc. With technological advancements, this is rapidly changing.

The content providers, in addition to their traditional delivery medium, are also providing their content to other older delivery mediums and also customising for newer mediums like mobile, Internet etc.

The strategic representation and development of individuals within the media and sports industries is a component of talent management. The management of actors, actresses, directors, writers, producers, and other creative workers is included in the field of talent management in the media. Companies that provide talent management services help their clients get work, negotiate contracts, develop their brands, and advance their careers in theatre, cinema, television, and other media.

Talent management in sports focuses on managing athletes from a variety of sports, including football, basketball, tennis, soccer, and more. Athletes and sports talent management companies collaborate to negotiate endorsement deals, club contracts, and brand sponsorships. They also offer assistance with things like marketing, public relations, financial management, and career planning.

Talent management in sports and the media seeks to optimize each person's potential and achievement by giving them opportunity to grow professionally and achieve their career goals through strategic direction and assistance.

#### **Importance of talent management in organizations:**

In media and sports enterprises, talent management is crucial for a number of reasons.

- **Identification and Cultivation of Talent:** Whether they are coaches, actors, musicians, athletes, or directors, media and sports organizations rely largely on the talent of individuals. Early career identification of promising persons and provision of opportunity, training, and support to enable skill development and full potential realization are key components of effective talent management.
- **Competitive Advantage:** Having access to elite talent can give a big competitive advantage in both sports and the media. Talent management techniques assist companies in drawing in, keeping, and developing top talent, which improves their capacity to create exceptional performances, works of art, or athletic accomplishments that are noteworthy in the field.
- **Brand Building and Audience Engagement:** Creative people are frequently the public face of sports leagues and the media, which helps with audience engagement and brand awareness. Managing a performer's career is just one aspect of talent management; another is creating and utilizing their personal brands to increase the organization's visibility and draw in more viewers or fans.
- **Team Cohesion and Performance:** Talent management is essential to creating cohesive teams and optimizing on-field performance in sports organizations. This entails not just assembling a squad of talented athletes but also making sure that everyone on the team has good communication, chemistry, and teamwork through leadership training, coaching, and dispute resolution.
- **Crisis management and risk mitigation:** Because of the conduct and deeds of its talent, media and sports organizations are particularly vulnerable to scandals, disputes, and legal troubles. In order to preserve the integrity and reputation of the company, effective talent management entails proactively addressing any risks, setting clear expectations for behaviour, and putting crisis management plans into action.
- **Prospects for Sponsorship and Revenue Generation:** Through ticket sales, broadcast rights, item sales, and sponsorship opportunities, effective talent management can result in higher revenue generation. Larger audiences and more lucrative endorsement deals are drawn to high-profile artists and athletes, which immediately boosts the organization's bottom line.

**Long-Term Sustainability:** Media and sports businesses can guarantee long-term success by making investments in the growth and welfare of their talent. Over time, the stability and resilience of an organization can be enhanced by talent management strategies that place a high priority on career longevity, health and wellness, and work-life balance.

In general, talent management is necessary for media and sports companies to stay ahead of the competition, connect with their fans, and have long-term success in their respective fields.

### Objective and Scope

Talent management in the fields of media and sports involves identifying, developing, and retaining individuals with a unique set of skills and abilities to achieve organizational goals. The objective is to attract top talent, nurture their growth, and create a supportive environment for them to thrive.

In media, talent management focuses on discovering talented individuals such as actors, journalists, content creators, and ensuring their success through effective representation, career planning, and continuous skill development. This helps in creating high-quality content and maintaining a competitive edge in the industry. In sports, talent management involves scouting talented athletes, providing them with the necessary resources for training and competition, and managing their overall career growth. This includes contract negotiations, endorsements, brand management, and post-career planning.

The scope of talent management in media and sports covers a wide range of activities including recruitment, training, performance management, compensation, and succession planning. It aims to maximize the potential of individuals, build strong teams, and ultimately drive success for organizations in these dynamic and competitive industries.

### An Overview of the Indian Talent Management Industry

The Indian talent management industry operates within the dynamic and rapidly expanding media and entertainment (M&E) sector. This sector is currently valued at approximately USD 27 billion and is projected to experience substantial growth, potentially reaching between USD 55 billion and USD 70 billion by the year 2030. Such exponential growth underscores the pivotal role of the M&E industry in India's economic landscape, offering significant opportunities for stakeholders across various segments.

These are good times for the filmed entertainment segment. Theatrical collections touched unprecedented highs in the past months, and the increasing affluence of audiences indicates that the growth trajectory will continue.

The industry would undergo changes in the coming times and reinvention would be a core theme across different channels, content types and operational models.

**The segment grew 15% to reach an all-time high of INR197 billion**

	2020	2021	2022	2023
Domestic theatricals	25	39	105	120
Overseas theatricals	3	6	16	19
Broadcast rights	7	7	14	15
Digital/ OTT rights	35	40	33	35
In-cinema advertising	2	1	5	8
<b>Total</b>	<b>72</b>	<b>93</b>	<b>172</b>	<b>197</b>

INR billion (gross of taxes) | EY estimates

- 1,796 films released in theaters during 2023, 11% higher than in 2022
- Screen count increased 4%, but remained at just 9,742, which shows that the cinema experience remains a luxury for most Indians
- Admissions continued to decline from 944 million to just over 900 million, a fall of 5%; less than 100

- million people visited a cinema hall in 2023
- Domestic theatricals grossed INR120 billion for the first time, led by a growth in ticket prices
- 339 Indian films released across 38 countries, up from 33 countries in the previous year
- Digital platforms rationalized their direct to digital premiums; consequently, the number of direct to digital films reduced significantly, and theatrical performance became an important element in determining the value of digital rights
- Broadcast rights remained soft as film channels struggled with ratings and monetization
- In-cinema advertising recovered 50%
- We expect the segment to grow at a CAGR of 7% to INR238 billion by 2026, led by increased affluence, more high-quality mass content, and innovations in pricing, infrastructure and distribution

### **Sports Management Industry Growth**

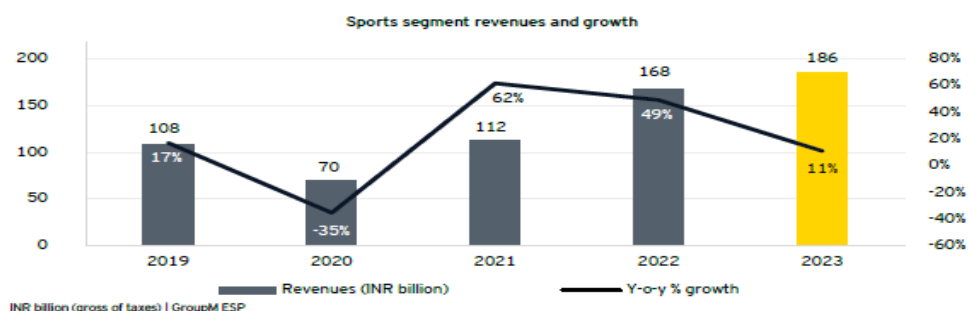
The sports management industry in India has emerged as a dynamic and lucrative arena, boasting an annual growth rate of approximately 15%. This sector contributes around 0.1% to the GDP, reflecting the increasing prominence of sports in India's cultural and economic landscape. The growth of sports leagues and the rising popularity of various sports offer promising avenues for talent management firms to leverage the nation's fervent passion for athletic pursuits.

#### **Revenue**

- Media spends declined 1% in 2023 and comprised 48% of the segment's revenues
  - TV comprised 62% of media spends in 2023, in comparison to 73% in 2022
  - Digital comprised 38% of media spends in 2023, in comparison to 27% in 2022
- Continuing the trend from the previous year, sponsorships demonstrated robust growth, expanding by 24% in 2023 and contributing 47% to the segment's revenue
- Endorsement revenues grew 24%. 536 brand endorsement deals took place across various sports in 2023, of which 436 endorsements, contributing to 87% of value, were attributed to cricket
- Cricket's contribution to overall sports revenue saw a y-o-y growth of 13% compared to a 1% fall for emerging sports, since 2023 did not have a FIFA world cup and the PKL season started only in December

#### **Consumption**

##### **Sports segment grew 11% in 2023**



- In 2023, sports viewership on television surged by 28%, reaching a gross AMA of 55 billion
- Cricket's share of TV viewership in 2023 grew to 88%, up from 74% in 2022
- Sports on TV garnered 803 million1 viewers in 2023, while an estimated 530 million viewers watched sports on digital in 2023

#### **Future Outlook**

- Monetization of high-cost cricket will evolve to create differentiated products across CTV, mobile, pay TV and free TV in order to maximize reach
- Other sports will rethink their reach and audience building strategy, work on creating sports heroes to endear fans

- Contextual sports IPs will be built to create more interest
  - Innovations will be seen in game formats, use of short video, esports, TVOD and distribution
1. **Digital Media Surge:**  
The meteoric rise of digital media platforms has ushered in a new era of content consumption. The burgeoning demand for digital content creators and influencers has catalyzed numerous brand endorsements and partnerships. This surge presents lucrative opportunities for talent management firms to cultivate and capitalize on emerging digital talent.
  2. **Sports Leagues Expansion:**  
  
India's sports landscape has witnessed a remarkable transformation, marked by the proliferation and expansion of various sports leagues across cricket, football, kabaddi, and other disciplines. This expansion has translated into unprecedented opportunities for athletes and sports personalities. Talent management firms play pivotal roles in orchestrating contract negotiations, securing endorsements, and maximizing brand value for these athletes.
  3. **Celebrity Influence:**  
  
The enduring influence of celebrities on consumer behavior remains a potent financial driver in the talent management sector. Celebrities significantly impact consumer preferences and purchasing decisions, making the realm of celebrity endorsements and brand collaborations a thriving domain. This fosters symbiotic relationships between brands and influencers, presenting lucrative revenue streams for talent management firms.

## **Market Segmentation by Revenue**

### **Service Types**

Talent management firms offer a diverse array of services tailored to the unique needs of media and sports professionals. These services range from talent representation and brand endorsements to event appearances and media management. Such comprehensive offerings are designed to maximize the potential and marketability of talent across various domains.

### **Industry Verticals**

The industry's expansive reach spans across diverse verticals, including film, television, music, digital media, broadcasting, advertising, live events, sports leagues, and franchises. This diverse portfolio underscores the industry's adaptability and versatility, catering to the multifaceted needs of clients operating within India's vibrant media and sports landscape.

### **Specialization**

In a landscape characterized by diverse talent pools and specialized skill sets, talent management firms often carve out niches within specific talent types or industry segments. Whether focusing on actors, musicians, athletes, or digital influencers, specialization enables firms to hone their expertise, cultivate strategic partnerships, and deliver tailored solutions that resonate with clients and talent alike.

## **Entertainment Industry Regulations**

Navigating the regulatory landscape of the entertainment industry involves compliance with various regulations governing film certification, intellectual property rights, and taxation laws. Ensuring adherence to these regulations is paramount for talent management firms seeking to mitigate financial risks and uphold industry standards.

### **Sports Regulatory Bodies**

Compliance with regulations set forth by sports federations and governing bodies is essential for talent management firms operating within the sports domain. From player contracts and endorsements to match-fixing and doping regulations, regulatory compliance is crucial for safeguarding financial transactions and preserving the integrity of sporting events.

### **Advertising Standards**

Adherence to advertising standards and endorsement guidelines is imperative for talent management firms involved in celebrity endorsements and brand collaborations. Upholding transparency, authenticity, and ethical practices in advertising endeavors is essential for maintaining brand credibility, fostering consumer trust, and safeguarding financial interests.

### **Taxation and Financial Regulations**

Navigating the intricacies of taxation laws, accounting standards, and financial reporting requirements is essential for talent management firms to ensure compliance with regulatory frameworks. From income tax and GST to foreign exchange regulations, maintaining financial integrity and transparency is crucial for sustaining long-term viability and mitigating legal and financial risks.

### **Indian Media & Entertainment (M&E) Sector Growth Projections**

The Indian M&E sector is poised for substantial growth, with a projected 10.2% increase, reaching Rs. 2,55,000 crore (USD 30.8 billion) by 2024 and continuing to grow at a 10% CAGR, potentially hitting Rs. 3.08 trillion (USD 37.2 billion) by 2026. This sector posted a robust 19.9% growth in 2022, crossing the Rs. 2 lakh crore (USD 24 billion) mark in annual revenue for the first time, driven by a significant surge in digital advertising revenue.

India's media and entertainment industry is the fifth largest market globally, growing at an annual rate of 20%, according to Union Information and Broadcasting Minister Mr. Anurag Thakur. As per the latest report by EY, India's M&E industry is expected to grow 10.2%, reaching Rs. 2,55,000 crore (USD 30.72 billion) by 2024, and continue to grow at a 10% CAGR, reaching Rs. 3,08,000 crore (USD 37.11 billion) by 2026.

The OTT video industry in India is expected to reach Rs. 21,032 crore (USD 2.63 billion) by 2026, while the newspapers and consumer magazines industry is anticipated to reach Rs. 29,945 crore (USD 3.756 billion) by the same year. In 2023, new media comprised 52% of total advertising revenues, and digital subscriptions, including corresponding data charges, represented a majority of subscription revenues. Seventy percent of the M&E sector's growth in 2023 was driven by new media.

Television will account for 40% of the Indian media market in 2024, followed by print media (13%), digital advertising (12%), cinema (9%), and the OTT and gaming industries (8%). This diversified growth highlights the sector's broad-based expansion and the critical role of various media formats in driving overall industry growth.

The **talent management industry** in India is experiencing rapid growth, particularly within the media and sports sectors. The Indian media and entertainment sector, currently valued at approximately USD 27 billion, is projected to expand significantly to USD 55–70 billion by 2030, driven by digital media growth and evolving consumer preferences (**source: EY, 2023**). Concurrently, the sports management industry in India grows at an impressive rate of about 15% annually, contributing approximately 0.1% to the nation's GDP (Source: Industry Reports). This report explores key challenges and strategic opportunities for talent management firms amidst this dynamic landscape.

India's **talent management industry** is evolving in response to robust growth in media and sports. The media and entertainment sector's growth is underscored by a forecasted expansion to USD 55–70 billion by 2030, highlighting the industry's pivotal role in India's economic landscape (**source: EY, 2023**). Meanwhile, the sports management sector's annual growth rate of approximately 15% demonstrates its increasing prominence and economic impact (Source: Industry Reports). These sectors collectively emphasize the growing demand for professional talent management services across diverse platforms and industries.

**Talent management** firms in India face significant challenges amidst digital transformation and regulatory complexities. One primary hurdle is navigating the digital landscape's complexities, with the surge in digital media consumption necessitating adept management of content channels for sustained audience engagement and brand relevance. Additionally, regulatory compliance remains critical, particularly in the entertainment sector, where adherence to film certification, intellectual property rights (IPR), and taxation laws such as GST and income tax are imperative for operational integrity (source: government reports).

Diversifying revenue streams beyond traditional talent representation and endorsements presents another critical challenge. Firms are increasingly exploring opportunities in content monetization through digital platforms, event management, and strategic brand consultancy to bolster revenues. For example, partnerships with digital platforms for content monetization through subscription models and merchandise sales have emerged as lucrative avenues (Source: Market Analysis). Moreover, expanding into emerging markets requires tailored strategies to harness regional talent pools and cater to localized audience preferences, necessitating investments in infrastructure and talent development.

Amidst challenges, strategic opportunities abound for talent management firms in India. Leveraging digital capabilities is paramount, with investments in advanced analytics, digital marketing strategies, and social media management tools enhancing client visibility and engagement effectively. Expanding into international markets also presents significant growth prospects, facilitated by strategic alliances with global media houses and sports franchises for cross-border talent exchanges and international brand endorsements, thereby amplifying market reach and revenue potential (source: Industry Trends).

The cultural diversity within India's talent pool offers distinct advantages. Talent management firms can capitalize on regional talents from tier 2 and tier 3 cities, fostering a pipeline of future stars and catering to diverse audience demographics. Tailored localized content strategies resonate deeply with regional audiences, enhancing market penetration and brand loyalty (source: Market Research).

### **Competitive Landscape of Talent Management in Media and Sports in India**

The talent management industry in India is characterized by intense competition and dynamic market forces, particularly within the media and sports sectors. This report provides an in-depth analysis of the competitive landscape, profiling major talent management firms, assessing market share, evaluating competitive strategies, and highlighting key insights into the industry's competitive dynamics. By examining these factors, stakeholders can gain valuable insights into market positioning, strategic differentiation, and emerging trends that shape the future of talent management in India.

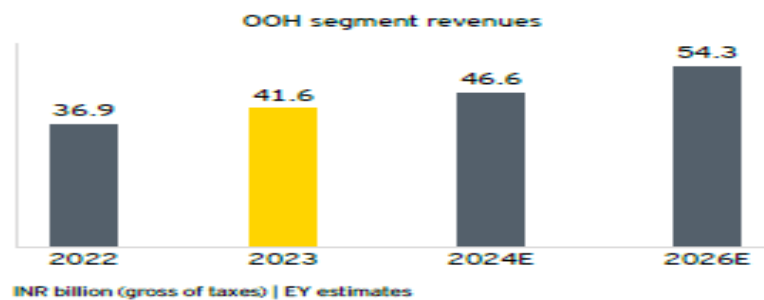
India's talent management industry has witnessed significant growth fueled by the burgeoning media and entertainment sector, valued at approximately USD 27 billion and projected to expand to USD 55–70 billion by 2030 (source: EY, 2023).

Concurrently, the sports management industry in India boasts an impressive growth rate, driven by the proliferation of sports leagues and increasing sports participation across the country. Against this backdrop, talent management firms play a pivotal role in nurturing and promoting talent across diverse platforms, ranging from film and television to digital media and sports.

### **OUT OF HOME MEDIA**

Out of home (OOH) media is on a growth trajectory as transit and digital media continue to grow along with traditional media. Although traditional media constitutes a bulk of the segment, transit and digital media are growing and would soon outnumber premium traditional media in the coming years. Macro-economic factors such as urbanization and growth of affluence are also contributing to the growth of the segment.

## OOH segment grew 13% in 2023



- OOH media grew 13% in 2023 to INR41.6 billion, the value of which includes traditional, transit and digital media, but excludes untracked unorganized OOH media such as wall paintings, billboards, ambient media, storefronts, proxy advertising, etc.
- The OOH segment exceeded its pre-COVID-19 revenues by 6%
- Real estate, organized retail and consumer services were the largest advertisers on OOH
- Traditional OOH comprised 62% of revenues and remained the largest segment; transit media comprised the balance 38%
- Digital OOH media (included in the above) contributed 9% of the segment's revenues, up from 8% in 2022
- The number of active digital screens is estimated in the range of 140,000 to 150,000, with an anticipation that around 75% of them are currently active

### Future outlook

- We expect the OOH segment to exceed INR45 billion in 2024 and reach revenues of INR54.3 billion by 2026
- Transit media will comprise 40% of OOH revenues by 2026
- Digital media will reach 15% of total OOH revenues

## OUR BUSINESS

*Some of the information in this chapter, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “**Forward-Looking Statements**” for a discussion of the risks and uncertainties related to those statements, “**Risk Factors**”, “**Restated Financial Statement**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 16, 26, 141, and 183 respectively of this Draft Prospectus, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in “**Risk Factors**”, “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” and “**Restated Financial Statements**” beginning on pages 26, 183 and 141 respectively of this Draft Prospectus. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated audited consolidated financial statements. Further, unless the context requires otherwise, all references to, ‘the Company’, ‘our Company’, and the terms ‘we’, ‘us’ and ‘our’, are to ‘Kri Entertainment Limited’.*

## BACKGROUND

Our Company was originally formed as a partnership firm under the Partnership Act, 1932 in the name of “M/s KRI Entertainment”, pursuant to a partnership deed dated November 2, 2016. M/s Kri Entertainment, was thereafter converted from a partnership firm to a public limited company under part XXI of the Companies Act, 2013 with the name “Kri Entertainment Limited” vide certificate of incorporation dated September 12, 2023 issued by the Registrar of Companies, Mumbai.

Our Company is primarily engaged in providing talent management services across the Media and Entertainment (M&E) industry. We manage artists, celebrities, and a wide array of technical talent, including writers, directors, hair&make up personnel. Beyond talent management, we offer services in production & content packaging, advertising and event management services

Originally formed as a partnership firm, M/s Kri Entertainment by Shvate Sushma Kaull and Zahid Akram Khan (the then partners of M/s Kri Entertainment and Promoters of our Company), the business of our Company was driven by our Promoters and their experience in the field of talent and celebrity management in the Bollywood film industry. Our Promoter and Managing Director, Shvate Sushma Kaull has an overall experience of around 14 years in the talent management and celebrity management industry, specializes in branding and has previously managed celebrities from 2011 to 2016 before the formation of M/s Kri Entertainment. Our Promoter and Executive Director, Zahid Akram Khan has an overall experience of around 15 years in the talent management and celebrity management industry and has previously managed celebrities from 2009 to 2016 before the formation of M/s Kri Entertainment.

Since the formation of the partnership firm, our Company has grown into a multi-talent management company and its present roster consists of artist as well as technical talent like writers and directors which include Sharad Kelkar, Surveen Chawla, Sonal Chauhan, Sparsh Shrivastava, Monika Panwar, Manurishi Chadha, Pavail Gulati, Vaibhav Raj Gupta and Anubhav Sinha to name a few. Since the boom of the OTT Platform, our Company has also forayed into this new branch of the M&E Industry.

Over the last decade, along with widening our spectrum of services, we have grown in numbers as well. Presently, we, through our team of experienced professionals, are providing our services to our esteemed clientele across various entertainment platforms in the M&E Industry such as films, advertisements, endorsements and OTT.

We endeavor to cater to our clients by continuously evolving with the industry, seeking projects suited for our clients’ portfolio and negotiating deals for them. We focus on sourcing quality projects for our clients and work towards developing a positive brand image in the industry. Our team has enabled us to maintain continuing client and long-term relations. We aim to grow our operations outside Mumbai to grow and make our brand a distinguished name in the industry.

Over the years our pool of trained and talented employees with a high level of integrity, has enabled us to develop our portfolio of services in order to cater to the needs of our diverse clientele and to leverage the growth and potential of our clientele. We have implemented standardized recruitment, training, deployment, operations and services related quality measurement and business analysis systems and processes that we believe enable us to develop a scalable business model, with quality service delivery. We have standardized the recruitment criteria for our personnel in order to maintain high quality and consistency in the services and experience we provide to our clientele. Our personnel recruitment, training and deployment initiatives are process oriented and technology driven with performance indicator tracking, reporting and evaluation of personnel. We have employed 23 personnel to serve our diverse portfolio of services across sectors.

Our Promoters are the driving force behind the growth of our Company. They have an in-depth knowledge and vast experience in celebrity and talent management. Our Promoters are actively involved in our operations and continue to bring their vision, business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. We also have qualified and experienced Key Managerial Personnel and Senior-Management Personnel who have demonstrated their ability to anticipate and capitalize on changing market trends, manage and grow our operations and leverage and deepen customer relationships.

Our revenues from operations for the Fiscals 2024, 2023 and 2022 were ₹2,157.29 lakhs, ₹1461.56 lakhs and ₹364.64 lakhs, respectively. Our EBITDA for the Fiscals 2024, 2023 and 2022 were ₹633.41 lakhs, ₹350.09 lakhs and ₹98.96 lakhs, respectively. Our profit after tax for the Fiscals 2024, 2023 and 2022 were ₹364.98 lakhs, ₹215.70 lakhs and ₹52.84 lakhs, respectively. For further details, please refer to the section titled “**Financial Information**” on page 141 of this Draft Prospectus.

## **Our Business Models**

### **Talent Management Services**

Our company’s talent management services are meticulously designed to cater to the unique and evolving needs of our diverse clientele, including artists, celebrities, writers, directors. We handle every aspect of their professional portfolio, from managing engagements, projects, and schedules, to securing opportunities that align with their career goals and personal brand.

With our holistic approach, we don’t just handle logistics, we serve as trusted advisors, carefully filtering through scripts, endorsements, and projects to ensure our clients pursue opportunities that play to their strengths and support their future aspirations. Whether it’s negotiating contracts with producers, securing endorsements deals.

or arranging commercial partnerships, we tailor every engagement to reflect the client’s image, comfort, and long-term vision. We also take proactive steps to prevent conflicts in scheduling, ensuring that clients involved in multiple projects are able to maintain a balanced, seamless workflow. Additionally, we constantly seek out industry opportunities that elevate our client’s reputation and help them grow within their respective fields

### **Talent Management Process**



*The talent management process in brief is set out below:*

**1. *Identifying Talent Needs***

Our Company conducts thorough research into the M&E Industry to understand current trends, audience preferences, and the types of talent in demand. Our Company also engages with brands, producers, etc. to identify their talent requirements.

**2. *Talent Sourcing***

Our talent sourcing strategy involves actively seeking out potential talent across multiple channels which include TV, films, social media, events and industry news. Through our experienced Promoters, our Company utilize industry networks to get referrals for potential talent. Our Company then reaches out to such potential talents with a pitch to onboard them to our roster. Given the experience in the business and the Promoters presence in the industry, talents also reach out to be onboarded onto the talent roster of the company

**3. *Evaluation and Vetting***

Evaluation is a crucial step where we analyze potential talents past work, performance metrics, and overall market appeal. We review portfolios, conduct interviews, and seek feedback from industry experts to gauge their sustainability. Vetting involves background checks to verify credentials, past experiences, and any potential red flags. This rigorous process helps us ensure that we are onboarding talent who not only meet but exceed industry standards.

**4. *Contract Negotiation***

We take on the responsibility of negotiating contracts with producers, studios, brands. This includes agreement drafting, reviewing and negotiating terms to secure favorable deals for our talents. Our expertise ensures that the contracts are not only legally sound but also align with the talent's financial and professional goals. We strive to protect our talent's interests while achieving the best possible outcome.

**5. *Onboarding***

Upon successful contract negotiations, all necessary paperwork, including contracts, non-disclosure agreements, and other legal documents are completed and the talent is then onboarded onto the Company's roster. The talent is then introduced to our Company's team and explain processes, tools, and resources available to them.

**6. *Talent Development and Management***

Our Company then works on building and enhancing the talent's personal brand through PR strategies, social media management, and public appearances.

Our Company develops a strategic career plan, including project selection, endorsements and collaborations/equity deals catered to the specific goals of the talent.

**7. *Ongoing Support and Evaluation***

Our team maintains regular communication with the talent to address any concerns, provide updates, and offer support. Our team also monitors the talent's performance, audience engagement, and market demand to factor in any adjustments to strategies as needed. Our team also collects and incorporates feedback from clients, audiences, and the talent to continuously improve representation services.

### **Our Talent Roster**

We have served in the past and continue to serve a host of seasoned and established as well as up and coming talent roster which include leading Bollywood actress, Tapsee Pannu, established film and television actor Sharad Kelkar, industry veterans such as Manurishi Chadha and up and coming talent such as Sparsh Shrivastava.

We set out below a list of some of the talent that we have served.



**Taapsee pannu**



**Sharad Kelkar**



**Surveen Chawla**



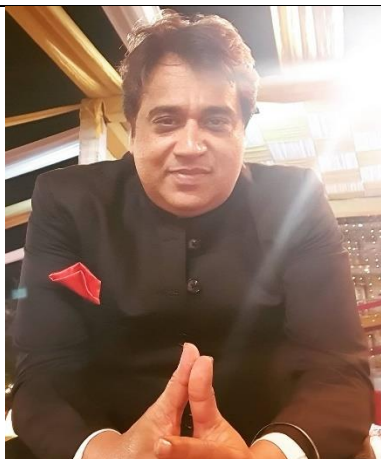
**Sonal Chauhan**



**Sparsh Shrivastava**



**Monika Panwar**



**Manurishi Chadha**



**Pavail Gulati**



**Anubhav Sinha**



**Sahil Vaid**



**Vaibhav Raj Gupta**

### **Production and Content Packaging**

Our Company also undertakes content packaging for films, web series, or other multimedia projects whereby our Company pre-packages and constructs a project (whether films, web series or other multimedia projects) from the ground-up whereby our Company takes care of certain key aspects of content creation which involves several key steps to ensure the content is market-ready and appeals to the target audience.

The content packaging is carried out in the following stages:

**1. Concept Development**

Our team of seasoned industry professionals initiate the process by brainstorming ideas which are then worked upon and developed into core concepts or stories. Subsequently, a compelling script or screenplay is crafted based upon the core concept or story.

**2. Talent Acquisition**

Once the right script or screenplay is developed, our Company endeavors to cast the right actors for the parts along with the directors who can do justice to the script or screenplay. Our Company also engages in hiring the key personnel involved in production, which include cinematographers, editors and sound engineers.

**Advertising and Events Management**

As a talent management company specializing in the exclusive representation of celebrities, we conduct thorough analysis to identify the best brand partnerships that align with their image and values. We strategically position our talent in high-visibility campaigns that resonate with their public persona and the brand's objectives. Our comprehensive approach includes digital marketing, influencer collaborations, social media activations, and top-tier brand endorsements.

For example, a digital campaign featuring celebrities and talents will involve creating engaging, tailored content, securing strategic brand partnerships, and leveraging targeted ads to expand audience reach. Our modern advertising methods ensure sustained engagement, deliver measurable results, and create new monetization opportunities.

- **Strategic Brand Alignment:** We meticulously pair talent with brands whose values and image align, fostering authentic and meaningful connections that enhance campaign credibility.
- **Multi-Platform Promotion:** By integrating traditional advertising methods (TV, print, etc) with modern digital platforms (social media and web), we ensure broad and effective market reach across all relevant channels.

**In-Film Advertising: Seamless Brand Integration**

We offer In-Film Advertising, approach where brands are naturally embedded into the narrative of films, web series, and OTT content. This form of advertising allows brands to engage audiences through immersive, contextually relevant placements, merging entertainment with brand promotion in a seamless and compelling manner.

*The Advertising is carried out in the following stages:*



**1. *Brand Collaboration initiation:***

We begin by identifying and approaching brands that align with the talent's public persona or a particular scene or theme in an upcoming film or web series. This involves initiating discussions for potential collaborations, whether for in-film product placements or promotional campaigns tied to the film's release.

**2. *Creative Strategy Development***

Next, we craft a cohesive advertising strategy that integrates the brand, talent, and the film's promotional objectives. This ensures the campaign aligns with both the creative direction of the project and the brand's marketing goals, creating a seamless blend of storytelling and promotion.

**3. *Contract Negotiation and Commercial Terms***

We manage the financial and legal negotiations between the brand, the talent, and all concerned stakeholders. This ensures all parties are protected and fairly compensated, with clear terms outlining usage rights, deliverables, and promotional timelines.

**4. *Content Creation and Production***

Once agreements are in place, we oversee the production of the advertising content, ensuring that the campaign not only meets the brand's creative objectives but also showcases the talent effectively. This includes coordination between production teams, talent management, and creative directors.

**5. *Multi-Platform Distribution and Promotion***

The campaign is then distributed across a range of platforms, including digital, social media, and traditional advertising channels. Leveraging the talent's social media presence ensures maximum visibility and enhances audience reach, while also utilizing the film's promotional ecosystem.

**6. *Audience Engagement and Analytics***

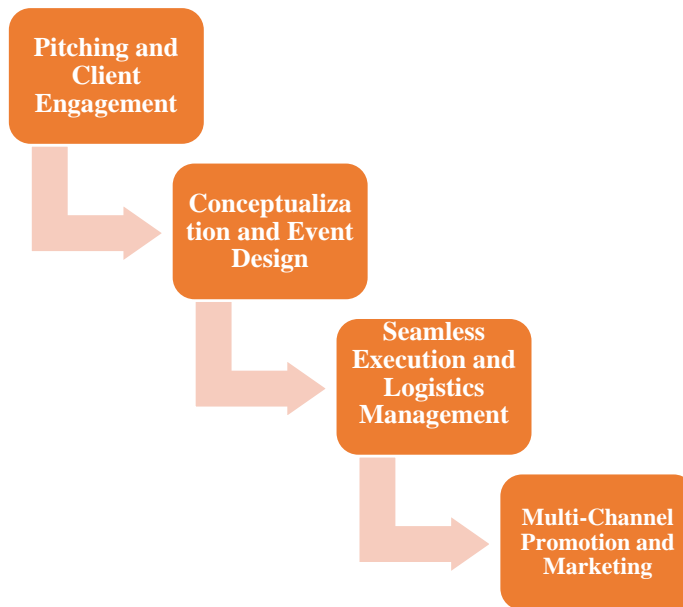
Post-launch, we track the performance of the campaign using advanced engagement metrics and analytics. Continuous monitoring allows us to optimize for better results and provides valuable insights for refining future collaborations and advertising strategies.

**Events**

We are also engaged in organizing and managing events tailored to our clients' needs, ranging from product launches to personal appearances and performances. Our services encompass every aspect of event coordination, ensuring smooth execution from start to finish.

Whether overseeing a product launch or managing a high-profile appearance, we handle all logistics, scheduling, and media engagement to ensure a seamless experience. For instance, when a brand engages our client for a product launch, we manage everything, from appearance schedules to orchestrating media interactions, allowing our clients to focus solely on delivering their best performance.

*The Events are carried out in the following stages:*



**1. Pitching and Client Engagement**

Our sales team proactively reaches out to corporations, organizations, and individuals planning a range of high-profile events, including corporate functions, award ceremonies, birthdays, wedding anniversaries, and other private gatherings. By identifying key decision-makers and engaging with prospective clients, we position our talents as the perfect partners for elevating these events.

**2. Conceptualization and Event Design**

We specialize in developing unique, engaging event concepts that not only capture the essence of the occasion but also align seamlessly with the brands of the talents we represent. Our creative team ensures that each event is personalized to meet the client's vision while enhancing the celebrity's brand identity.

**3. Seamless Execution and Logistics Management**

From venue selection and decor to guest management and entertainment, we manage every logistical aspect of the event. Our operations team ensures a smooth execution process, handling all event coordination, technical needs, and staffing to deliver a satisfying experience for both the client and their guests.

**4. Multi-Channel Promotion and Marketing**

Leveraging our advertising expertise, we promote these events through a variety of channels, including digital media, and traditional advertising modes.

***Market Opportunity***

Our Company operates in a market that is growing fast, with more and more avenues opening up for artists, influencers and celebrities. The M&E Industry in India is one of the fastest growing sectors of the economy. It is riding on the economic growth and rising income levels that India has been experiencing over the past few years; a trend which is expected to consolidate and increase in the coming years. India's media and entertainment industry tends to outpace the nation's GDP growth. Last year, the industry grew over 8%, despite global headwinds. While traditional media, such as television and radio, continue to dominate the market reaching 800 and 400 million consumers respectively, digital has truly caught up, recording a reach of 600 million. While print,

with a reach of 300 million, and cinema with 100 million, may appear smaller, they continue to remain essential in shaping the future of the industry. What is clear from 2023 is that digital is not eating away share from the other mediums but is additive to the industry. The reach of online news is higher than that of newspapers or news television. Digital video is now larger than television in certain areas of the country, with online sports setting global viewership records. And online entertainment platforms cater to audience segments both from an original content perspective as well as for catch-up television.

The Indian M&E Industry is set for substantial growth, with a projected 10.2% increase, reaching Rs. 2,55,000 crore (US\$ 30.8 billion) by 2024 and a 10% CAGR, hitting Rs. 3.08 trillion (US\$ 37.2 billion) by 2026. The Indian media and entertainment sector posted a robust 19.9% growth in 2022 and crossed the Rs. 2 lakh crore (US\$ 24 billion) mark in annual revenue for the first time led by a sharp jump in the digital advertising mop-up. India's media and entertainment industry is the fifth largest market globally and is growing at the rate of 20% annually, according to Union Information and Broadcasting Minister Mr. Anurag Thakur. As per the latest report by the EY, India's Media and Entertainment Industry is expected to grow 10.2% to reach Rs. 2,55,000 crore (US\$ 30.72 billion) by 2024, then grow at a CAGR of 10% to reach Rs. 3,08,000 crore (US\$ 37.11 billion) by 2026. India's OTT video industry is expected to reach Rs. 21,032 crore (US\$ 2.63 billion) by 2026. India's newspapers and consumer magazines industry is expected to reach Rs. 29,945 crore (US\$ 3.756 billion) by 2026.

In 2023, new media comprised 52% of total advertising revenues, and digital subscription, if corresponding data charges are included, would also comprise a majority of subscription revenues. 70% of the M&E sector's growth in 2023 was driven by new media. Television will account for 40% of the Indian media market in 2024, followed by print media (13%), digital advertising (12%), cinema (9%), and the OTT and gaming industries (8%).

### Financial Snapshot

The financial performance of the company last three financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 as per restated financial Statement are as follows:

Based on our Restated Financial Information, our revenue from operations and profit after tax and net profit margin for the Fiscals 2024, 2023 and 2022 were as follows:

(₹ in Lakh)				
Sr. No.	Particulars	FY 2024	FY 2023	FY 2022
1	Revenue from Operations	2,157.29	1,461.56	364.64
2	EBITDA	633.41	350.09	98.96
3	EBITDA Margin (%)	29.36	23.95	27.14
4	Profit After Tax (PAT)	364.98	215.70	52.84
5	Profit After Tax Margin (%)	16.92	14.76	14.49
6	RoNW (%)	55.90	84.32	61.35
7	RoCE (%)	122.69	74.61	29.62
8	Operating Cash Flows	(94.23)	105.62	118.87

The following are the details of revenue earned from our top 10 clientele as per the financial information, along with the percentage of the same to the total revenue:

(Rs. in Lakh)			
Particulars	FY 2024	FY 2023	FY 2022
Top 10 Clientele	1,712.00	1,380.09	346.99
Total Revenue	2,168.71	1,481.34	369.28
Revenue from top 10 Clientele / Total Revenue (%)	78	93.16	93.96

Note: The above details have been confirmed by our Statutory Auditors, M/s. Naik Mehta & Co., vide their Certificate dated September 17, 2024

For further details, please see “*Management Discussion and Analysis of Financial Condition Results of Operations*” and “*Basis for Offer Price*” on page 183 and 81 of this Draft Prospectus, respectively.

## **Our Competitive Strengths**

### **1. Qualified Senior Management Team**

Our Directors and other Key Managerial Personnel take the lead in day-to-day company activities, making us a lean and hands-on organization. Each department and its team share the mutual commitment of building a successful organization. Our Board of Directors is made up of people who carry a rich experience of working in the film, media and entertainment industry. Our Promoter-Directors are also backed up by a team of highly trained and experienced specialists. We feel that our management team's experience and knowledge of the industry will allow us to continue to capitalise on existing and future prospects. Our Team's extensive network helps us in gathering industry intel thereby successfully managing and reducing various business risks, such as competition, intel on content trends and market gaps. For further details on education, experience and other details of our Management and our Key Managerial Personnel, kindly refer to the Chapter titled "***Our Management***" beginning on page no. 124 of this Draft Prospectus.

### **2. Long-standing relationships in the Industry**

We believe that as a well-established company in India's entertainment industry, we have been able to retain and grow our goodwill across the industry. We believe that this has resulted in repeat business transactions for content acquisition with well-known names in the industry. As part of its business expansion and endeavors, the Company plans to preserve its long-standing relationships within the industry and will attempt to build new relationships.

### **3. Quality Assurance and Standards**

Over the years we have consistently strived to be the provide quality services to its clients. While maintaining this constant level of finesse is extremely demanding, we are very committed to it and continue to push the boundaries even further.

### **4. Scalable Business Model**

Our business model entails making the best use of our ability to manage our clientele, efficient marketing, management expertise in identifying talents, scripts, establishing new associations in the OTT and online digital space and negotiations on the projects where we have pitched out clients. We believe our strategy has proven profitable and scalable for us not only since our incorporation, but also in our previous partnership firm. We have the ability to scale up in response to our Company's needs.

## **Our Strategies**

### **1. Content Production**

The digital revolution has transformed the entire M&E industry, leading to a surge in demand for content. OTT platforms with global giants like Netflix, Amazon Prime, Disney+ Hotstar, Sony Liv, and emerging domestic players in the fray like Zee5, JioCinema, and other niche players have suddenly resulted in an unprecedented demand for original and unique content for their platforms. The rush to build libraries has led to substantial demand for old, new, and original content from multiple OTT platforms.

KRI has garnered expertise in the OTT platform by pitching its roster on web shows. It is now contemplating utilizing the same expertise and its diverse roster base by foraying into content products on a differentiated asset light model. Our Company is packaging a product and is partnering with various studios on a fixed fee and profit-sharing model.

This will entail our Company undertaking pre and post-production activities. Pre and post-production would activities involve preparing a budget, identifying and assembling a talented team of cast and crew, securing funding, and arranging logistics and locations prior to the commencement of filming.

Thereafter, the content footage can be edited and enhanced with visual effects and sound design including dialogue, sound effects, and background music to create the final product.

Post completion, the project can be prepared for distribution and marketing, paving the way for its release to audiences.

## **2. Content Library**

Our Company is planning to gradually build a bank of quality content in its portfolio. The idea is to start identifying content for various established players in the industry and facilitating the exchange of content as an intermediary with prospective partners. It plans to bring along international content while at the same time taking our domestic content to overseas markets to maximize returns on the same.

## **3. Setting up new offices in India and Abroad**

Our Company is also planning to open up new sales offices in Delhi and Bengaluru in order to get closer to the brands and create more opportunities for its talent pool. This would also act as a center for attracting and identifying new hidden talents so that they can be offered the right platform to showcase their talent. In the coming years, the Company envisages setting up offices in overseas markets, to enable and explore cross-border opportunities for Indian talent and also international talent in the domestic markets.

## **4. Looking beyond Bollywood in Domestic Markets**

The Indian M&E industry has undergone transformation on account of the integration of the Hindi film industry, the Telugu film industry, and other regional content. Content has taken the driving seat, and audience acceptance of quality content over star value has opened up the entire country as a market as against relatively regional concentration. Brands have also started looking for stars across the domestic industry for their endorsements, and even producers and directors are looking forward to co-production with such artists. This has opened up vast growth opportunities in the Southern Markets, which are large but relatively unorganized. Our Company is looking forward to exploiting this opportunity for its expansion plans.

## **5. Forging partnership to explore new avenues**

Our Company has entered into a partnership with Sharad Kelkar for his production house. Sharad Kelkar and our Company have incorporated a new company “Sons of Soil Private Limited,” with our Company holding 30% equity in the same. The venture vindicates the trust and recognition our Company has established in the industry and its capability for managing production businesses as a leading actor in the industry. The new entity will aid our Company substantially in its vision in the content vertical.

## **6. Intellectual Property(IP)**

Today IP trading, the concept of intellectual property trading has transformed how companies can leverage their creative assets. Our Company can buy, sell, or license IPs associated with our talents’ brands, opening up new avenues for revenue and growth.

## **7. Studio Business:**

As part of our ongoing strategy to diversify and scale our business, company may consider in setting up or hiring a studio that may be available for rent to brands, production houses, and creative teams for production and content creation.

## **Market Strategy**

### **Approach to Marketing and Marketing Set-up**

#### **1. Networking and Industry Connections**

Our team ensures the presence of our Company at film festivals, film screenings, award shows, industry conferences, and networking events and introduces talent with key industry players.

**2. Relationship Building**

Our Company believes in cultivating good relationships with casting directors, producers, directors, writers and other industry professionals. Our team regularly keeps in touch with them and updates them on our talent's availability and achievements.

**3. Effective Promotion and Branding**

Our Company develop high-quality portfolios and showreels that highlight the best work of our talent and ensures that these are regularly updated on their social media.

**4. Social Media Presence**

Our Company maintains active and engaging social media profiles for our talent. Our team shares their work, behind-the-scenes content, and personal insights to build a following. Our team also endeavors to engage the right brands for the social media of artists.

**5. Public Relations and Media Coverage**

Our Company ensures that our talent has the right PR Consultant to ensure their visibility and presence at the right events.

**6. Skill Development and Training**

Our Company encourages our talent to attend workshops and classes to hone their skills and stay updated with industry trends. Our Company also provides access to acting coaches, directors, or mentors who can help them improve their craft. Our Company regularly reviews their performances and provide constructive feedback.

**7. Targeted Marketing and Advertising**

Our team optimizes our talents personal websites and portfolios for search engines. Our Company also utilizes Google Ads and ads on social media platforms to reach casting directors and producers. Our Company sends targeted email campaigns to industry professionals showcasing our talent's latest work and availability. Our team helps the talent to create targeted demo reels tailored to specific roles or projects and distribute them to relevant casting directors and production companies.

**8. Audition and Casting Opportunities**

Our team regularly monitors casting websites and platforms for opportunities that match our talent's profile. Our experience and network in the industry provides us with a leverage of submitting our talent's profiles directly to casting directors and producers for consideration. Our team also equips our talent with the skills and equipment to create high-quality self-tape auditions.

**9. Collaborations and Independent Projects**

Our Company encourages our talent to participate in short films, web series, or independent projects to gain experience and visibility and to foster collaborations between our talent and other industry professionals, including directors, writers, and producers.

Our Company also encourages our talent to create their own content (e.g., YouTube channels, podcasts) to showcase their skills and reach new audiences.

## 10. Leveraging Technology and Platforms

Our Company utilizes targeted social media campaigns to promote our talent's work and achievements. Our team uses analytic tools to track effectiveness of our marketing efforts and adjust our marketing strategies accordingly.

## 11. Professional Representation

Our Company ensures that our talent has dedicated agents and managers who can actively seek out opportunities and negotiate deals. Our Company also ensures legal and financial advice to our talent to navigate contracts and manage their earnings.

### Vertical Distribution

Vertical-wise distribution of our clientele based on contribution to our Revenue is as follows:

Segment	% of Revenue		
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Talent Management	27.36	22.82	81.89
Advertisement & Event Management	33.58	-	-
Production & Content	39.04	77.17	18.10

*The above details have been confirmed by our Statutory Auditors, M/s. Naik Mehta & Co., vide their Certificate dated September 17, 2024.*

### Plant and Machineries

We are into service industry and do not own any major plants or machinery.

### Collaborations

We have not entered into any technical or other collaboration with any third party.

### Raw Materials

Since we are not a manufacturing company, details of raw materials are not applicable to us.

### Utilities

Our registered office is situated at Mumbai, Maharashtra. The office is equipped with computer systems, internet connectivity, other communication equipment, security and other facilities required for our business operations to function smoothly. Our office is well equipped with requisite utilities and facilities.

### Water

Water is required only for drinking and sanitary purposes and adequate water sources are available. The requirements are fully met at the existing premises.

### Power

We do not require much power except the normal requirement of our offices / business and for lighting, systems etc. Adequate power is available with our Company.

## Capacity and Capacity Utilization

Capacity and capacity utilization is not applicable to our Company since our business is not in the nature of a manufacturing concern.

## Insurance Policy


The Company has not obtained any insurance towards its business operations or towards its employees. For risks pertaining to inadequate insurance coverage, see “**Risk Factors - Our insurance coverage may prove inadequate to satisfy future claims against us**” on page 37.

## Property

The registered office of our Company is located at A201 to 206, 2<sup>nd</sup> floor, Fairlink Centre, Oshiwara, Andheri, Mumbai – 400 053, Maharashtra, India. This property has been leased by our Company from Narendra Rahurikar leased up to December 6, 2026.

## Intellectual Property Rights:

As on the date of this Draft Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Serial No.	Logo/ Trademark	Class	Nature of Trademark	Owner	Registration Number
1		35	Brand name Logo	Kri Entertainment*	4258585

*\*Our Company has made an application for updation of name and registered address in the trademark which was earlier registered in the name of the partnership firm i.e. M/s Kri Entertainment to Kri Entertainment Limited.*

For risk associated with our intellectual property please see, “**Risk Factors**” on page 26 of this Draft Prospectus.

## Competition

The industry in which we operate is largely composed of both, established names as well many small and medium-sized companies and entities. We intend to continue competing vigorously to increase our market share and manage our growth in an optimal way.

## Human Resources

As on August 31, 2024, we have 23 employees on our payroll to look after the day-to-day business operations. We believe that our pool of trained and informed employees with high level of integrity, has enabled us to develop our portfolio of services in order to cater to the needs of our diverse clientele and to leverage the growth and potential of our clientele. We believe that our employees are the key to the success of our business.

Business Segment wise	No. of Employees
Top Management	2
Sales and Marketing	3
Operations	7
Human Resources	1
Admin	1
Finance	2
Compliance	1
General Staff	6

s

## KEY INDUSTRY REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page 102 of this, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see “Government and Other Statutory Approvals” on page 194 of this Draft Prospectus.*

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s businesses. Our Company is required to obtain and regularly renew certain licenses/registrations and/or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

### A. INDUSTRY RELATED LEGISLATION:

#### **Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act”)**

The MSMED Act is an act to provide for facilitating the promotion, development and enhancing the competitiveness of micro, small and medium enterprises. This statute constitutes a board called the ‘National Board for Micro, Small and Medium Enterprises’ (MSME Board) and lays down the constitution, powers and function of the MSME Board. The MSMED Act under section 7 specifies the classification of various enterprises and sets up an advisory committee to examine the matters referred to it by the MSME Board. In order to achieve the promotion, development and enhancing the competitiveness of micro, small and medium enterprises, MSMED Act provides various benefits to the registered entities in the following manner: introducing various subsidies, schemes and incentives; grant of credit facilities; introduce various skill development programs for the workers, employees, management, technology up-gradation, cluster development schemes; provide funds by way of government grants, etc.

### B. EMPLOYEE AND LABOUR RELATED LEGISLATIONS:

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following: (i) Contract Labour (Regulation and Abolition) Act, 1970; (ii) Relevant state specific shops and commercial establishment legislations; (iii) Employees’ Provident Funds and Miscellaneous Provisions Act, 1952; (iv) Employees’ State Insurance Act, 1948; (v) Minimum Wages Act, 1948; (vi) Payment of Bonus Act, 1965; (vii) Payment of Gratuity Act, 1972; (viii) Payment of Wages Act, 1936; (ix) Maternity Benefit Act, 1961; (x) Apprenticeship Act, 1961; (xi) Equal Remuneration Act, 1976; (xii) Employees’ Compensation Act, 1923; and (xiii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government:

#### **Code on Wages, 2019**

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to

employees, the manner of payment and calculation of wages and the payment of bonus to employee. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

### **Code on Social Security, 2020**

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Worker's Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

## **C. TAX RELATED LAWS:**

### **Income-tax Act, 1961**

Income-tax Act, 1961 ("IT Act") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

### **Central Goods and Services Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 ("CGST Act") regulates the levy and collection of tax on the intra- State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

### **Integrated Goods and Services Tax Act, 2017**

Integrated Goods and Services Tax Act, 2017 ("IGST Act") is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act.

## **D. INTELLECTUAL PROPERTY LAWS:**

### **The Trademarks Act, 1999**

Under the Trademarks Act, 1999 ("Trademarks Act"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

### **The Copyright Act, 1957 (the "Copyright Act")**

The Copyright Act provides for registration of copyrights, assignment and licensing of copyrights, and protection of copyrights, including remedies for infringement. The Copyright Act protects original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. In the event of infringement of a copyright, the owner of the copyright is entitled to both civil remedies, including damages, accounts and injunction and delivery of infringing copies to the copyright owner, and criminal remedies, including imprisonment and imposition of fines and seizure of infringing copies. Copyright registration is not mandatory under the Copyright Act for acquiring or enforcing a copyright, however, such registration creates a presumption favouring ownership of the copyright by the registered owner.

## **E. OTHER APPLICABLE LAWS**

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

The Companies Act, 2013 ("Companies Act") deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

### **The Transfer of Property Act, 1882**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

### **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.

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

The Indian Contract Act, 1872 (“Contract Act”) lays down the essentials of a valid contract, it provides a framework of rules and regulations that govern the validity, execution and performance of a contract and codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### **The Specific Relief Act, 1963**

The Specific Relief Act, 1963 (“Specific Relief Act”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### **Competition Act, 2002**

The Competition Act, 2002 (“Competition Act”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“Competition Commission”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

### **Foreign Trade (Development and Regulation) Act, 1992**

In India, the main legislation concerning foreign trade is Foreign Trade (Development and Regulation) Act, 1992 (“FTA”). The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/ divisions/ units/factories.

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

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 (“FEMA”), as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder. The Department for Promotion of Industry and Internal Trade (“DPIIT”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment (“FDI Policy”), with effect from October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020.

In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was originally formed as a partnership firm under the Partnership Act, 1932 in the name of “M/s KRI Entertainment”, pursuant to a partnership deed dated November 2, 2016. M/s Kri Entertainment, was thereafter converted from a partnership firm to a public limited company under part XXI of the Companies Act, 2013 with the name “Kri Entertainment Limited” vide certificate of incorporation dated September 12, 2023 issued by the Registrar of Companies, Mumbai.

### Changes in the Registered Office

There has been no change in the registered office of our Company since the date of incorporation.

### Main objects of our Company

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

- To carry on the business of developing, promoting, marketing, organizing and managing artists and celebrity management including the introduction and launching in cinemas, theatres, OTT platforms and other consultancy services in media management, at national as well as international juncture and managing artists and celebrity for promotional events, product brands, corporate and business themes, evenings, launches, ideas, managing public and media relations, press & publicity, concept designing and management for promotion of products, building of brands through promotions and events for corporate, other business and professional entities, institutions, other groups, individuals of its own or in tie up or partnership with other agencies, service providers including international agencies involved in providing similar type of services in cinemas, theatres, Over The Top services (OTT) platforms.*
- To carry on the business of producers, distribution, exhibitors, financiers, importers and exporters of motion pictures of every description and variety of subjects including feature films, short films, web series, promotional films and documentary films and to purchase, import, take on hire, or otherwise acquire (with or without negative rights) cinematograph films and motion pictures with distributing, exhibiting and renting rights and dubbing, sub-titling and translation rights in any language and to sell, give on hire, export or otherwise distribute, exploit or give on distribution the films and rights so acquired and also company's productions with their exhibiting, distributing and renting rights or negative rights, both for Indian and Overseas markets.*

### Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association for the past ten years of our Company till the date of this Draft Prospectus.

Date of member's Resolution	Particulars
March 1, 2024	Increase of the authorised share capital of our Company from Rs. 7,00,00,000 (Rupees Seven Crores Only) consisting of 70,00,000 (Seventy Lakh) Equity Shares of Rs. 10 (Rupees Ten Only) each to Rs. 15,00,00,000 (Rupees Fifteen Crores Only) consisting of 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 10 (Rupees Ten Only).

### Major events and milestones of our Company

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

Calendar Year	Events
2016	Formed Partnership firm in the name and style of M/s KRI Entertainment
2022	Ventured into Content creation
2023	Conversion from a partnership firm to a public limited company
Financial Year	Events
2016-17	Formed Partnership firm in the name and style of M/s KRI Entertainment and started Business as Talent Management Agency
2021-22	Launch of new segment of Content Creation.
2023-24	In 2023-24, we transitioned from a partnership firm to a public limited company. This year also marked the introduction of a new segment—Advertisement and Event Management

### **Awards and Accreditations**

As on this date of the Draft Prospectus our Company has not received any awards and accreditations

### **Significant financial and strategic partnerships**

As of the date of this Draft Prospectus, our Company does not have any significant financial or strategic partnerships.

### **Time/cost overrun**

There has been no time or cost over-run in respect of our business operations.

### **Launch of key products or services, entry into new geographies or exit from existing markets**

For details of key services launched by our Company, entry into new geographies or exit from existing markets, see “*Our Business*” beginning on page 102 of this Draft Prospectus.

### **Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks**

There have been no instances of rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from lenders.

### **Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten years**

Our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. since its incorporation.

### **Holding company**

As of the date of this Draft Prospectus, our Company does not have a holding company.

### **Our Subsidiaries**

Our Company has no Subsidiaries as on the date of this Draft Prospectus.

### **Joint Venture of our Company**

Our Company has no Joint Ventures as on the date of this Draft Prospectus.

### **OTHER CONFIRMATIONS**

There are no other agreements/arrangements and clauses/covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document

There is no material clause of Article of Association which have been left out from disclosure having bearing on the IPO.

There is no conflict of interest between third-party service providers (crucial for operations of the Company) and the Company, Promoters, Promoter Group, Key Managerial Personnel and Directors.

There is no conflict of interest between the lessor of immovable properties and the Company, Promoters, Promoter Group, Key Managerial Personnel and Directors.

## OUR MANAGEMENT

### Board of Directors

Our Board of Directors presently consists of 2 (two) Executive Directors, 1 (one) Non-Executive Director and 2 (two) Independent Directors including (1) One Women Independent Director. The present composition of our Board of Directors and its committees are in accordance with the Companies Act, 2013.

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

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
<b>Shvate Sushma Kaull</b>  <b>Date of Birth:</b> September 6, 1984  <b>Age (years):</b> 40  <b>Address:</b> B/6, Sunder Park, New Link Road, Andheri West, Mumbai, Maharashtra - 400053  <b>Occupation:</b> Business  <b>Term:</b> 5 years  <b>Period of Directorship:</b> September 12, 2023  <b>DIN:</b> 08295411	Managing Director	<i>Indian Companies</i> <ul style="list-style-type: none"> <li>Smash Factor Sports Private Limited</li> <li>Sons of Soils Media Private Limited</li> </ul> <i>Foreign Companies</i>  Nil
<b>Zahid Akram Khan</b>  <b>Date of Birth:</b> August 26, 1975  <b>Age (years):</b> 49  <b>Address:</b> A/504. Kohinoor-1 CHSL, Millat Nagar, Oshiwara, Andheri West, Mumbai, Maharashtra - 400053  <b>Occupation:</b> Business  <b>Term:</b> NA  <b>Period of Directorship:</b> Since September 12, 2023  <b>DIN:</b> 07126276	Executive Director	<i>Indian Companies</i> <ul style="list-style-type: none"> <li>Nil</li> </ul> <i>Foreign Companies</i>  Nil
<b>Aneesh Mohan</b>  <b>Date of Birth:</b> February 6, 1980  <b>Age (years):</b> 44	Non-Executive Director	<i>Indian Companies</i>  Nil  <i>Foreign Companies</i>

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
<b>Address:</b> Flat No. 1403, ASPEN Mahindra Eminante CHSL, SV Road, Goregaon West, Next to Patkar College, Mumbai, Maharashtra - 400104  <b>Occupation:</b> Business  <b>Term:</b> Liable to retire by rotation  <b>Period of Directorship:</b> Since February 15, 2024  <b>DIN:</b> 10458463		Nil
<b>Meenakshi Saini</b>  <b>Date of Birth:</b> September 14, 1977  <b>Age (years):</b> 47  <b>Address:</b> RZ-72/1-D/RZ72/2-D, UG-3 B Block Street no. 6, Mahaveer Enclave, Palma Village, Delhi 110 045 India  <b>Occupation:</b> Business  <b>Term:</b> 5 years  <b>Period of Directorship:</b> Since August 5, 2024  <b>DIN:</b> 07455823	Independent Director	<i>Indian Companies</i> <ul style="list-style-type: none"> <li>• Uvest Private Limited</li> <li>• Ataraxia Intellectual Property Consultants Private Limited</li> <li>• Brejeshwari Trading and Investments Limited</li> <li>• Shri Om Digi-Solution Private Limited</li> <li>• Clearsteps Foundation</li> <li>• Ohm Apartment Resident Welfare Association</li> <li>• Dentax (India) Limited</li> </ul> <i>Foreign Companies</i>  Nil
<b>Chahan Vinod Vora</b>  <b>Date of Birth:</b> August 28, 1991  <b>Age (years):</b> 33  <b>Address:</b> B-605, Dheeraj Enclave, Opposite Bhoir Industries, Off W E Highway, Behind Carnival Cinema, Borivali East, Mumbai, Maharashtra-400066  <b>Occupation:</b> Professional  <b>Term:</b> 5 years  <b>Period of directorship:</b> Since December 12, 2023  <b>DIN:</b> 10275707	Independent Director	<i>Indian Companies</i> <ul style="list-style-type: none"> <li>• India Home Loan Limited</li> </ul> <i>Foreign Companies</i>  Nil

### **Arrangement or understanding with major Shareholders, customers, suppliers or others**

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others. For details, please see *History and Certain Corporate Matters* beginning on page 116.

### **Brief profiles of our Directors**

**Shvate Sushma Kaull** is the Managing Director of the Company and one of the Promoters of our Company. He has completed his higher secondary education from Maharashtra State Board of Secondary and Higher Education, Pune. He has been associated with our company since 2016. He is having around 14 year of experience in talent management, industry. He is presently responsible for the overall operations of the Company

**Zahid Akram Khan** is an Executive Director and one of the Promoters of our Company. He has completed his Matric from St. Theresa's High School Bandra. He is having around 15 year of experience in talent management, industry. He is presently responsible for the overall operations of the Company

**Chahan Vinod Vora** is one of the Independent Directors of our Company. He holds a Bachelor's degree in Commerce (Accounting & Finance) from the Mumbai University. He is also a member of the Institute of Chartered Accountants of India, since 2017. He holds a certificate of Practice from the year 2023.

**Aneesh Mohan** is a Non-Executive Director of our Company. He holds a certificate of Diploma in planning management and holds a Master's degree in Business Administration from the International Management Institute, Brussels. He has previously been worked as a freelancer with Brat Films LLP, Jungle Pictures limited, Allu Entertainment LLP Allu mantena ventures LLP Vishal Bhardwaj LLP. He has 4 years of work experience in talent management, media and entertainment industry. He has been associated with our company since March 2024.

**Meenakshi Saini** is one of the Independent Directors of our Company. She has completed her Bachelors of Commerce Degree from University of Delhi, Master's degree in Business Administration from Sikkim Manipal University and Bachelors of Law from Swami Vivekanand University Madhya Pradesh. She has around 10 years of work experience in the field of accountancy.

### **Relationship between Directors and Key Managerial Personnel and Senior Managerial Persons**

As on date of this Draft Prospectus, Except Shvate Sushma Kaull and Parina Suresh Parekh who are husband and wife None of our Directors are related to each other or to our Key Managerial Personnel or Senior Managerial Personnel.

### **Employment or Service Agreement with our Director**

We have not entered into any service agreement or formal employment agreement with any of our Director. The terms of appointment and remuneration of our Directors were determined by way of the respective Board and Shareholders resolution approving their appointment.

### **Compensation of Whole-time Director/ Compensation of Managing Directors and/or Non-Executive Directors**

Shvate Sushma Kaull is the Managing Director of our Company.

Subsequent to his appointment as the Managing Director of the Company, in the last financial year, he has received an amount of ₹3,00,000 p. m. as the compensation.

### **Sitting Fees and commission paid to our Non-executive Directors and Independent Directors**

Pursuant to resolution passed by our Board on February 15, 2024, our Non-Executive Directors including our

Independent Directors are entitled to receive a sitting fee of ₹15,000 for attending each meeting of our Board and ₹7,500 for attending each committee meeting of our Board.

#### **Remuneration paid or payable to our Directors from our subsidiaries or associate company**

No remuneration is paid or is payable to our Directors from our associate company, Sons of Soils Media Private Limited, as on date of this Draft Prospectus.

#### **Bonus or profit-sharing plan for the Directors**

Our Company does not have any bonus or profit-sharing plan for our Directors.

#### **Shareholding of our Directors**

Our Articles of Association do not require our Directors to hold any qualification shares.

The details of shareholding of our Directors as on the date of this Draft Prospectus is set out below.

<b>Sr. No.</b>	<b>Name of the Shareholder</b>	<b>Number of Equity Shares</b>	<b>Percentage of the Pre-Issue Equity Share capital (%)<sup>*</sup></b>
1.	Shvate Sushma Kaull	34,92,450	46.44
2.	Zahid Akram Khan	34,92,450	46.44
Total		69,84,900	92.88

For further details, please refer to *Capital Structure – The aggregate shareholding of the Promoters and Promoter group* on page 67.

#### **Contingent and/or deferred compensation payable to our Whole-time Director**

There are no contingent or deferred compensation payable to our Executive Director which does not form part of his remuneration.

#### **Borrowing Powers**

Pursuant to our Articles of Association and the provisions of the Companies Act, 2013 and the rules framed thereunder, our Board is authorised to raise or borrow funds or any sums of monies which together with the money already borrowed not exceeding ₹ 100,00,00,000.

#### **Interest of Directors**

Our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any.

Our Non-Executive Directors may be deemed to be interested to the extent of sitting fees payable to them by our Company for attending meetings of our Board or committees thereof.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees and any dividend and other distributions payable in respect of such Equity Shares.

None of our Directors have availed any loan from our Company.

Except as stated in the sections titled *Restated Financial Information – Related Party Transactions* on page 166 No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the

promotion or formation of our Company.

### Interest in property

None of our Directors are interested in any property acquired or proposed to be acquired by our Company

### Interest in promotion or formation of our Company

Shvate Sushma Kaull and Zahid Akram Khan are the Promoters of the Company. For further details regarding our Promoters, see ***Our Promoters and Promoter Group*** beginning on page 135.

### Business interest

Except as stated in the sections titled ***Restated Financial Information – Related Party Transactions*** on page 166, our Directors do not have any other business interest in our Company.

### Confirmation

None of our Directors is or was a director of any listed company whose shares have been or were suspended from being traded on any stock exchanges in India during the term of their directorship in such companies, in the last five years preceding the date of this Draft Prospectus.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges, during the term of their directorship in such Companies.

None of our Directors have been declared as wilful defaulters or fraudulent borrowers.

### Confirmation in relation to RBI Circular dated July 1, 2016

Neither our Company nor any of our Directors have been declared as fraudulent borrowers by RBI in terms of the RBI circular dated July 1, 2016.

### Changes in our Board during the last three years

The changes in our Board of our Company during the last three years till the date of this Draft Prospectus are set forth below:

Name of Director	Date	Reason
Shvate Sushma Kaull	September 12, 2023	Appointed as an Executive Director
Zahid Akram Khan	September 12, 2023	Appointed as an Executive Director
Mahasweta Ghosh	September 12, 2023	Appointed as a Non-executive Director
Chahan Vinod Vora	December 12, 2023	Appointed as an Additional Independent Director
Shvate Sushma Kaull	December 12, 2023	Change of Designation to a Managing Director
Chahan Vinod Vora	December 25, 2023	Change of Designation to an Independent Director
Mahasweta Ghosh	February 15, 2024	Cessation as a Director
Aneesh Mohan	February 15, 2024	Appointed as an Additional Non-Executive Director
Sonia Nerlekar	February 15, 2024	Appointed as an Additional Independent Director
Aneesh Mohan	March 1, 2024	Change of Designation to a Non-Executive Director
Sonia Nerlekar	March 1, 2024	Change of Designation to an Independent Director
Sonia Nerlekar	August 6, 2024	Resignation due to professional commitments
Meenakshi Saini	August 5, 2024	Appointed as an Independent Director

### Corporate Governance

Our Board of Directors presently consists of 2 (two) Executive Directors, 1 (one) Non-Executive Director and 2 (two) Independent Directors out of which 1 (one) is a Women Independent Director. The present composition of

our Board of Directors and its committees are in accordance with the Companies Act, 2013.

The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the SEBI Listing Regulations and the Companies Act, as may be applicable.

### **Board committees**

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders Relationship Committee;
- d) Internal Complaints Committee.

Details of each of these committees are as follows:

#### **a) Audit Committee**

The Audit Committee was constituted pursuant to a meeting of our Board held on August 6, 2024.

The Audit Committee currently consists of:

- a) Chahan Vinod Vora (*Chairman*);
- b) Meenakshi Saini (*Member*); and
- c) Shvate Sushma Kaull (*Member*)

Further, the Company Secretary of our Company shall act as the secretary to the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

1. oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of our auditors;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board of Directors for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the Board of Director's report in terms of Section 134(3)(c) of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report.
5. reviewing, with the management, the quarterly financial statements before submission to the Board of Directors for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency

- monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board of Directors to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
  8. approval or any subsequent modification of our transactions with related parties;
  9. scrutiny of inter-corporate loans and investments;
  10. valuation of our undertakings or assets of our Company, wherever it is necessary;
  11. evaluation of internal financial controls and risk management systems;
  12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. discussion with internal auditors of any significant findings and follow-up there on;
  15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
  16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. to review the functioning of the whistle blower mechanism;
  19. approval of appointment of chief financial officer after assessing the qualifications, experience and background of the candidate;
  20. carrying out any other function as is mentioned in the terms of reference of the audit committee.
  21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs.100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; and
  22. consider and comment on our rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and on our shareholders.

**A. Mandatory review by the Audit Committee:** The Audit Committee shall mandatorily review the following:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;
5. the appointment, removal and terms of remuneration of the chief internal auditor;
6. statement of deviations involving:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

**b) Nomination and Remuneration Committee:**

The Nomination and Remuneration committee was constituted by a resolution of our Board dated August 6, 2024.

The Nomination and Remuneration Committee currently consists of:

- a) Chahan Vinod Vora (*Chairperman*);
- b) Meenakshi Saini (*Member*)
- c) Aneesh Mohan (*Member*); and
- d) Shvate Sushma Kaull (*Member*)

The scope, functions, and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of Nomination and Remuneration Committee shall include the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
  2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board of Directors and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board of Directors for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - (a) use the services of external agencies, if required;
    - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
    - (c) consider the time commitments of the candidates.
  3. formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
  4. devising a policy on diversity of Board of Directors;
  5. 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 the Board of Directors their appointment and removal;
  6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
  7. recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management.
- c) Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee was constituted pursuant to a meeting of our Board held on August 6, 2024. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

- a) Meenakshi Saini (*Chairperson*);
- b) Zahid Akram Khan (*Member*); and
- c) Shvate Sushma Kaull (*Member*)

#### **Role of Stakeholders' Committee**

The role of Stakeholder Relationship Committee, together with its powers, is as follows:

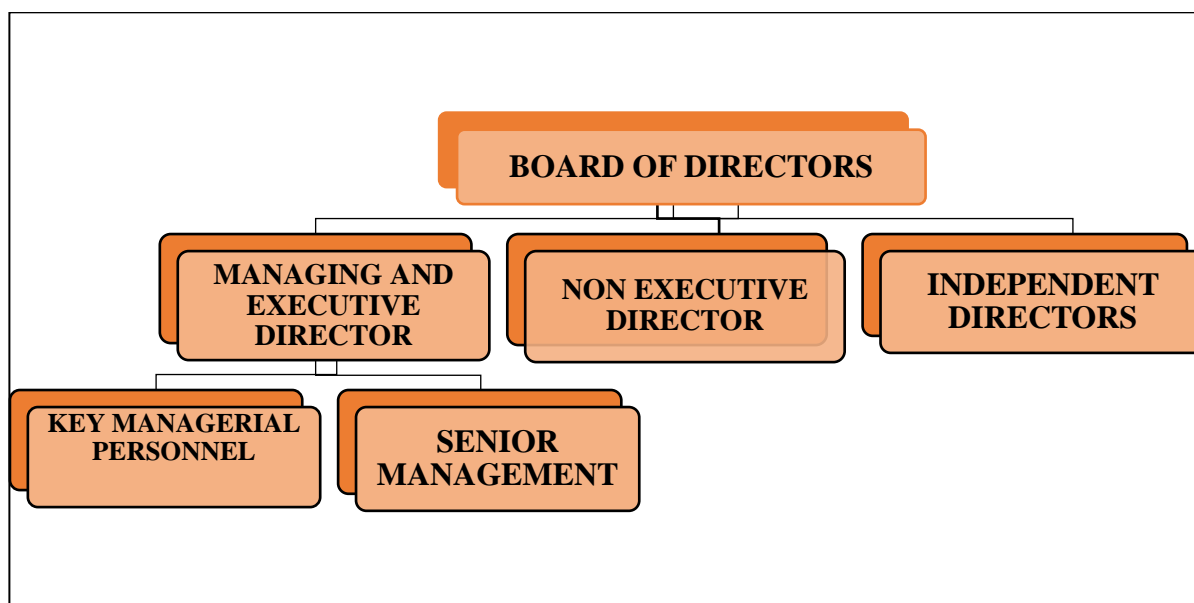
1. resolving the grievances of the security holders of our Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted by our Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. review of various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of our Company.
5. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities.
6. Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.

**d) Internal Complaints Committee**

The Internal Complaints Committee was constituted pursuant to a meeting of our Board held on August 6, 2024, for redressal of sexual harassment complaints and for ensuring time bound resolution of such complaints. The Internal Complaints Committee is in compliance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee/ Complaints Committee currently consists of:

- a) Ms. Sneha Singh(*Chairperson*);
- b) Ms. Akriti Sharma (*Member*);
- c) Ms. Aayushi Ved (*Member*); and
- d) Ms. Ruchita Sankhe (*Member*)

**Management Organization Structure**



**Key Managerial Personnel and Senior Managerial Personnel**

Other than Shvate Sushma Kaull, the Managing Director, whose details are provided hereinabove, the details of our Key Managerial Personnel, as on the date of this Draft Prospectus are set forth below.

**Kriti Goyal** is the Company Secretary and Compliance Officer of our Company. She holds a Bachelor of Commerce degree from Rajasthan University Further, a Masters of Commerce degree from Rajasthan University. She is an Associate member of Institute of Company Secretaries from the year 2016. She possesses over 4 years of work experience. She has previously worked as a Company secretary in Indo-City Infotech Limited.

**Manish B Sharma** is the Chief Financial Officer of our Company. He holds a Bachelor of Commerce degree from the University of Mumbai. He has been associated with the Company since 2019 as an Accountant, thereafter in the year he was promoted to the position of accounts manager in the year 2021. He possesses over 20 years of experience in accounting has previously worked as an accounts and tax consultant with director Navdeep Singh and as a production accountant for flimphilosophy.

**Parina Suresh Parekh** is the Senior sales & Marketing Head in our Company. She has been working with our Company since December 2022. She completed the degree of Bachelor of Mass Media from Mumbai University and holds a diploma in advertising and public relations from K.C. college of Management studies. She has around 20 of experience. She has previously worked with MSL Group as a senior accounts executive, Madison specialist communications services private limited as a manager- brand communications, CAA KWAN Talent Management agency private limited as a part of celebrity team and elements media works as a senior manager-brand solutions. Her roles and responsibilities in the Company include leading the sales and marketing team.

**Akriti Sharma** is the Senior Talent Manager in our Company. She has been working with our Company since 2019. She completed her higher secondary education from Central board of Secondary education. She has over around 5 years of experience in the field of talent management.

**Sneha Singh** is the Human Resource Department head in our Company. She has been working with our Company since 2018. She completed the degree of Bachelors of Mass Media. She has around 7 years of experience. She has previously worked as a sales associate in Capital world media services Private Limited, thereafter she joining our Company as an Artist manager and has been promoted as Human Resource Department head.

**Aayushi Vedd** is the Senior Talent Manager in our Company. She has been working with our Company since 2021. She has completed her Bachelors of Mass media form Mumbai university. She has over around 3years of experience in the field of talent management.

**Aditi Kampani** is the Talent Management-Operations in our Company. She has been working with our Company since 2023. She has completed her Bachelors of Business Administration from NMIMS. she has over around 16 years of experience in travel industry.

**Imran Qureshi** is the head of event Management in our Company. He has been working in our Company since 2024. He has completed his Masters of Business Administration from University of Leading Way Westminster. He has around 12 years of experience in the field of event management.

#### **Service Contracts with Key Managerial Personnel**

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company as detailed in their respective appointment letters, they have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

#### **Interest of Key Managerial Personnel and Senior Managerial personnel**

Other than to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares, reimbursement of expenses incurred in the ordinary course of business, our Key Managerial Personnel and Senior Managerial Personnel have no other interest in the equity share capital of the Company.

No loans have been availed by our Key Managerial Personnel and Senior Managerial Personnel from our Company as on the date of this Draft Prospectus.

#### **Relationship amongst Key Managerial Personnel and Senior Managerial Personnel**

As on date of this Draft Prospectus, Expect Shvate Sushma Kaull and Parina Suresh Parekh who are husband and wife none of our Key managerial Personnel and Senior Managerial Personnel are related to each other

#### **Arrangements and understanding with major Shareholders, customers, suppliers or others**

None of our Key Managerial Personnel and Senior Managerial Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others

#### **Compensation and/or benefits to our Key Managerial Personnel**

No amount of compensation has been paid, and/or benefits granted to our Key Managerial Personnel and Senior Managerial Personnel during the last financial year, on an individual basis by the Company for the services provided by our Key Managerial Personnel and Senior Managerial Personnel in all capacities, including contingent or deferred compensation accrued for the year and payable at a later date, which does not form part of their remuneration.

### **Contingent and deferred compensation payable to our Key Managerial Personnel**

There is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Managerial Personnel.

### **Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Managerial Personnel**

There is no bonus or profit-sharing plan for the Key Managerial Personnel and Senior Managerial Personnel

### **Status of Key Managerial Personnel and Senior Managerial Personnel**

All our Key Managerial Personnel and Senior Managerial Personnel are permanent employees of our Company.

### **Shareholding of Key Managerial Personnel and Senior Managerial Personnel**

Except as stated below, none of our Key Managerial Personnel and Senior Managerial Personnel hold Equity Shares in our Company as on the date of this Draft Prospectus.

<b>Sr. No.</b>	<b>Name of the Shareholder</b>	<b>Number of Equity Shares</b>	<b>Percentage of the Pre-Issue Equity Share capital (%)*</b>
1.	Shvate Sushma Kaull	34,92,450	46.44
2.	Zahid Akram Khan	34,92,450	46.44
3.	Parina Suresh Parekh	7,020	0.09
<b>Total</b>		<b>69,91,920</b>	<b>92.97</b>

### **Changes in Key Managerial Personnel and Senior Managerial Personnel during the last three years**

<b>Particulars</b>	<b>Designation</b>	<b>Date of Appointment/ Cessation</b>
Shvate Sushma Kaull	Managing Director	December 12, 2023
Vishal Solanki	Company Secretary and Compliance Officer	February 15, 2024
Manish B Sharma	Chief Financial Officer	February 15, 2024
Vishal Solanki	Company Secretary and Compliance Officer	July 31, 2024
Kriti Goyal	Company Secretary and Compliance Officer	August 6, 2024
Parina Suresh Parekh	Senior sales & Marketing Head	October 1, 2023
Akriti Sharma	Senior Talent Manager	October 1, 2023
Sneha Singh	Human Resource Department head	October 1, 2023
Imran Sheikh	Head of Event Management	September 10, 2024

### **Attrition of Key Managerial Personnel and Senior Managerial Personnel**

The attrition of Key Managerial Personnel and Senior Managerial Personnel is not high in our Company

### **Payment or Benefit to Key Managerial Personnel and Senior Managerial Personnel of our Company**

No non-salary related amount or benefit has been paid or given to any officers of our Company, including Key Managerial Personnel and Senior Managerial Personnel since its incorporation or is intended to be paid or given, as on the date of filing of this Draft Prospectus other than in the ordinary course of their employment

### **Employee Stock Options and Stock Purchase Schemes**

As on date of this Draft Prospectus, our Company does not have any Employee Stock Options and other Equity-Based Employee Benefit Schemes.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

Shvate Sushma Kaull and Zahid Akram Khan are the Promoters of our Company. As on the date of this Draft Prospectus, our Promoters' shareholding in our Company is as follows:

Sr. No.	Name of the Promoter	No. of Equity Shares held	% of Pre-Issue issued, subscribed and paid-up Equity Share capital*
1.	Shvate Sushma Kaull	34,92,450	46.44
2.	Zahid Akram Khan	34,92,450	46.44

For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – Details of Shareholding of our Promoters, members of the Promoter Group in our Company*", on page 65.

### Details of our Promoters



#### Shvate Sushma Kaull

Shvate Sushma Kaull, born on September 6, 1984, aged 40, is a resident of India. He resides at B-6, Sunder Park, New Link Road, Veera Desai Road, Andheri (West), Mumbai, Maharashtra 400053.

*Permanent Account Number: AWQPK1029H*

For his complete profile along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, see "*Our Management - Brief Profile of our Directors*" on page 126.



#### Zahid Akram Khan

Zahid Akram Khan, born on August 26, 1975, aged 49, is a resident of India. He resides at A-504, Kohinoor I CHS, Near Millat Nagar, Oshiwara, Andheri (West), Mumbai, Maharashtra-400053.

*Permanent Account Number: AHSPK6832F*

For his complete profile along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, see "*Our Management - Brief Profile of the Directors*" on page 126.

Our Company confirms that the permanent account number, bank account number, passport number, the Aadhar card number and driving license number of our Promoters shall be submitted to the Stock Exchanges at the time of filing of this Draft Prospectus.

### Changes in control of our Company

There has not been any change in the control of our Company in the five (5) years immediately preceding the date of this Draft Prospectus.

### **Interest of our Promoters**

Our Promoters are interested in our Company to the extent of: (i) having promoted our Company; (ii) their shareholding and the shareholding of their relatives in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by him or their relatives; and (iii) of remuneration payable to them as Directors of our Company. For further details, see "*Capital Structure*", "*Our Management*", "*Summary of the Offer Document - Related Party Transactions*" and "*Interest in property – Our Management*" and "*Restated Financial Statements*" beginning on pages 62, 124, 23, 128 and 141 respectively.

Except as stated in "*Summary of the Offer Document - Related Party Transactions*" beginning on page 23 and disclosed in "*Our Management– Interest of Director*" beginning on page 127, there has been no payment of any amount or benefit given to our Promoters or Promoter Group during the two years preceding the date of filing of the Draft Prospectus nor is there any intention to pay any amount or give any benefit to our Promoters or Promoter Group as on the date of filing of this Draft Prospectus.

### **Companies or firms with which our Promoters have disassociated in the last three years**

Our Promoters have not disassociated themselves from any company or firm during the three years preceding the date of filing of this Draft Prospectus except:

1. Messer August Entertainment
2. Messer Zest Talent management

### **Confirmations**

Our Promoters have not been declared as Wilful Defaulters or Fraudulent Borrowers.

Our Promoters and members of our Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities.

Our Promoters are not promoters or directors of any other Company which is debarred from accessing capital markets.

No material guarantees have been given to third parties by our Promoters with respect to Equity Shares of our Company.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

### **Promoter Group**

Persons constituting the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations except the Promoters are set out below:

*Natural persons forming part of our Promoter Group (other than our Promoters):*

Sr. No.		Relationships
<b>Shvate Sushma Kaull</b>		
1.	Late Ravi Kumar	Father
2.	Sushma Kaul	Mother
3.	Neha Kaul	Sister
4.	Parina Suresh Parekh	Spouse
5.	Suresh Parekh	Spouse's Father
6.	Meera Suresh Parekh	Spouse's Mother
7.	Pratik Suresh Parekh	Spouse's Brother

Sr. No.		Relationships
<b>Zahid Akram Khan</b>		
1.	Late. Akram Mohammad Khan	Father
2.	Salma Fakruddin Khan	Mother
3.	Arif Gulam Khan	Brother
4.	Mahasweta Ghosh	Spouse
5.	Arjunkumar Ghosh	Spouse's Father
6.	Monalisha Ghosh	Spouse's Mother

*Entities forming part of our Promoter Group (other than our Promoters and Corporate Promoter):*

Sr. No.	Name of the entities
<b>Body corporates in which at least 20% of the equity share capital is held by our Promoters or the immediate relatives as set out above of our Promoters</b>	
1.	Smash Factor Sports Private Limited
2.	Quest Media and Talent Management LLP

## OUR GROUP COMPANIES

As per the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of group companies, our Company has considered (i) the companies (other than Subsidiaries) with which there are related party transactions as disclosed in the Restated Financial Statements of our Company in any of the last three financial years; and (ii) other companies considered material by our Board pursuant to the Materiality Policy.

Accordingly, all such companies with which our company had related party transactions as per the Restated Financial Statements, as covered under the relevant accounting standard have been considered as Group companies in terms of SEBI ICDR Regulations.

Additionally, pursuant to the Materiality Policy, a company shall be considered material and shall be disclosed as a Group Company in this Draft Prospectus if a material adverse change in such company, can lead to a material adverse effect on our Company and its revenue and profitability

Accordingly, in terms of the Materiality Policy, the Board has identified Smash Factor Sports Private Limited as the Group Company of the Company.

### Details of our Group Company

#### Smash Factor Sports Private Limited

##### *Corporate information and nature of business*

**Smash Factor Sports Private Limited** ("SFSPL") having its registered office at A 24,1904, 19th Floor, Shivshakti Apartment CHSL, Vastu Lane, Andheri West, Mumbai City, Mumbai, Maharashtra, India, 400053. For the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share, please refer the audited financial statements of SFSPLL for financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, which are available on the Company's website at <https://worldofkri.com>.

### Public or rights issue in the preceding three years

Our Group Company has not made any public or rights issue (as defined under the SEBI ICDR Regulations) in the three years immediately preceding the date of this Draft Prospectus.

### Details of Group Companies under Winding up

As on the date of this Draft Prospectus, our Group Company has not been declared insolvent/bankrupt under the Insolvency and Bankruptcy code, 2016 as applicable. Our Group Companies do not fall under the definition of sick industrial companies under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, as applicable.

### Interests and common pursuits

- (a) Our Group Company do not have any interests in the promotion of our company.
- (b) Our Group Company are not interested in the properties acquired by our Company in the three years immediately preceding the date of this Draft Prospectus or proposed to be acquired by our company
- (c) Our Group Company do not have any interest in the transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery, etc.
- (d) Except as set forth in "**Restated Financial Statements - Related Party Disclosures**" on page 166 of this Draft Prospectus, our Group Company has no business interest in our company.
- (e) There are no common pursuits between our Group Company and our Company.

### Related Business Transactions

Except as set forth in "**Summary of the Draft Prospectus - Related Party Transactions**" on page 23 of this Draft Prospectus, there are no related business transactions with our Group Companies.

## **Litigation**

Our Group companies does not have any pending litigation which will have a material impact on our Company. For further confirmations with respect to our Group companies, see "***Other Regulatory and statutory Disclosures***" beginning on page 196 of this Draft Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 together with the applicable rules issued thereunder. The dividend distribution policy of our Company was approved and adopted by our Board on February 15, 2024 (the ***Dividend Distribution Policy***).

The Dividend Distribution Policy provides that our Board may consider the following financial/internal parameters while declaring or recommending dividend to Shareholders: (i) our Company's net profits earned during the Financial Year after tax; (ii) retained earnings; (iii) working capital requirement and repayment of debts, if any, (iv) contingent liabilities; (v) earnings outlook for at least next three years; (vi) current and expected future capital/liquidity requirements including expansion, modernization, investment in group companies and acquisitions; (vii) buyback of shares or any other profit distribution measure; (viii) stipulations/covenants of any agreement to which our Company is a party (including; financing documents, investment agreements and shareholders agreement); (ix) applicable legal restrictions; (x) and overall financial position of our Company; and (xi) any other factors and material events considered relevant by our Board, including those set out in any annual business plan and budget of our Company.

Our Board may consider the following external parameters while declaring or recommending dividend to Shareholders: (i) the applicable legal requirements, regulatory conditions or restrictions; (ii) dividend pay-out ratios of companies in similar industries; (iii) financing costs; (iv) the prevailing economic environment; and (v) any other relevant factors and material events to our Company.

Further, our Board may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

Retained earnings may be utilized by our Company for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board. Our Company may also, from time to time, pay interim dividends. For details in relation to risks involved in this regard, see ***Risk Factors - Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures*** on page 38 of this Draft Prospectus.

We have not declared and paid any dividends on the Equity Shares in any of the five Financial Years preceding the date of this Draft Prospectus and until the date of this Draft Prospectus. The dividend history in the past is not necessarily indicative of our dividend amounts, if any, in the future

**SECTION V – FINANCIAL INFORMATION**  
**RESTATED FINANCIAL STATEMENTS**



# NAIK MEHTA & CO.

## CHARTERED ACCOUNTANTS

22, Megh Building Co-Op. Society,  
Megh Malhar Complex, Gen. A. K. Vaidya Marg,  
Goregaon (East), Mumbai - 400 063.  
Tel: 022-28408899 Mob.: 9820462132  
E-mail: naikmehta100@yahoo.co.in

### Independent Auditor's Report on Restated Consolidated Financial Statements

To,  
The Board of Directors,  
Kri Entertainment Limited

1. We have examined the attached restated consolidated financial information of **Kri Entertainment Limited** (hereinafter referred to as "**the Company**") (formerly known as Kri Entertainment, erstwhile Partnership Firm) and its associate (collectively known as "**Group**"), comprising the restated statement of assets and liabilities for the period March 31 2024, March 31 2023 and March 31 2022, restated statement of profit and loss and restated cash flow statement for Kri Entertainment Limited for the financial period from September 26, 2023 ended March 31, 2024, March 31 2023 and March 31 2022 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the "**consolidated restated financial information**" or "**Consolidated Restated Financial Statements**") annexed to this report and initiated by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on SME Platform ("**IPO**" or "**SME IPO**") of National Stock Exchange of India Limited ("**NSE**") of the company.
2. The said Consolidated Restated Financial Statements and Consolidated other Financial Information have been examined and prepared for the purpose of inclusion in the Draft Prospectus/Prospectus (collectively hereinafter referred to as "**Offer Document**") in connection with the proposed Initial Public Offering (IPO) on SME Platform of NSE Limited ("**NSE Emerge**") of the company taking into consideration the followings and in accordance with the following requirements of:
  - Section 26 and 32 of Part I of Chapter III to the Companies Act, 2013 ("**the Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014, as amended from time to time;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations), 2018 (the '**SEBI ICDR Regulations**') as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992;
  - The Guidance Note on Reports in Company Draft Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**ICAI**") ("**Guidance Note**");
  - The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and

3. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Statements for inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus ("**Offer Document**") to be filed with Securities and Exchange Board of India ("SEBI"), NSE and Registrar of Companies (Mumbai) in connection with the proposed IPO. The Restated Consolidated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Consolidated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. The company consolidated financial statement the period from September 26, 2023 to March 31, 2024 and financial statement of partnership firm Kri Entertainment ended on September 25, 2023 and March 31, 2023 and March 31, 2022 which have been approved by the Board of Directors at their meeting respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Consolidated Restated Financial Statements, are the responsibility of the Company's Management. We, Naik Mehta & Co., Chartered Accountants, have audited the accompanying restated financial statements of Kri Entertainment Limited for the financial period from September 26, 2023, to March 31, 2024. Also, we have audited the restated financial statements of Kri Entertainment (Partnership Firm) for the period ended September 25, 2023, and the financial year ended March 31, 2023. The financial statements for the financial years ended March 31, 2022, and March 31, 2021, were audited by Nimesh Mehta & Associates, Chartered Accountants, and Borkar & Mazumdar, Chartered Accountants, respectively. We note that there are no qualifications made by the auditors for any of the aforementioned audit periods.
5. We have also examined the consolidated financial information of the Company and its associates for the period from September 26, 2023 to March 31, 2024 prepared and approved by the Board of Directors for the purpose of disclosure in the offer document of the Company.

Based on the above, we report that in our opinion and according to the information and explanations given to us, the above financial information is in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable and the financial information are presented with the Restated Consolidated Financial Information appropriately.

We have audited financial statement of it's associates for the period ended on March 31, 2024.

6. We have examined such Restated Consolidated Financial Statements taking into consideration:
  - (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed SME IPO;
  - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;
  - (iv) 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.

7. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the period from September 26, 2023 to March 31, 2024 and for partnership firm for the period March 31 2023 and March 31 2022.
8. We, Naik Mehta & Co., Chartered Accountants, have audited the financial statements of Kri Entertainment Limited for the financial period from September 26, 2023 to March 31, 2024 also for the period ended on September 25, 2023 of Kri Entertainment (Partnership Firm). We confirm that there are no audit qualifications in the audit reports issued by the previous auditors for the financial periods ended March 31, 2023, March 31, 2022, which would necessitate adjustments in the restated financial statements of the Company. The financial statements for these periods are presented based solely on the reports submitted by the previous auditors.
9. We have audited the special purpose financial information in accordance with IGAAP of the company for the period ended from September 26, 2023 to March 31, 2024 and for Kri Entertainment (Partnership Firm) for the period ended on September 25, 2023 and for the financial year ended on March 31, 2023 and March 31, 2022 prepared by the management in accordance with the IGAAP for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated August 6, 2024 on this special purpose financial information to the Board of Directors who have approved these in their meeting held on August 06, 2024.
10. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
  - a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year/period ended on March 31, 2024, March 31, 2023, March 31, 2022.
  - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
  - c) Have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - d) Have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
11. Based on our examination in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:
  - (i) The "**restated consolidated statement of asset and liabilities**" of the Company for period from September 26, 2023 to March 31 2024 and for Kri Entertainment (Partnership Firm) period ended on September 25, 2023 and March 31 2023, March 31 2022 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure I** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (ii) The "**restated consolidated statement of profit and loss**" of the Company for period from September 26, 2023 to March 31 2024 and for Kri Entertainment (Partnership Firm) period ended on September 25, 2023 and March 31 2023, March 31 2022 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure II** has been arrived at after making such adjustments and

regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

- (iii) The “**restated consolidated statement of cash flows**” of the Company for period from September 26, 2023 to March 31 2024 and for Kri Entertainment (Partnership Firm) period ended on September 25, 2023 and March 31 2023, March 31 2022 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure III** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.



12. We have also examined the following other consolidated financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial period of the Company for period from September 26, 2023 to March 31 2024 and for Kri Entertainment (Partnership Firm) March 31 2023, March 31 2022 that is proposed to be included in offer document

**Annexure to Restated Financial Statements of the Company: -**

- I. Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
- II. Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
- III. Summary statement of cash flows as restated as appearing in ANNEXURE III;
- IV. Corporate Information, Significant accounting policies as restated and Notes to reconciliation of restated profits and net worth as appearing in ANNEXURE IV;
- V. Details of share capital as restated as appearing in ANNEXURE V to this report;
- VI. Details of reserves and surplus as restated as appearing in ANNEXURE VI to this report;
- VII. Details of long-term borrowings as restated as appearing in ANNEXURE VII to this report;
- VIII. Details of short-term borrowings as restated as appearing in ANNEXURE VIII to this report;
- IX. Details of trade payables as restated as appearing in ANNEXURE IX to this report;
- X. Details of other current liabilities as restated as appearing in ANNEXURE X to this report;
- XI. Details of short-term provisions as appearing in ANNEXURE XI to this report;
- XII. Details of property, plant & equipment and intangible assets as appearing in ANNEXURE XII to this report;
- XIII. Details of non-current investments as restated as appearing in ANNEXURE XIII to this report;
- XIV. Details of deferred Tax Assets (Net) as restated as appearing in ANNEXURE XIV to this report;
- XV. Details of long-term Loans & Advances as restated as appearing in ANNEXURE XV to this report;
- XVI. Details of other non-current assets as restated as appearing in ANNEXURE XVI to this report;
- XVII. Details of trade receivables as restated as appearing in ANNEXURE XVII to this report;
- XVIII. Details of cash and bank balances as restated as appearing in ANNEXURE XVIII to this report;
- XIX. Details of short-term loan and advances as restated as appearing in ANNEXURE XIX to this report;
- XX. Details of other current assets as restated as appearing in ANNEXURE XX to this report;
- XXI. Details of revenue from operations as restated as appearing in ANNEXURE XXI to this report;
- XXII. Details of other income as restated as appearing in ANNEXURE XXII to this report;
- XXIII. Details of employee benefits expenses as restated as appearing in ANNEXURE XXIII to this report;
- XXIV. Details of finance costs as restated as appearing in ANNEXURE XXIV to this report;
- XXV. Details of depreciation and amortization expenses as restated as appearing in ANNEXURE XXV to this report;
- XXVI. Details of other expenses as restated as appearing in ANNEXURE XXVI to this report;
- XXVII. Details of bifurcation of other income as restated as appearing in ANNEXURE XXVII to this report;
- XXVIII. Ageing of trade payables as restated as appearing in ANNEXURE XXVIII to this report;
- XXIX. Ageing of trade receivables as restated as appearing in ANNEXURE XXIX to this report;
- XXX. Details of related party transaction as restated as appearing in ANNEXURE XXX to this report;
- XXXI. Details of accounting ratios as restated as appearing in ANNEXURE XXXI to this report;
- XXXII. Details of statement of tax shelters as restated as appearing in ANNEXURE XXXII to this report;
- XXXIII. Details of contingent liabilities & commitments as restated as appearing in ANNEXURE XXXIII to this report;

- XXXIV. Dues of small enterprises and micro enterprises as restated as appearing in ANNEXURE XXXIV to this report;
- XXXV. Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013 as restated as appearing in ANNEXURE XXXV to this report;
- XXXVI. Capitalisation Statement as at March 31, 2024 as restated as appearing in ANNEXURE XXXVI to this report;
13. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
15. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, NSE and Registrar of Companies (Mumbai) in connection with the proposed SME 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.
16. We, Naik Mehta & Co., Chartered Accountants hold a valid peer review certificate issued by the "Peer Review Board" of the Institute of Chartered Accountants of India ("ICAI").
17. The preparation and presentation of the Consolidated Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
18. In our opinion, the above consolidated Restated Financial Statements contained in Annexure I to XXXVI to this report read along with the 'Significant Accounting Policies and Notes to the Financial Statements' appearing in Annexure IV to XXXVI after making adjustments and regrouping/reclassification as considered appropriate and have been prepared in accordance with the provisions of Section 26 and 32 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.

**For Naik Mehta & Co**  
**Chartered Accountants**  
**FRN: 124529W**



**CA Alpa Mehta**  
**Partner**  
**M. No. - 107896**  
**UDIN - 24107896BKCTWJ9206**

**Place: Mumbai**  
**Date: 06.08.2024**

**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS RESTATED

ANNEXURE - I  
(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
1)	<b>EQUITY AND LIABILITIES</b>					
	<b>Shareholders Funds</b>					
	a. Share Capital	V	351.00	-	-	-
	b. Partners capital account	VI(a)	-	1.00	1.00	1.00
	c. Partners current account	VI(b)	-	316.50	254.81	85.13
	d. Reserves & Surplus	VI	301.88	-	-	-
2)	<b>Non - Current Liabilities</b>					
	a. Long-term Borrowings	VII	305.91	219.66	213.42	247.97
3)	<b>Current Liabilities</b>					
	a. Short Term Borrowings	VIII	569.20	201.25	81.43	-
	b. Trade Payables	IX	-	-	-	-
	- Due to Micro, Small and Medium Enterprises		-	1.07	0.15	-
	- Due to Others		315.41	126.31	324.96	17.86
	c. Other Current liabilities	X	171.89	69.44	69.28	35.34
	d. Short Term Provisions	XI	5.90	30.02	20.67	33.60
	<b>TOTAL</b>		<b>2,021.19</b>	<b>965.25</b>	<b>965.72</b>	<b>420.90</b>
1)	<b>ASSETS</b>					
	<b>Non Current Assets</b>					
	a. Property, Plant & Equipment and Intangible Assets	XII				
	- Property, Plant & Equipment		336.24	128.25	100.53	72.87
	- Intangible Assets		175.00	-	-	-
	- Capital Work-in-Progress		-	-	-	-
	b. Non-Current Investments	XIII	0.30	-	-	-
	c. Deferred Tax Assets (Net)	XIV	13.55	5.55	3.90	1.13
	d. Long-term Loans & Advances	XV	-	-	-	-
	e. Other Non-current assets	XVI	10.95	10.75	35.75	28.51
2)	<b>Current Assets</b>					
	a. Trade Receivables	XVII	983.26	554.82	519.51	50.75
	b. Cash and cash equivalents	XVIII	26.02	24.76	71.30	52.80
	c. Short term loan and advances	XIX	245.66	90.61	234.73	190.86
	d. Other current assets	XX	230.21	150.51	-	23.98
	<b>TOTAL</b>		<b>2,021.19</b>	<b>965.25</b>	<b>965.72</b>	<b>420.90</b>

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XXXVI)

For Naik Mehta & Co.  
Chartered Accountants  
FRN - 124529W  
CA Alpha Mehta  
Partner  
Mem No- 107896  
UDIN - 24107896BKCTWJ9206

Place : Mumbai  
Date : 06/08/2024

For and on behalf of the Board of Directors of  
KRI Entertainment Limited

Shvate Sushma Kaul  
(Managing Director)  
DIN - 08295411

Manish Banwarilal Sharma  
(CFO)

Place : Mumbai  
Date : 06/08/2024

Zahid Khan  
(Director)  
DIN - 07126276  
Kriti Goyal  
(Company Secretary)

**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS AS RESTATED**

ANNEXURE - II  
(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A</b>	<b>INCOME</b>						
	Revenue from Operations	XXI	2,157.29	1,400.98	756.31	1,461.56	364.64
	Other Income	XXII	11.42	2.53	8.89	19.78	4.64
	<b>Total Income (A)</b>		<b>2,168.71</b>	<b>1,403.51</b>	<b>765.20</b>	<b>1,481.34</b>	<b>369.28</b>
<b>B</b>	<b>EXPENDITURE</b>						
	Employee benefits expense	XXIII	136.20	95.51	40.69	110.38	135.48
	Finance costs	XXIV	80.03	46.79	33.24	33.33	16.39
	Depreciation and amortization expense	XXV	72.34	54.69	17.65	27.00	11.80
	Other expenses	XXVI	1,391.11	757.33	633.78	1,020.56	134.66
	<b>Total Expenses (B)</b>		<b>1,679.68</b>	<b>954.32</b>	<b>725.36</b>	<b>1,191.27</b>	<b>298.33</b>
<b>C</b>	<b>Profit before extraordinary items and tax (A-B)</b>		<b>489.03</b>	<b>449.19</b>	<b>39.84</b>	<b>290.07</b>	<b>70.95</b>
	Prior period items (Net)						
	<b>Profit before exceptional, extraordinary items and tax</b>			<b>449.19</b>	<b>39.84</b>	<b>290.07</b>	<b>70.95</b>
	Exceptional items			-	-	-	-
	<b>Profit before extraordinary items and tax</b>			<b>449.19</b>	<b>39.84</b>	<b>290.07</b>	<b>70.95</b>
	Extraordinary items			-	-	-	-
<b>C</b>	<b>Profit before tax</b>		<b>489.03</b>	<b>449.19</b>	<b>39.84</b>	<b>290.07</b>	<b>70.95</b>
<b>D</b>	<b>Tax Expense:</b>						
	(i) Current tax	XXXII	133.70	121.81	11.89	77.14	18.93
	(ii) Deferred tax expenses/(credit)	XIV	(9.65)	(8.00)	(1.65)	(2.76)	(0.82)
	(iii) Short /excess provision for tax			-	-	-	-
	(iii) MAT Credit Entitlement			-	-	-	-
	<b>Total tax Expenses (D)</b>		<b>124.05</b>	<b>113.81</b>	<b>10.24</b>	<b>74.38</b>	<b>18.11</b>
<b>E</b>	<b>Profit for the year (C-D)</b>		<b>364.98</b>	<b>335.38</b>	<b>29.60</b>	<b>215.70</b>	<b>52.84</b>
<b>F</b>	<b>Earnings per share (Face value of ₹ 10/- each):</b>						
	i. Basic		305.54	9.56	295.98	2,156.97	528.41
	ii. Diluted		305.54	9.56	295.98	2,156.97	528.41

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XXXVI)

For Naik Mehta & Co.  
Chartered Accountants  
FRN 124529W

CA Alp Mehta  
Partner  
Mem No- 107896  
UDIN - 24107896BKCTN 0006

Place : Mumbai  
Date : 06/08/2024

For and on behalf of the Board of Directors of KRI Entertainment Limited

Shvate Sushma Kadh  
(Managing Director)  
DIN - 08295411

Manish Bhatnagaril Sharma  
(CFO)

Place : Mumbai  
Date : 06/08/2024

Zahid Khan  
(Director)  
DIN - 07126376

Kirti Goyal  
(Company Secretary)

**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

STATEMENT OF CONSOLIDATED CASH FLOW AS RESTATED

ANNEXURE - III

(₹ In Lakhs)

Particulars	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash Flow From Operating Activities:</b>				
Net Profit before tax as per Profit And Loss A/c	449.19	39.84	290.07	70.95
<b>Adjustments for:</b>				
Finance Cost	46.79	33.24	33.33	16.39
Depreciation and Amortisation Expense	54.69	17.65	27.00	11.80
<b>Operating Profit Before Working Capital Changes</b>	<b>550.67</b>	<b>90.73</b>	<b>350.40</b>	<b>99.14</b>
Adjusted for (Increase)/Decrease in operating assets				
Inventories	-	-	-	-
Trade Receivables	(428.44)	(35.31)	(468.76)	(28.04)
Long / Short term loan and advances	(155.05)	144.12	(43.87)	11.28
Other assets	(79.90)	(125.51)	16.74	(41.30)
Adjusted for Increase/(Decrease) in operating liabilities:				
Trade Payables	188.03	(197.73)	307.25	5.56
Other Current Liabilities & Provisions	103.35	1.96	19.27	22.24
<b>Cash Generated From Operations Before Extra-Ordinary Items</b>	<b>178.66</b>	<b>(121.74)</b>	<b>181.03</b>	<b>68.87</b>
Net Income Tax paid/ refunded	(146.82)	(4.33)	(75.41)	-
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>31.84</b>	<b>(126.07)</b>	<b>105.62</b>	<b>68.87</b>
Purchase of property, plant & equipment and intangible assets	(437.68)	(45.37)	(54.66)	(82.52)
Purchase of investments	(0.30)	-	-	-
<b>Investment Made in Debt Securities</b>				
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(437.98)</b>	<b>(45.37)</b>	<b>(54.66)</b>	<b>(82.52)</b>
<b>Cash Flow from Financing Activities:</b>				
Proceeds/(Repayment) of Borrowings	454.15	126.08	46.89	44.78
Withdrawal by partners	-	32.09	-	-
Contribution from partners	-	-	(46.02)	-
Finance Cost Paid	(46.79)	(33.24)	(33.33)	(16.39)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>407.36</b>	<b>124.93</b>	<b>(32.46)</b>	<b>28.39</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>1.22</b>	<b>(46.51)</b>	<b>18.51</b>	<b>14.74</b>
Cash & Cash Equivalents As At Beginning of the Year	24.79	71.30	52.80	38.05
Cash & Cash Equivalents As At End of the Year	<b>26.02</b>	<b>24.76</b>	<b>71.30</b>	<b>52.80</b>

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XXXVI)

Note: The Cash Flow Statements has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act, 2013.

For Naik Mehta & Co.  
Chartered Accountants

FRN - 124529W

CA Alpa Mehta

Partner

Mem No- 107896

UDIN - 24107896BKCTW39206

Place : Mumbai

Date : 06/08/2024

For and on behalf of the Board of Directors of KRI Entertainment Limited

Shvate Sushma Kaull  
(Managing Director)  
DIN - 08295411

Manish Banwarilal Sharma  
(CFO)

Zahid Khan  
(Director)  
DIN - 07126276

Kriti Goyal  
(Company Secretary)

Place : Mumbai

Date : 06/08/2024

## KRI Entertainment Limited

### ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND

#### 1. CORPORATE INFORMATION

Kri Entertainment Limited is a company Incorporated on 12th of September, 2023, as formerly "Kri Entertainment Private Limited".

The corporate identification number of the company is U90009MH2023PLC410214.

The company has been converted from Partnership to Public Company on 12th Of September, 2023.

1. To carry on the business of developing, promoting, marketing, organizing and managing artists and celebrity management including the introduction and launching in cinemas, theatres, OTT platforms and other consultancy services in media management, at national as well as international juncture and managing artists and celebrity for promotional events, product brands, corporate and business themes, evenings, launches, ideas, managing public and media relations, press & publicity, concept designing and management for promotion of products, building of brands through promotions and events for corporate, other business and professional entities, institutions, other groups, individuals of its own or in tie up or partnership with other agencies, service providers including international agencies involved in providing similar type of services in cinemas, theatres, Over The Top services (OTT) platforms.

2. To carry on the business of producers, distribution, exhibitors, financiers, importers and exporters of motion pictures of every description and variety of subjects including feature films, short films, web series, promotional films and documentary films and to purchase, import, take on hire, or otherwise acquire (with or without negative rights) cinematograph films and motion pictures with distributing, exhibiting and renting rights and dubbing, sub-titling and translation rights in any language and to sell, give on hire, export or otherwise distribute, exploit or give on distribution the films and rights so acquired and also company's productions with their exhibiting, distributing and renting rights or negative rights, both for Indian and Overseas markets..

#### 2. SIGNIFICANT ACCOUNTING POLICIES

##### 2.01 BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The restated summary statement of assets and liabilities of the Company as at March 31, 2024, September 25, 2023, March 31, 2023, and 2022 and the related restated summary statement of profits and loss and cash flows for the year/period ended March 31, 2024, September 25, 2023, March 31, 2023, and 2022 (herein collectively referred to as ("Restated Summary Statements")) have been compiled by the management from the audited Financial Statements of the Company for the year/period ended on March 31, 2024, September 25, 2023, March 31, 2023, and 2022 approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE in connection with its proposed SME IPO. 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 Statements.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

The company underwent a conversion from a partnership firm to a public limited company. In conjunction with this conversion, the company has also revised its accounting policies to align with the requirements applicable to a public limited company. These restated financial statements reflect the impact of this conversion and the corresponding changes in accounting policies (date of incorporation/date of conversion 12/09/2023)

##### 2.02 BASIS OF CONSOLIDATION

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains

Name Of Company	Country Of Incorporation	Ownership Interest (In %)			
		March 31, 2024	September 25, 2023	March 31, 2023	March 31, 2022
Sons Of Soils Media Private Limited	India	30%	0	0	0



## KRI Entertainment Limited

### ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND

#### 2.03 USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### 2.04 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

##### (i) Property, Plant & Equipment

All Property, Plant & Equipment are recorded at cost including taxes, duties, freight and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

##### (ii) Intangible Assets

During the reporting period, the Company has made a strategic investment in intangible assets by acquiring Specific content rights from a distributor. These rights, representing the exclusive entitlement to distribute and monetize specific contents, have been capitalized at their purchase cost, which has been determined based on the expected pattern of revenue generation, projected audience engagement, and associated revenue streams.

This investment is anticipated to significantly enhance the Company's future income, particularly within the entertainment segment, aligning with our strategic objectives. The accounting treatment of these content rights complies with the relevant accounting standards and guidelines, and the financial statements have been restated accordingly.

#### 2.05 DEPRECIATION / AMORTISATION

Depreciation on fixed assets is calculated on a Written - Down value method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. Individual assets cost of which doesn't exceed Rs. 5,000/- each are depreciated in full in the year of purchase. Intangible assets including internally developed intangible assets are amortised over the year for which the company expects the benefits to accrue. Intangible assets are amortized on straight line method basis over 10 years in pursuance of provisions of AS-26.

#### 2.06 INVENTORIES

Inventories comprises of Raw Material and Finished Goods.

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### 2.07 IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

#### 2.08 INVESTMENTS:

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment. Cost of investments sold is arrived using average method.

#### 2.09 FOREIGN CURRENCY TRANSLATIONS

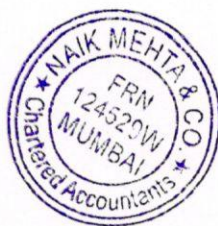
Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognized in Profit & Loss Account in the year in which it arises.

#### 2.10 BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

#### 2.11 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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



## KRI Entertainment Limited

### ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND

#### 2.12 REVENUE RECOGNITION

Revenue is Recognised only when significant risk and rewards of ownership has been transferred to the buyer and it can be reliably measured and its reasonable to expect ultimate collection of it. Gross sales are of net trade discount, rebates, sales taxes and excise duties. Revenue from services is recognized, when services have been performed as per terms of contract, amount can be measured and there is no significant uncertainty as to collection.

The Company adopts accrual concepts in preparation of accounts. Claims /Refunds not ascertainable with reasonable certainty are accounted for ,on final settlement.

#### 2.13 OTHER INCOME

Interest Income on fixed deposit is recognized on time proportion basis. Other Income is accounted for when right to receive such income is established.

#### 2.14 EMPLOYEE BENEFITS

##### Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. No provision for gratuity has been made in the books of accounts considering the current lifecycle of existing employees

#### 2.14 TAXES ON INCOME

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – “Accounting for taxes on income”, notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

#### 2.15 CASH AND BANK BALANCES

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance ( with original maturity is more than three months but less than twelve months).

The Company maintains a Bank Reconciliation System where receipts are recorded when cheques are received and payments are recognized at the time cheques are issued.

This method of accounting ensures that the financial statements reflect the transactions as they occur through cheques, aligning with the company's cash management practices. However, it is important to note that this policy may result in differences between the amounts recorded in the financial statements and the actual bank balances at any given time.

#### 2.16 EARNINGS PER SHARE

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

#### 2.17 EMPLOYEE BENEFITS

##### Defined Contribution Plan:

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

#### 2.18 SEGMENT REPORTING

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.



**KRI Entertainment Limited**  
**(Formerly known as " KRI Entertainment")**  
**CIN: U90009MH2023PLC410214**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**3. NOTES ON CONSOLIDATED RECONCILIATION OF RESTATED PROFITS**

(₹ in Lakhs)

Particulars	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Net Profit/(Loss) after Tax as per Audited Profit &amp; Loss Account</b>	<b>351.64</b>	<b>32.14</b>	<b>195.85</b>	<b>74.21</b>
<b>Adjustments for:</b>				
Depreciation and Amortization Expense	(27.03)	(8.13)	(10.99)	(3.26)
Income tax expense	0.73	3.94	28.07	(18.93)
Reclassifying project expenses under Work in progress	-	-	-	-
Deferred tax expense	10.04	1.65	2.76	0.82
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>335.38</b>	<b>29.60</b>	<b>215.69</b>	<b>52.84</b>

**Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:**

**a. Depreciation and Amortization Expense:** The Company has calculated depreciation using WDV method and using depreciation rates as per income tax act 1961 which has now been restated using useful life as per Schedule II of the Companies Act 2013.

**b. Income tax expense :** The Company has calculated income tax using enacted rates applicable to firm i.e 30% + applicable surcharges+ cess which has now been restated using rates applicable to domestic companies under new tax regime scheme i.e 25.168%.

**c. Deferred Tax:** The Firm has not accounted Deferred tax in their respective reporting periods. hence, it has now been accounted and restated in the books of company using enacted rates.



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**4. NOTES ON RECONCILIATION OF RESTATED NET-WORTH**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<b>Networth as audited (a)</b>	<b>650.11</b>	<b>298.47</b>	<b>234.28</b>	<b>108.43</b>
<b>Adjustments for:</b>				
<b>Opening Balance of Adjustments</b>	<b>19.02</b>	<b>21.52</b>	<b>(22.30)</b>	<b>-</b>
Reversal of depreciation expenses	-	-	-	(1.25)
Deferred Tax Debit for previous years	-	-	-	0.32
Reversal of firm tax which was previously adjusted through reserve and surplus	-	-	23.98	-
Change in Profit/(Loss)	(16.26)	(2.50)	19.84	(21.37)
<b>Closing Balance of Adjustments (b)</b>	<b>2.76</b>	<b>19.02</b>	<b>21.52</b>	<b>(22.30)</b>
<b>Networth as restated (a +b)</b>	<b>652.87</b>	<b>317.49</b>	<b>255.80</b>	<b>86.13</b>

**Explanatory notes to the above restatements to networth made in the audited Financial Statements of the Company for the respective years:**

- a. Depreciation expense :** Opening adjustment of Depreciation prior to March 21 were adjusted from partner's capital account.  
**b. Deferred tax expense :** Opening adjustment of Deferred tax prior to March 21 were adjusted from partner's capital account.  
**c. Change in Profit/(Loss) :** Refer Note 3 above.

**5. ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:**

**a. Material Regrouping**

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**DETAILS OF SHARE CAPITAL AS RESTATED**

ANNEXURE - V  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<b>EQUITY SHARE CAPITAL:</b>				
<b>AUTHORISED:</b>				
1,50,00,000 Equity Shares of ₹ 10 each	1,500.00	-	-	-
<b>ISSUED, SUBSCRIBED AND PAID UP</b>				
35,10,000 Equity Shares of ₹ 10 each	351.00	-	-	-
<b>Closing balance during the year (a)</b>	<b>351.00</b>	<b>-</b>	<b>-</b>	<b>-</b>

**DETAILS OF PARTNERS CONTRIBUTION AS RESTATED**

ANNEXURE - VI  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<b>(A) PARTNERS' CAPITAL ACCOUNT:</b>				
Opening balance	1.00	1.00	1.00	1.00
Add/(Less): Withdrawal during the year / Transfer to Share capital	-1.00			
<b>Closing balance during the year (A)</b>	<b>-</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>(B) PARTNERS' CURRENT ACCOUNT:</b>				
Opening balance	316.50	254.81	85.13	34.22
Add : Capital Transfer during the year		129.87	-	-
Less: Drawings during the year	-	-97.78	-82.02	-73.00
Add: Remuneration for the year		-	36.00	72.00
Add: Profit for the year		29.60	215.70	52.84
Less: Opening Depreciation Adjustment	-	-	-	-1.25
Less: Opening Deferred tax adjustment	-	-	-	0.32
Less : Transferred to reserves	-316.50	-		
<b>Closing balance during the year (B)</b>	<b>-</b>	<b>316.50</b>	<b>254.81</b>	<b>85.13</b>
<b>TOTAL (A+B)</b>	<b>-</b>	<b>317.50</b>	<b>255.81</b>	<b>86.13</b>



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**DETAILS OF RESERVE & SURPLUS AS RESTATED**

ANNEXURE - VI  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<b>Balance in profit &amp; Loss A/c</b>				
Opening Balance	-	-	-	-
Add : Transfer from partnership firm	316.50	-	-	-
Add : Net profit / (Loss) after Tax for the year	335.38			
Less: Appropriations	(350.00)	-	-	-
Closing Balance	<b>301.88</b>	-	-	
<b>TOTAL</b>	<b>301.88</b>	-	-	-

**DETAILS OF LONG TERM BORROWINGS AS RESTATED**

ANNEXURE - VII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<u>Vehicle Loan</u>				
- Banks	176.49	31.82	49.92	60.65
- Others	-	-	-	-
<u>Unsecured</u>				
<u>Term Loan</u>				
- Banks	129.42	165.04	-	37.32
- Others	-	22.80	163.50	150.00
<b>TOTAL</b>	<b>305.91</b>	<b>219.66</b>	<b>213.42</b>	<b>247.97</b>

(Refer Annexure for terms of security, repayment and other relevant details)

**DETAILS OF SHORT TERM BORROWINGS AS RESTATED**

ANNEXURE - VIII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>				
Overdraft	189.74	106.37	21.16	-
<b>Unsecured</b>				
Loan from Directors	41.86	-	-	-
Loan from Relatives of Directors	-	-	-	-
Loan from corporates	213.55	-	-	-
<b>Secured</b>				
Loan from Others**	-	-	52.25	-
Current maturities of long-term debt	124.05	94.88	8.02	-
<b>TOTAL</b>	<b>569.20</b>	<b>201.25</b>	<b>81.43</b>	-

(Refer Annexure for terms of security, repayment and other relevant details)

\*Loan from Directors are interest-free.



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**DETAILS OF TRADE PAYABLES AS RESTATED**

ANNEXURE - IX  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
Due to Micro, Small and Medium Enterprises	-	1.07	0.15	-
Due to Others	315.41	126.31	324.96	17.86
<b>TOTAL</b>	<b>315.41</b>	<b>127.38</b>	<b>325.11</b>	<b>17.86</b>

(Refer Annexure - XXVIII for ageing)

**DETAILS OF OTHER CURRENT LIAIBILITIES AS RESTATED**

ANNEXURE - X  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
Statutory dues Payable	152.43	61.89	60.37	28.31
Salary Payable	10.06	6.39	6.16	5.23
Expenses payable	0.08	1.16	-	-
Advance from customers	5.72	-	-	-
Audit Fees Payable	3.60	-	2.75	1.80
<b>TOTAL</b>	<b>171.89</b>	<b>69.44</b>	<b>69.28</b>	<b>35.34</b>

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED**

ANNEXURE - XI  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
Provision for Taxation (Net of Advance Tax, TDS and TCS)	3.20	28.22	20.67	18.93
Provision for Expenses	2.70	1.80	-	14.67
<b>TOTAL</b>	<b>5.90</b>	<b>30.02</b>	<b>20.67</b>	<b>33.60</b>



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**DETAILS OF NON CURRENT INVESTMENTS AS RESTATED**

ANNEXURE - XIII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<u>Unquoted, Non-Trade (At Cost)</u>				
<u>A. Investment in Equity Instruments of Subsidiaries</u>				
3000 Equity shares at Face value of Rs. 10/- Each in Sons of Soils Media Private Limited	0.30	-	-	-
<b>TOTAL</b>	<b>0.30</b>	-	-	-
Aggregate value of quoted investments	-	-	-	-
Aggregate market value of quoted investments	-	-	-	-
Aggregate carrying value of unquoted investments	<b>0.30</b>	-	-	-
Aggregate provision for diminution in value of investments	-	-	-	-

**DETAILS OF DEFERRED TAX ASSETS (NET) AS RESTATED**

ANNEXURE - XIV  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<u>Deferred Tax Assets arising on account of:</u>				
-Difference of WDV as per Companies Act, 2013 and Income Tax Act, 1961	13.55	5.55	3.90	1.13
<b>TOTAL</b>	<b>13.55</b>	<b>5.55</b>	<b>3.90</b>	<b>1.13</b>

**DETAILS OF LONG-TERM LOANS & ADVANCES AS RESTATED**

ANNEXURE - XV  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
Security Deposit	-	-	-	-
Loans and advances to related parties	-	-	-	-
Advance Tax (Net of Provision for Taxation, TDS and TCS)	-	-	-	-
<b>TOTAL</b>	-	-	-	-



**KRI Entertainment Limited**  
**(Formerly known as " KRI Entertainment")**  
**CIN: U90009MH2023PLC410214**

**DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED**

ANNEXURE - XVI  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
Security Deposits	10.95	10.75	35.75	28.51
<b>TOTAL</b>	<b>10.95</b>	<b>10.75</b>	<b>35.75</b>	<b>28.51</b>

**DETAILS OF TRADE RECEIVABLES AS RESTATED**

ANNEXURE - XVII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, Considered Good</b>				
Trade Receivable More than Six Months	295.35	29.30	0.45	0.70
Trade Receivable Less than Six Months	687.91	525.52	519.06	50.05
<b>TOTAL</b>	<b>983.26</b>	<b>554.82</b>	<b>519.51</b>	<b>50.75</b>

(Refer Annexure - XXIX for ageing)



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**DETAILS OF CASH & CASH EQUIVALENT AS RESTATED**

ANNEXURE - XVIII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
Cash-in-Hand	6.40	11.65	12.08	10.36
Balance with Bank.	19.62	13.11	59.22	42.44
<b>TOTAL</b>	<b>26.02</b>	<b>24.76</b>	<b>71.30</b>	<b>52.80</b>

**DETAILS OF SHORT TERM LOAN AND ADVANCES AS RESTATED**

ANNEXURE - XIX  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
Security Deposit	132.00	-	-	-
Loans and advances to related parties	86.79	84.52	229.83	189.98
Vendor Advances	23.04	-	-	0.88
TDS Recoverable	0.57	-	-	-
Advances to suppliers	-	-	-	-
Staff advances	3.26	6.09	4.90	-
<b>TOTAL</b>	<b>245.66</b>	<b>90.61</b>	<b>234.73</b>	<b>190.86</b>

**DETAILS OF OTHER CURRENT ASSETS AS RESTATED**

ANNEXURE - XX

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
Prepaid Tax	-	-	-	23.94
Pre-operative Expenses	10.47	13.07	-	-
Prepaid Expense	68.44	41.49	-	-
Script Development Cost	95.86	95.85	-	-
IPR Development cost	-	-	-	-
Revenue Work In Progress	55.44	-	-	-
Advance To Suppliers	-	-	-	-
TDS Recoverable from NBFC	-	0.10	-	-
Preliminary expenses	-	-	-	-
Advance Tax	-	-	-	0.04
<b>TOTAL</b>	<b>230.21</b>	<b>150.51</b>	<b>-</b>	<b>23.98</b>



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**

ANNEXURE - XXI  
(₹ In Lakhs)

Particulars	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
Talent Management	590.36	442.08	148.28	333.53	298.64
Advertisement & Event Management	724.50	484.50	240.00	-	-
Production & Content	842.43	474.40	368.03	1,128.03	66.00
<b>TOTAL</b>	<b>2,157.29</b>	<b>1,400.98</b>	<b>756.31</b>	<b>1,461.56</b>	<b>364.64</b>

**DETAILS OF OTHER INCOME AS RESTATED**

ANNEXURE - XXII  
(₹ In Lakhs)

Particulars	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
Sundry Creditors written back	-	-	-	-	2.54
Interest on Loan	11.42	2.53	8.89	16.74	1.95
Artist Fees and Reimbursement	-	-	-	3.04	0.15
Reimbursement of Artist Staff	-	-	-	-	-
<b>TOTAL</b>	<b>11.42</b>	<b>2.53</b>	<b>8.89</b>	<b>19.78</b>	<b>4.64</b>

**DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED**

ANNEXURE - XXIII  
(₹ In Lakhs)

Particulars	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	93.24	55.99	37.25	72.06	60.21
Staff welfare expenses	6.74	3.43	3.31	2.31	3.10
Bonus	-	-	-	-	0.16
Medical Expenses	0.22	0.09	0.13	0.01	0.01
Remuneration to Partners/Directors	36.00	36.00	-	36.00	72.00
<b>TOTAL</b>	<b>136.20</b>	<b>95.51</b>	<b>40.69</b>	<b>110.38</b>	<b>135.48</b>

**DETAILS OF FINANCE COST AS RESTATED**

ANNEXURE - XXIV  
(₹ In Lakhs)

Particulars	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
Bank charges	7.99	7.71	0.28	0.31	0.18
Loan processing charges	-	-	-	-	-
Interest on Borrowings	63.17	35.71	27.46	30.60	14.53
Additional Interest payment of taxes	8.86	3.36	5.50	2.41	1.68
<b>TOTAL</b>	<b>80.03</b>	<b>46.79</b>	<b>33.24</b>	<b>33.33</b>	<b>16.39</b>



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**DETAILS OF DEPRECIATION AND AMORTIZATION EXPENSE AS RESTATED**

ANNEXURE - XXV  
(₹ In Lakhs)

Particulars	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation and Amortization Expenses	72.34	54.69	17.65	27.00	11.80
<b>TOTAL</b>	<b>72.34</b>	<b>54.69</b>	<b>17.65</b>	<b>27.00</b>	<b>11.80</b>

**DETAILS OF OTHER EXPENSES AS RESTATED**

ANNEXURE - XXVI  
(₹ In Lakhs)

Particulars	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
Accommodation charges	-	-	-	1.59	-
Advertising Sub Contract charges	529.13	529.13	-	-	-
Artist Expenses	74.02	73.24	0.78	0.53	1.07
Audit Fees	2.00	2.00	-	2.00	2.00
Bank Charges	-	-	-	-	-
Bank Interest	-	-	-	-	-
Bank Loan /OD Processing Fee	-	-	-	-	-
Books & Periodicals	-	-	-	0.05	0.06
Business Promotion Exp	12.23	8.93	3.30	3.75	5.28
Conveyance Expenses	5.22	3.09	2.13	2.06	4.53
Commission Paid	5.00	2.50	2.50	9.33	17.13
Rates & taxes	0.42	0.42	-	-	-
Domain Charges	3.38	0.12	3.26	3.66	0.82
Electricity Expenses	2.85	1.39	1.46	1.60	0.80
Foreign Exchange Gain/Loss	1.15	1.15	-	0.19	1.00
Internet Expenses	-	-	-	0.31	0.20
Event Management Charges	184.12	-	184.12	-	-
Late filing fees on Statutory dues	0.03	0.03	-	0.11	0.84
Legal & Franking Charges	0.10	0.10	-	-	-
Insurance Premium Paid	4.10	3.85	0.25	-	-
Legal Professional & Consultant Fees	108.28	77.07	31.21	66.27	79.66
Membership & Subscription	-	-	-	-	0.41
Miscellaneous Expenses	2.62	2.62	-	0.06	0.59
Motor Car Expenses	3.53	2.53	1.00	1.82	2.09
Office Expenses	14.17	9.43	4.74	1.67	2.92
Postage & Courier Charges	0.81	0.31	0.50	0.14	0.21
Printing & Stationery	1.48	0.26	1.22	1.33	0.55
Professional Fees Paid	-	-	-	-	-
Rent Paid	27.21	13.66	13.55	25.30	10.73
ROC Filing fees	0.35	0.35	-	-	-
Unsecured	-	-	-	0.04	0.10
Stamp duty charges	7.60	7.60	-	-	-
Service charges	2.52	2.52	-	-	-
Sundry Bal W/off	0.18	-	0.18	1.76	3.02
Social Media Management Charges	0.60	0.60	-	-	-
Telephone & Mobile Expenses	0.29	0.08	0.21	0.31	0.32
Travelling Expenses	22.48	14.35	8.13	0.26	0.33
Brokerage Fee	-	-	-	2.15	-
Hotel Accommodation Expenses	0.08	-	0.08	0.35	-
Production & Content Expenses	375.16	-	375.16	893.92	-
<b>TOTAL</b>	<b>1,391.11</b>	<b>757.33</b>	<b>633.78</b>	<b>1,020.56</b>	<b>134.66</b>



**KRI Entertainment Limited**  
**(Formerly known as " KRI Entertainment")**  
**CIN: U90009MH2023PLC410214**

**DETAILS OF OTHER INCOME AS RESTATED**

ANNEXURE - XXVII  
(₹ In Lakhs)

Particulars	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	Nature
Other Income	11.42	2.53	8.89	19.78	4.64	
Net Profit Before Tax as Restated	489.03	449.19	39.84	290.07	70.95	
<b>Percentage</b>	<b>22.88%</b>	<b>0.56%</b>	<b>22.31%</b>	<b>6.82%</b>	<b>6.54%</b>	

**Source of Income**

Sundry Creditors written back	-	-	-	-	2.54	Non Recurring and not related to Business Activity
Interest on Loan to Smash	11.42	2.53	8.89	16.74	1.95	Recurring and not related to Business Activity
Artist Fees and Reimbursement	-	-	-	3.04	0.15	Recurring and not related to Business Activity
<b>Total Other income</b>	<b>11.42</b>	<b>2.53</b>	<b>8.89</b>	<b>19.78</b>	<b>4.64</b>	



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

AGEING OF TRADE RECEIVABLES AS RESTATED

ANNEXURE - XXIX  
(₹ In Lakhs)

**I. Ageing of Debtors as at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	687.91	295.34	-	-	-	983.25
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>687.91</b>	<b>295.34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>983.25</b>

**I. Ageing of Debtors as at September 25, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	525.52	29.30	-	-	-	554.82
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>525.52</b>	<b>29.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>554.82</b>

**II. Ageing of Debtors as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	519.06	0.45	-	-	-	519.51
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>519.06</b>	<b>0.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>519.51</b>

**III. Ageing of Debtors as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	50.05	0.70	-	-	-	50.75
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>50.05</b>	<b>0.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50.75</b>



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

AGEING OF TRADE RECEIVABLES AS RESTATED

ANNEXURE - XXIX  
(₹ In Lakhs)

**I. Ageing of Debtors as at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	687.91	295.34	-	-	-	983.25
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>687.91</b>	<b>295.34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>983.25</b>

**I. Ageing of Debtors as at September 25, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	525.52	29.30	-	-	-	554.82
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>525.52</b>	<b>29.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>554.82</b>

**II. Ageing of Debtors as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	519.06	0.45	-	-	-	519.51
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>519.06</b>	<b>0.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>519.51</b>

**III. Ageing of Debtors as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	50.05	0.70	-	-	-	50.75
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>50.05</b>	<b>0.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50.75</b>



**KRI Entertainment Limited**  
(Formerly known as "KRI Entertainment")  
CIN: U90009MH2023PLC410214

**DETAILS OF RELATED PARTY TRANSACTION AS RESTATED**

ANNEXURE - XXX  
(₹ In Lakhs)

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the year ended March 31, 2024	Amount outstanding as on March 31, 2024 (Payable)/ Receivable	Amount of transaction during the year ended September 25, 2023	Amount outstanding as on September 25, 2023 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2023	Amount outstanding as on March 31, 2023 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2022	Amount outstanding as on March 31, 2022 (Payable)/ Receivable
Shvate Kaull	Partner & Managing Director	Remuneration	18.00	(16.84)	-	-	18.00	-	36.00	-
		advance given	-	-	-	-	7.37	147.39	15.02	140.02
Zahid Khan	Partner & Director	Remuneration	18.00	(2.46)	-	-	18.00	-	36.00	-
		advance given	-	-	-	-	-	-	1.45	-
		advance Repaid	-	-	-	-	1.45	-	-	1.45
		advance Taken	41.86	(41.86)	-	-	-	-	-	-
Neha Kaull	Relative of director	advance Repaid	-	-	-	-	-	-	-	-
		Advances Given	-	30.00	-	30.00	-	30.00	-	-
		Salary	7.16	(0.35)	5.01	(0.90)	7.28	(0.84)	5.76	(0.50)
		Loan Given	2.27	56.79	2.07	54.52	3.93	52.44	1.00	48.51
Smash Factor Sport Private	Related Company	Loan Repaid	-	-	-	-	-	-	-	-

\*Note : All reimbursement closing balance payable showing debit balance are presented in loans & advances



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**DETAILS OF ACCOUNTING RATIOS AS RESTATED**

ANNEXURE - XXXI  
(₹ In Lakhs, except per share data and ratios)

Particulars	For the year ended March 31, 2024	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
Restated Profit after Tax as per Profit & Loss Statement (A)	364.98	335.38	29.60	215.70	52.84
Tax Expense (B)	124.05	113.81	10.24	74.38	18.11
Depreciation and amortization expense (C)	72.34	54.69	17.65	27.00	11.80
Interest Cost (D)	72.04	39.08	32.96	33.02	16.21
Weighted Average Number of Equity Shares at the end of the Year (E)	35,10,000	35,10,000	10,000	10,000	10,000
Number of Equity Shares outstanding at the end of the Year (F)	35,10,000	35,10,000	10,000	10,000	10,000
Nominal Value per Equity share (₹) (G)	10.00	10.00	10.00	10.00	10.00
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	652.88	652.88	317.50	255.81	86.13
Current Assets (I)	1,485.15	1,485.15	820.70	825.54	318.39
Current Liabilities (J)	1,062.40	1,062.40	428.09	496.49	86.80
Earnings Per Share - Basic & Diluted <sup>1 &amp; 2</sup> (₹)	10.40	9.56	295.98	2,156.97	528.41
Return on Net Worth <sup>1 &amp; 2</sup> (%)	55.90%	51.37%	9.32%	84.32%	61.35%
Net Asset Value Per Share <sup>1</sup> (₹)	18.60	18.60	3,174.96	2,558.08	861.31
Current Ratio <sup>1</sup>	1.40	1.40	1.92	1.66	3.67
Earning before Interest, Tax and Depreciation and Amortization <sup>1</sup> (EBITDA)	633.41	542.96	90.45	350.09	98.96

**Notes -**

1. Ratios have been calculated as below:

Earnings Per Share (₹) (EPS) :

$\frac{A}{E}$

Return on Net Worth (%):

$\frac{A}{H}$

Net Asset Value per equity share (₹):

$\frac{H}{F}$

Current Ratio:

$\frac{I}{J}$

Earning before Interest, Tax and Depreciation and Amortization (EBITDA):

$A + (B+C+D)$

2. Ratios are not annualised.



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

STATEMENT OF CONSOLIDATED TAX SHELTERS

ANNEXURE -

XXXII

(₹ In Lakhs)

Particulars	For the Period from September 26, 2023 to March 31, 2024	For the Period ended September upto 25, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax as per books (A)	449.19	39.84	290.07	70.95
Income Tax Rate* (%)	25.17%	25.17%	25.17%	25.17%
MAT Rate* (%)	0.00%	0.00%	0.00%	0.00%
Tax at notional rate on profits	113.05	10.03	73.01	17.86
<b>Adjustments :</b>				
<b>Permanent Differences(B)</b>				
<i>Expenses disallowed under Income Tax Act, 1961</i>				
- Fines & penalty	-	-	-	0.01
- Late Fees on GST Return	0.03	0.11	0.11	0.05
- Interest on TDS & Income Tax	2.98	0.73	0.73	0.77
40(a)(i) / (ia) / (ib): Default in TDS	-	-	4.58	0.17
Disallowance under section 36	-	-	-	-
- EPF Employee Share	-	-	-	-
- ESI Employee Share	-	-	-	-
<b>Total Permanent Differences(B)</b>	<b>3.01</b>	<b>0.84</b>	<b>5.42</b>	<b>1.00</b>
<b>Income considered separately (C)</b>				
Interest Income	(2.53)	(8.89)	(16.74)	(1.95)
<b>Total Income considered separately (C)</b>	<b>(2.53)</b>	<b>(8.89)</b>	<b>-16.74</b>	<b>-1.95</b>
<b>Timing Differences (D)</b>				
Depreciation as per Companies Act, 2013	54.68	17.65	27.02	11.80
Depreciation as per Income Tax Act, 1961	(22.90)	(11.08)	(16.03)	(8.54)
<b>Total Timing Differences (D)</b>	<b>31.78</b>	<b>6.57</b>	<b>10.99</b>	<b>3.26</b>
<b>Net Adjustments E = (B+C+D)</b>	<b>32.26</b>	<b>(1.48)</b>	<b>(0.33)</b>	<b>2.31</b>
<b>Tax expense / (saving) thereon</b>	<b>8.12</b>	<b>(0.37)</b>	<b>(0.08)</b>	<b>0.58</b>
<b>Income from Capital Gains</b>				
Short term Capital Gain on Sale of Fixed Assets	-	-	-	-
<b>Income from Capital Gains (G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income from Other Sources</b>				
Interest Income	2.53	8.89	16.74	1.95
<b>Income from Other Sources (H)</b>	<b>2.53</b>	<b>8.89</b>	<b>16.74</b>	<b>1.95</b>
<b>Set-off from Brought Forward Losses (I)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Taxable Income/(Loss) as per Income Tax (A+E+F+G)</b>	<b>483.98</b>	<b>47.25</b>	<b>306.48</b>	<b>75.21</b>
<b>Set-off from Brought Forward Losses for MAT (G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Taxable Income/(Loss) as per MAT (A+G)</b>	<b>449.19</b>	<b>39.84</b>	<b>290.07</b>	<b>70.95</b>
<b>Income Tax as returned/computed</b>	<b>121.81</b>	<b>11.89</b>	<b>77.14</b>	<b>18.93</b>
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal

\*The Company has opted for income tax rates specified under section 115BAA of Income Tax Act, 1961.



**KRI Entertainment Limited**  
(Formerly known as "KRI Entertainment")  
CIN: U90009MH2023PLC410214

**ANNEXURES FORMING PART OF THE CONSOLIDATED RESTATED FINANCIAL STATEMENTS**

**DETAILS OF CONTINGENT LIABILITIES & COMMITMENTS AS RESTATED**

ANNEXURE - XXXIII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
<b>I. Contingent Liabilities</b>				
(a) claims against the company not acknowledged as debt;	-	-	-	-
(b) guarantees excluding financial guarantees; and	-	-	-	-
(c) other money for which the company is contingently liable	-	-	-	-
<b>II. Commitments</b>				
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-	-
(c) other commitments	-	-	-	-

T



**KRI Entertainment Limited**  
(Formerly known as "KRI Entertainment")  
CIN: U90009MH2023PLC410214

**ANNEXURES FORMING PART OF THE CONSOLIDATED RESTATED FINANCIAL STATEMENTS**

**DUES OF SMALL ENTERPRISES AND MICRO ENTERPRISES AS RESTATED**

ANNEXURE - XXXIV  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at September 25, 2023	As at March 31, 2023	As at March 31, 2022
	₹	₹	₹	₹
(a) Dues remaining unpaid to any supplier at the end of each accounting year				
-Principal				
-Interest on the above				
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
(d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

**Note :** Based on the information available with the Company, there are no dues to Small and Micro enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.



**KRI Entertainment Limited**  
(Formerly known as " KRI Entertainment")  
CIN: U90009MH2023PLC410214

**ANNEXURES FORMING PART OF THE CONSOLIDATED RESTATED FINANCIAL STATEMENTS**

**ADDITIONAL REGULATORY INFORMATION AS PER PARA Y OF SCHEDULE III TO COMPANIES ACT, 2013:**

ANNEXURE - XXXV

- The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
- ii. The Company has not revalued its Property, Plant and Equipment.
  - iii. The Company has not granted loans or advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013.) either severally or jointly with any other person, that are:
    - (a) repayable on demand or
    - (b) without specifying any terms or period of repayment
  - iv. The Company does not have any capital work-in-progress.
  - v. The Company does not have any intangible assets under development.
  - vi. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
  - vii. The Company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
  - viii. The company is not declared as wilful defaulter by any bank or financial institution or other lender.
  - ix. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
  - x. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
  - xi. The company does not have any investments and hence, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.



**KRI Entertainment Limited**  
(Formerly known as "KRI Entertainment")  
CIN: U90009MH2023PLC410214

**ANNEXURES FORMING PART OF THE CONSOLIDATED RESTATED FINANCIAL STATEMENTS**

xii. Significant Accounting Ratios:

Ratios	As at March 31, 2024	As at September 25, 2023	Variation (%)
(a) Current Ratio	1.40	1.92	(27.08%)
(b) Debt-Equity Ratio	1.34	1.33	1.11%
(c) Debt Service Coverage Ratio	0.62	0.20	205.51%
(d) Return on Equity Ratio	159.26	128.00	24.43%
(e) Inventory turnover ratio	-	-	0.00%
(f) Trade Receivables turnover ratio	1.82	1.41	29.39%
(g) Trade payables turnover ratio	3.43	2.81	22.08%
(h) Net capital turnover ratio	7.74	0.96	708.34%
(i) Net profit ratio	23.94%	3.91%	511.71%
(j) Return on Capital employed	29.90%	9.53%	213.71%
(k) Return on investment	0.00%	0.00%	0.00%

*Reasons for Variation more than 25%: Since, comparative period is full financial year, hence, not comparable.*

Ratios	As at September 25, 2023	For the year ended March 31, 2023	Variation (%)
(a) Current Ratio	1.92	1.66	15.30%
(b) Debt-Equity Ratio	1.33	1.15	15.02%
(c) Debt Service Coverage Ratio	0.20	1.18	(82.88%)
(d) Return on Equity Ratio	128.00	43.91	191.51%
(e) Inventory turnover ratio	-	-	0.00%
(f) Trade Receivables turnover ratio	1.41	5.13	(72.53%)
(g) Trade payables turnover ratio	2.81	5.95	(52.82%)
(h) Net capital turnover ratio	0.96	9.68	(90.11%)
(i) Net profit ratio	3.91%	14.76%	(73.48%)
(j) Return on Capital employed	9.53%	98.48%	(90.32%)
(k) Return on investment	-	0.00%	0.00%

*Reasons for Variation more than 25%: Since, comparative period is full financial year, hence, not comparable.*



**KRI Entertainment Limited**  
(Formerly known as "KRI Entertainment")  
CIN: U90009MH2023PLC410214

**ANNEXURES FORMING PART OF THE CONSOLIDATED RESTATED FINANCIAL STATEMENTS**

Ratios	For the year ended March 31, 2023	For the year ended March 31, 2022	Variation (%)
(a) Current Ratio	1.66	3.67	(54.67%)
(b) Debt-Equity Ratio	1.15	2.88	(59.96%)
(c) Debt Service Coverage Ratio	1.18	0.39	200.57%
(d) Return on Equity Ratio	43.91	17.26	154.41%
(e) Inventory turnover ratio	-	-	0.00%
(f) Trade Receivables turnover ratio	5.13	9.93	(48.38%)
(g) Trade payables turnover ratio	4.52	0.78	479.30%
(h) Net capital turnover ratio	9.68	0.99	873.79%
(i) Net profit ratio	14.76%	14.49%	1.84%
(j) Return on Capital employed	52.73%	21.29%	147.69%
(k) Return on investment	0.00%	0.00%	0.00%

**Reasons for Variation more than 25%:**

- (a) Current Ratio: Ratio is decreased mainly due to increase in current liabilities whereby company is increasing its utilisation of working capital limits.
- (a) Debt-Equity Ratio : Ratio is improved mainly due to decrease in borrowings with increase in equity due to good profits during the year.
- (b) Debt Service Coverage Ratio: Ratio is improved mainly due to good profits during the year.
- (c) Return on Equity Ratio : Ratio is improved mainly due to good profits during the year.
- (c) Trade payable turnover ratio : Ratio is decreased mainly due to decrease in expenses.
- (f) Net capital turnover ratio : Ratio is improved mainly due to good profits during the year.
- (g) Net profit ratio: Ratio is improved mainly due to increase in operating margins during the year.
- (h) Return on Capital employed: Ratio is improved mainly due to good profits during the year.

xiii. The Company does not have any scheme of arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.



**KRI Entertainment Limited**  
(Formerly known as "KRI Entertainment")  
CIN: U90009MH2023PLC410214

**ANNEXURES FORMING PART OF THE CONSOLIDATED RESTATED FINANCIAL STATEMENTS**

- xiv. A. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- B. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**CAPITALISATION STATEMENT AS AT MARCH 31, 2024**

ANNEXURE - XXXVI

(₹ In Lakhs)

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	569.20	-
Long Term Debt (B)	305.91	-
<b>Total debts (C)</b>	<b>875.11</b>	-
<b>Shareholders' funds</b>		
Share capital	351.00	-
Reserve and surplus - as Restated	301.88	-
<b>Total shareholders' funds (D)</b>	<b>652.88</b>	-
<b>Long term debt / shareholders funds (B/D)</b>	<b>0.47</b>	-
<b>Total debt / shareholders funds (C/D)</b>	<b>1.34</b>	-

Signatures to Annexures Forming Part Of The Restated Financial Statements

For Naik Mehta & Co.

Chartered Accountants

FRN - 124529W



For and on behalf of the Board of Directors

Shivani Sushma Kaul  
(Managing Director)  
DIN - 08295411

Zahid Khan  
(Director)  
DIN - 07126276

Manish Banwarilal Sharma  
(CFO)

Kirti Goyal  
(Company Secretary)

**DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED**

**ANNEXURE-**  
XII  
(₹ In Lakhs)

FIXED ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 26.09.2023	ADDITIONS	DEDUCTIONS	AS AT 31.03.2024	UPTO 26.09.2023	FOR THE PERIOD	UPTO 31.03.2024	AS AT 31.03.2024	AS AT 25.09.2023
<b><u>Tangible Assets</u></b>									
Furniture & Fixture	53.09	33.71		86.80	8.46	15.91	24.37	62.43	44.63
Motor Car	111.01	228.82		339.83	38.81	33.34	72.15	267.68	72.20
Computer	19.57	-		19.57	11.23	4.24	15.47	4.10	8.34
Office equipment	1.58	0.15		1.73	0.27	0.48	0.75	0.98	1.31
Electrical equipment	0.47	-		0.47	0.44	-	0.44	0.03	0.03
Printer	0.54	-		0.54	0.16	0.14	0.30	0.24	0.38
Telephone	0.13	-		0.13	0.12	-	0.12	0.01	0.01
Mobile	0.85	-		0.85	0.55	0.10	0.65	0.20	0.30
Camera	1.19	-		1.19	0.62	0.26	0.88	0.31	0.57
Air Conditioner	1.18	-		1.18	0.70	0.22	0.92	0.26	0.48
<b>Total</b>	<b>189.61</b>	<b>262.68</b>	<b>-</b>	<b>452.29</b>	<b>61.36</b>	<b>54.69</b>	<b>116.05</b>	<b>336.24</b>	<b>128.25</b>

### Details Of Intangible Property

Particular	As at March 31, 2024	As at September 11, 2023	As at March 31, 2023	As at March 31, 2022
<b>I. IPR Assets</b>				
	175	-	-	-
<b>Total</b>	175	-	-	-



**KRI Entertainment Limited**  
(Formerly known as "KRI Entertainment")  
CIN: U90009MH2023PLC410214

DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED

ANNEXURE- XII  
(₹ In Lakhs)

FIXED ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 01.04.2023	ADDITIONS	DEDUCTIONS	AS AT 25.09.2023	UPTO 01.04.2023	FOR THE YEAR	DEDUCTIONS 25.09.2023	AS AT 25.09.2023
<b>Tangible Assets</b>								
Furniture & Fixture	52.49	0.60		53.09	2.05	6.41	8.46	44.63
Motor Car	77.01	34.00		111.01	30.23	8.58	38.81	72.20
Computer	11.00	8.57		19.57	9.17	2.06	11.23	8.34
Office equipment	0.08	1.50		1.58	0.08	0.19	0.27	1.31
Electrical equipment	0.47	-		0.47	0.44	-	0.44	0.03
Printer	0.12	0.42		0.54	0.09	0.07	0.16	0.38
Telephone	0.13	-		0.13	0.12	-	0.12	0.01
Mobile	0.57	0.28		0.85	0.51	0.04	0.55	0.30
Camera	1.19	-		1.19	0.46	0.16	0.62	0.57
Air Conditioner	1.18	-		1.18	0.56	0.14	0.70	0.48
<b>Total</b>	<b>144.24</b>	<b>45.37</b>	<b>-</b>	<b>189.61</b>	<b>43.71</b>	<b>17.65</b>	<b>61.36</b>	<b>128.25</b>
								<b>100.53</b>



**KRI Entertainment Limited**  
(Formerly known as "KRI Entertainment")  
CIN: U90009MH2023PLC410214

DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED

ANNEXURE- XII  
(₹ In Lakhs)

FIXED ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 01.04.2022	ADDITIONS	DEDUCTIONS	AS AT 31.03.2023	UPTO 01.04.2022	FOR THE YEAR	UPTO 31.03.2023	AS AT 31.03.2023
<b>Tangible Assets</b>								
Furniture & Fixture	0.03	52.46		52.49	0.01	2.04	2.05	50.44
Motor Car	77.01	-		77.01	8.99	21.24	30.23	46.78
Computer	10.95	0.05		11.00	6.36	2.81	9.17	1.83
Office equipment	0.08	-		0.08	0.08	-	0.08	-
Electrical equipment	0.47	-		0.47	0.42	0.02	0.44	0.03
Printer	0.12	-		0.12	0.09	0.01	0.12	0.01
Telephone	0.13	-		0.13	0.11	0.04	0.51	0.06
Mobile	0.57	-		0.57	0.47	0.04	0.46	0.73
Camera	-	1.19		1.19	-	0.46	0.56	0.62
Air Conditioner	0.22	0.96		1.18	0.18	0.38	0.56	0.62
<b>Total</b>	<b>89.58</b>	<b>54.66</b>	<b>-</b>	<b>144.24</b>	<b>16.71</b>	<b>27.00</b>	<b>43.71</b>	<b>100.53</b>

FIXED ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 01.04.2021	ADDITIONS	DEDUCTIONS	AS AT 31.03.2022	UPTO 01.04.2021	FOR THE YEAR	UPTO 31.03.2022	AS AT 31.03.2021
<b>Tangible Assets</b>								
Furniture & Fixture	0.03	-		0.03	-	0.01	0.01	0.03
Motor Car	-	77.01		77.01	-	8.99	8.99	68.02
Computer	5.44	5.51		10.95	3.75	2.61	6.36	4.59
Office equipment	0.08	-		0.08	0.07	0.01	0.08	-
Electrical equipment	0.47	-		0.47	0.38	0.04	0.42	0.05
Printer	0.12	-		0.12	0.07	0.02	0.09	0.03
Telephone	0.13	-		0.13	0.10	0.01	0.11	0.02
Mobile	0.57	-		0.57	0.39	0.08	0.47	0.10
Camera	-	-		-	-	-	-	-
Air Conditioner	0.22	-		0.22	0.15	0.03	0.18	0.04
<b>Total</b>	<b>7.06</b>	<b>82.52</b>	<b>-</b>	<b>89.58</b>	<b>4.91</b>	<b>11.80</b>	<b>16.71</b>	<b>72.87</b>



## OTHER FINANCIAL INFORMATION

### Accounting ratios

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(in lakhs)					
S.N	Particulars	From September 26, 2023 to March 31, 2024	From April 1, 2023 to September 25, 2023	March 31, 2023	March 31, 2022
<b>Reconciliation of Net Worth</b>					
a)	Equity Share Capital	351.00	1.00	1.00	1.00
	Reserves & Surplus	301.90	316.50	254.80	85.10
	<b>Net worth (₹ in lakhs) (A)</b>	652.90	317.50	255.80	86.10
<b>Reconciliation of Return on Net Worth</b>					
b)	Restated loss attributable to equity shareholders of the Parent (₹ in lakhs) (B)	0	0	0	0
	Return on net worth (%) (C=B/A)	51.37	9.32	84.32	61.35
	<b>Final return on Net Worth ( % )</b>	51.37	9.32	84.32	61.35
<b>Reconciliation of Net Asset Value (per Equity Share)</b>					
c)	Net worth (₹ in lakhs) (A)	652.90	317.50	255.80	86.10
	Weighted average number of equity shares outstanding during the year	351.0	1.00	1.00	1.00
	<b>Net Asset Value per Share</b>	18.60	3,174.96	2,558.08	861.31
<b>Reconciliation of restated profit for the year to EBITDA</b>					
d (i)	Restated loss for the year (₹ in lakhs) (A)	0	0	0	0
	Tax expense (₹ in lakhs) (B)	113.8	10.2	74.4	18.1
	Finance costs	46.8	33.2	33.3	16.4
	Depreciation and amortization expense	54.7	17.7	27.0	11.8
		633.4	543.0	90.4	350.1
<b>EBITDA</b>					
d (ii)	<b>EBITDA Margin for the year</b>				

S.N	Particulars	From September 26, 2023 to March 31, 2024	From April 1, 2023 to September 25, 2023	March 31, 2023	March 31, 2022
	Sales	1401.0	756.3	1461.6	364.6
	EBITDA	633.4	543.0	90.4	350.1
	<b>EBITDA Margin (%)</b>	45.21	71.79	6.19	96.01
	<b>Reconciliation of return on capital employed</b>				
	Profit before Tax	449.2	39.8	290.1	70.9
	Equity	652.9	317.5	255.8	86.1
e)	<b>Return on Capital Employed</b>	66.06	101.08	19.28	104.79
	Final return on capital employed	66.06	101.08	19.28	104.79
	<b>Reconciliation of Debt-to-Equity Ratio</b>				
f)	Debt	875.1	420.9	294.9	248.0
	Equity	652.9	652.9	652.9	652.9
		1.34	0.64	0.45	0.38
	<b>Debt to Equity Ratio</b>				

For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 183.

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for the Fiscals 2024, 2023 and 2022 (“Audited Financial Statements”), respectively, are available on our website at [www.kri.com](http://www.kri.com). Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements of our Company and the reports thereon do not constitute, (i) a part of this Draft Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor LM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

## FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of its business for the purposes of working capital and other business requirements.

Our Company has obtained the necessary consent required under the loan agreements entered into in connection with and for undertaking activities in relation to the Offer, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

### SECURED BORROWINGS

As on March 31, 2024, we have availed secured loans of which the total outstanding amount secured loan is ₹ 411.42 lakhs as of date, the details of which are as under:

Sr. No	Lender and Purpose	Date of Sanction	Amount Sanctioned (in ₹ Lakhs)	Amount Outstanding (as on March 31, 2024) (in ₹ Lakhs)	Rate of Interest/ Commission Per year	Tenure / Tenor In months	Security
1.	IDFC Car Loan A/c No.57181211	19/11/2021	25.00	14.87	10.00%	60 months	Range Rover Discovery used Motor Car, Cost of purchase Rs.30.66 Lakhs
2.	IDFC Car Loan A/c No.57220027	17/11/2021	39.00	23.19	10.00%	60 months	Mercedes used Motor Car cost of purchase Rs.45.54 Lakhs
3.	MBFS India Pvt Ltd Loan (GLE300D4M)	29/12/2023	84.70	82.42	8.50%	60	Motor Car (Model No. GLE300d4M)
4.	MBFS India Pvt Ltd Loan (GLS400D4M)	29/12/2023	104.00	101.20	8.50%	60	Motor Car (Model No.: GLS400D4M)
5.	CC Central Bank of India (Cenet GST Scheme under MSME)	23/09/2022 21/11/2023	107.00 increased to 200.00	189.74	9.80%	Running Facility	Hypothecation of stock & Book Debts

### UNSECURED BORROWINGS

As on March 31, 2024, we have availed unsecured loans of which the total outstanding amount is 463.71 lakhs as March 31, 2024 are as under:

Sr. No.	Nature of Facilities	Tenure (in months)	Rate of interest (Per year)	Sanctioned Amount (₹ In lakhs)	Amount outstanding as on March 31, 2024 (₹ In lakhs)
1.	Deutsche Bank Business Loan	36	17.00%	50.00	39.76
2.	HDFC Bank Business Loan	36	15.00%	35.15	28.53
3.	ICICI Business Loan	36	16.50%	50.00	41.19
4.	IDFC First bank Business Loan	36	16.25%	40.80	33.36

Sr. No.	Nature of Facilities	Tenure (in months)	Rate of interest (Per year)	Sanctioned Amount (₹ In lakhs)	Amount outstanding as on March 31, 2024 (₹ In lakhs)
5.	Pal smith Advisor Pvt Ltd	Mutually Decide	9.00%	22.80	22.80
6.	Standard Chartered Bank Business Loan	36	16.50%	50.00	40.91
7.	Tata Capital Financial Business Loan	24	16.00%	35.00	24.55
8.	Vincent Commercial Company Limited	Mutually Decide	15.00%	55.40	12.60
9.	Zahid Khan	Mutually Decide	0	41.86	41.86
10.	Intgrai Technology Private Limited ( <b>ICD</b> <b>Convertible into shares</b> )	Mutually Decide	12%	75.00	76.91
11.	P J Wealth Management & Consultant Pvt. Ltd. (( <b>ICD</b> <b>Convertible into shares</b> )	Mutually Decide	12%	100.00	101.24

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation derived from our Restated Financial Statements for the Financial year, and as adjusted for the Offer. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Financial Information*” and “*Risk Factors*” on pages 183, 141 and 26, respectively

(in ₹ lakhs)

	Pre Issue as at March 31, 2024	Post Issue
<b>Debt</b>		[•]
A. Long Term Debt	569.20	
B. Short Term Debt	305.91	
<b>Total Debt</b>	875.11	
<b>Equity Shareholders Fund</b>		
Equity Share Capital	351.00	
Reserves and Surplus	301.88	
<b>Total Equity</b>	652.88	
<b>Long term Debt / Equity Ratio</b>	0.47	
<b>Total Debt / Equity Ratio</b>	1.34	

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the financial years ended March 31, 2024, 2023 and 2022. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "*Financial Statement, as Restated*" on page 141 of the Draft Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "*Risk Factors*" on page 26 of this Draft Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "*Forward-Looking Statements*" on page 16 of this Draft Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to KRI Entertainment Limited, our Company on Standalone Basis. Unless otherwise indicated, financial information included herein are based on our "*Restated Financial Statements*" the financial years ended March 31, 2024 on consolidated basis and financial year ended 2023 and 2022 is on a standalone basis included in this Draft Prospectus beginning on page 141 of this Draft Prospectus.

### COMPANY OVERVIEW

Our Company was originally formed as a partnership firm under the Partnership Act, 1932 in the name of "M/s KRI Entertainment", pursuant to a partnership deed dated November 2, 2016. M/s Kri Entertainment, was thereafter converted from a partnership firm to a public limited company under part XXI of the Companies Act, 2013 with the name "Kri Entertainment Limited" vide certificate of incorporation dated September 12, 2023 issued by the Registrar of Companies, Mumbai.

### BUSINESS OVERVIEW

Originally formed as a partnership firm, M/s Kri Entertainment by Shvate Sushma Kaull and Zahid Akram Khan (the then partners of M/s Kri Entertainment and Promoters of our Company), the business of our Company was driven by our Promoters and their experience in the field of talent and celebrity management in the Bollywood film industry. Our Promoter and Managing Director, Shvate Sushma Kaull has an overall experience of around 14 years in the talent management and celebrity management industry, specializes in branding and has previously managed celebrities from 2011 to 2016 before the formation of M/s Kri Entertainment. Our Promoter and Executive Director, Zahid Akram Khan has an overall experience of around 15 years in the talent management and celebrity management industry and has previously managed celebrities from 2009 to 2016 before the formation of M/s Kri Entertainment.

Since the formation of the partnership firm, our Company has grown into a multi-talent management company and its present roster consists of actors and actresses to technical artists like writers and directors which include Sharad Kelkar, Surveen Chawla, Sonal Chauhan, Sparsh Shrivastava, Monika Panwar, Manurishi Chadha and Pavail Gulati. Since the boom of the OTT Platform, our Company has also forayed into this new branch of the M&E Industry.

### Key Performance Indicators

In evaluating our business, we consider and use certain key performance indicators that are presented below as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for the Restated Financial Information included in this Draft Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. Further, these key performance indicators may differ from the similar information used by other companies, including peer companies, and hence their comparability

may be limited. Therefore, these matrices should not be considered in isolation or construed as an alternative to AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. A list of our KPIs for the Financial Years ended March 31, 2024, 2023 and 2022 is set out below:

(₹ in lakhs)

Key Performance Indicators#	For the period ended March 31, 2024	For The Period Ended September 25, 2023	Financial year ended March 31, 2023	Financial year ended March 31, 2022
<b>Partnership Firm</b>				
Revenue From Operation	1,40.01	7.56	1,46.16	36.46
EBITDA	5.42	9.04	3.50	9.89
EBITDA Margin %	38.76	11.96	23.95	27.14
PAT	3.35	2.96	2.16	5.28
PAT Margin %	23.94	3.91	14.76	14.49
Net Worth	65.29	31.75	25.58	8.61
RONW %	51.37	9.32	84.32	61.35
RoCE %	56.63	16.84	74.61	29.62

#### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED FINANCIALS**

After Audited accounts i.e. March 31, 2024, the Directors of our Company confirm that, there have been following significant material development:

1. Our Company has started another vertical under the head of event management i.e. Wedding planning and has appointed a SMP vide appointment letter dated September 10, 2024 named Imran Qureshi for the same.

#### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “**Risk Factor**” beginning on page 26 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Our Registered Office from where we operate are not owned by us
2. We depend on our talent rosters for a significant portion of our revenue, and any decrease in revenues from any one of such key customers may adversely affect our business and results of operations
3. We typically do not have firm commitment with our customers. If our customers choose not to source their requirements from us, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.
4. The commercial success of our services depends to a large extent on the success of the success of our end use customers and the M&E industry as whole
5. Our content packaging business is dependent upon the taste and preferences of the audience. Any shift in consumer taste and preference will have a negative impact on our business
6. For our content packaging services, we rely on third parties and our inability to manage our relationship with third parties may adversely affect our profitability, and our future results of operations and growth prospects
7. Our lenders have charge over our movable and immovable properties in respect of finance availed by us
8. Our events business is dependent on third party vendors for activities related to the event like décor & production, lighting, and other equipment, other services & facilities etc. Non-availability of such vendor may adversely affect our business and results of operations
9. If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business, it may have a material adverse effect on our business, results of operations and financial condition
10. There have been instances of delays in payment of statutory dues, by the Company. In case of any delay in payment of statutory due in future by our Company, the Regulatory Authorities may impose monetary penalties on us or take certain punitive actions against our Company in relation to the same which may have adverse impact on our business, financial condition and results of operations

## PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Set forth below are the principal components of statement of profit and loss from our continuing operations:

### Income

Our total income comprises of (i) revenue from operations and (ii) other income.

### Revenue from Operations

Revenue from operations comprises of Talent management, Advertisement & Event Management & Production & Content.

### Other Income

Other income includes Sundry Creditors written back, Interest on Loan, Artist Fees and Reimbursement.

### Expenditure

Our expenses comprises of Employee benefits expense, Finance costs, Depreciation and amortization expense and other expenses

### Employee benefits expense

Employee benefits expenses includes Salaries, wages and bonus, Staff welfare expenses, Bonus, Medical Expenses and Remuneration to Partners/Directors

### Finance Cost

Finance cost includes Bank charges, Loan processing charges, Interest on Borrowings and Additional Interest payment of taxes

### Depreciation and Amortization expenses

Depreciation and amortisation expenses primarily include depreciation expenses on our furniture and fixture, computer, dies and moulds, motor car, plant and machinery etc.

### Other Expenses:

Advertising Sub Contract charges, Artist Expenses, office expenses, travelling expenses etc.

## RESULTS OF OUR OPERATION

	(₹. in Lakhs)		
Particulars	31-Mar-24	31-Mar-23	31-Mar-22
Incomes:			
Revenue from Operations	2,157.29	1,461.56	364.64
% of total revenue	99.47%	98.66%	98.74%
% Increase/(Decrease)	47.60%	300.82%	-
Other income	11.42	19.78	4.64
% of total revenue	0.53%	1.34%	1.26%
% Increase/(Decrease)	(42.26)%	326.29%	-
<b>Total Revenue</b>	<b>2,168.71</b>	<b>1,481.34</b>	<b>369.28</b>
% Increase/(Decrease)	46.40%	301.14%	-
Expenses:			
Changes in inventories of finished goods	-	-	-

Particulars	31-Mar-24	31-Mar-23	31-Mar-22
% of total revenue	-	-	-
% Increase/(Decrease)	-	-	-
Cost of material consumed	-	-	-
% of total revenue	-	-	-
% Increase/(Decrease)	-	-	-
Employee Benefit expenses	136.20	110.38	135.48
% of total revenue	6.28%	7.45%	36.69%
% Increase/(Decrease)	23.39%	(18.53)%	-
Other Expenses	1,391.11	1,020.56	134.66
% of total revenue	64.14%	68.89%	36.47%
% Increase/(Decrease)	36.31%	657.88%	-
<b>Total Expense</b>	<b>1,527.31</b>	<b>1,130.94</b>	<b>270.14</b>
% of total revenue	70.42%	76.35%	73.15%
% Increase/(Decrease)	35.05%	318.65%	-
<b>Profit before Interest, Depreciation and Tax</b>	<b>641.40</b>	<b>350.40</b>	<b>99.14</b>
% of total revenue	29.58%	23.65%	26.85%
Depreciation and amortization Expenses	72.34	27.00	11.80
% of total revenue	3.34%	1.82%	3.20%
% Increase/(Decrease)	167.93%	128.81%	-
<b>Profit before Interest and Tax</b>	<b>569.06</b>	<b>323.40</b>	<b>87.34</b>
% of total revenue	26.24%	21.83%	23.65%
Financial Charges	80.03	33.33	16.39
% of total revenue	3.69%	2.25%	4.44%
% Increase/(Decrease)	140.11%	103.36%	-
<b>Profit before Tax and Extraordinary Expenses</b>	<b>489.03</b>	<b>290.07</b>	<b>70.95</b>
% of total revenue	22.55%	19.58%	19.21%
Extraordinary Expenses	-	-	-
% of total revenue	-	-	-
% Increase/(Decrease)	-	-	-
<b>Restated Profit/(Loss) before tax</b>	<b>489.03</b>	<b>290.07</b>	<b>70.95</b>
% of total revenue	22.55%	19.58%	19.21%
% Increase/(Decrease)	68.59%	308.84%	-
Tax expenses/(income)			
Current and prior year's Tax (net)	124.05	74.38	18.11
Provisions for Deferred Tax	-		
Total tax expenses	124.05	74.38	18.11
% of total revenue	5.72%	5.02%	4.90%
<b>Restated profit/(loss) after Tax</b>	<b>364.98</b>	<b>215.69</b>	<b>52.84</b>
% of total revenue	16.83%	14.56%	14.31%
% Increase/(Decrease)	69.22%	308.19%	-
<b>Income from Minority and Associate</b>	-	-	-
Profit/(Loss) attributable to owners of the company	-	-	-

## FISCAL YEAR ENDED MARCH 31, 2024 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023

### Income:

Total Income has increased by 46.40% from ₹.1,481.34 Lakhs in Fiscal Year 2023 to ₹. 2,168.71 Lakhs for the Fiscal Year Ended 2024. "In FY 2023-24, the Company initiated new segment of Infilm Advertising and Event management; the renewal of endorsement contracts, commission of season 2 shows and due to increase in talents

in social media brand management the Company has generated revenue of Rs.724.50 Lakhs apart from existing business segment of talent management and content creation

**Expenditure:**

Total expense has increased by 35.05% from ₹.1,130.94 Lakhs in Fiscal Year 2023 to ₹. 1,527.31 Lakhs for the Fiscal Year 2024. In FY 2023-24, the Company commenced its Advertising and Event management activities alongside its established production and content packaging and talent management services and due to increase in finance cost, depreciation and amortization expense and employee benefit expense and other expense.

**Finance cost:** In FY 2023 a loan of ₹ 1.5 Crores was repaid having a low cost debt whereas a fresh loan was taken from banks & financial institution leading to increase in finance cost.

**Depreciation and amortization expense:** The reason for increase is due to additions of 2 cars to facilitate endeavors and ensure efficient business operations as well as change of % of depreciation in partnership and Companies Act, 2013.

**Employee Benefit Expenses:**

Employee Benefit Expenses in terms of Percentage has increased by 23.39% from ₹.110.38 Lakhs at Fiscal Year 2023 to ₹.136.20 Lakhs for the Fiscal year 2024. In FY 2023-24, the Company commenced its event management activities alongside its established production and content packaging services, this leading to increase in employees from 13 in Fiscal year 2023 to 23 in Fiscal year 2024.

**Other Expenses:**

Other expenses has increased by 36.31% from ₹.1,020.56 Lakhs for the Fiscal Year 2023 to ₹.1,391.11 Lakhs for the Fiscal year 2024, During the fiscal year 2023-2024, the Company significantly expanded its operations in the segments of event management, production, and content packaging. Consequently, the associated expenses are recorded under 'Other Expenses' in the financial statements.

**Net Profit after Tax and Extraordinary items**

Net Profit after tax, extraordinary items and Minority interest has decreased by 69.22% from Rs. 215.69 Lakhs for the fiscal Year 2023 to ₹.364.98 Lakhs for the Fiscal year 2024, increase in the revenue is because our Company has initiated new segment of business Advertising and Event management.

**FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022**

**Income:**

Total Income has increased by 301.14% from ₹.369.28 Lakhs in Fiscal Year 2022 to ₹. 1,481.34 Lakhs for the Fiscal Year Ended 2023. In FY 2022-23, the Company generated a revenue of Rs.1,128.03 Lac from Content creation and from production segment which was started in previous financial year along with Revenue of ₹.333.53 from company core activities of talent management & services.

**Expenditure:**

Total expense has increased by 318.65% from ₹. 270.14 Lakhs in Fiscal Year 2022 to ₹. 1,130.94 Lakhs for the Fiscal Year 2023. "In FY 2022-23, the Company commenced operations in production and content management, and the expense is related to this operations and following heads:

**Finance cost:** Increase in Finance cost is due to during the financial year company has availed Cash Credit facility of 107 lakhs from Central bank for meeting working capital requirements

**Employee Benefit Expenses:**

Employee Benefit Expenses in terms of Percentage has decreased by 18.53% from ₹. 135.48 Lakhs at Fiscal Year 2022 to ₹ 110.38 Lakhs for the Fiscal year 2023, there is a reduction in total amount of Employee benefits during F.Y.2022-23 as the partners of the company has taken less remuneration compare to last financial years. During this financial year partners have taken remuneration of ₹.36 Lakhs whereas in last year it was ₹72 Lakhs.

#### **Other Expenses:**

Other expenses has increased by 657.88% from ₹. 134.66 Lakhs for the Fiscal Year 2022 to ₹. 1020.56 Lakhs for the Fiscal year 2023, During the fiscal year 2022-2023, the increase in other expense is due to the production & content expense and legal Professional & Consultant Fees

#### **Net Profit after Tax and Extraordinary items:**

Net Profit after tax, Extraordinary items and Minority interest has increase in by 308.19% from ₹ 52.84 Lakhs for the fiscal Year 2022 to ₹. 215.69 Lakhs for the Fiscal year 2023, the increase in profit due to increase of operations in production and content management.

#### **Cash Flows**

Particulars	For the Financial year ended		
	Year Ended	Year Ended	Year Ended
	March 31, 2024	March 31, 2023	March 31, 2022
Net Cash from Operating Activities	(94.23)	105.62	118.87
Net Cash from Investing Activities	(483.35)	(54.66)	(82.52)
Net Cash used in Financing Activities	537.29	(32.47)	(21.61)

#### **Cash Flows from Operating Activities**

Net cash from operating activities for fiscal 2024 was at ₹. (94.23) lakh as compared to Profit After Tax, Depreciation and Interest ₹ 364.98 lakh, while for fiscal 2023, net cash from operating activities was at ₹ 105.62 lakh as compared to Profit After Tax, Depreciation and Interest ₹. 215.69 lakh. For fiscal 2022, the net cash from operating activities was ₹. 118.87 lakh compared to Profit After Tax, Depreciation and Interest ₹. 52.84 Lakh

#### **Cash Flows from Investment Activities**

Net cash from investing activities for fiscal 2024 was at ₹. (483.35) lakh, while for fiscal 2023, net cash from investing activities was at ₹. (54.66) lakh. For fiscal 2022, the net cash from investing activities was ₹. (82.52) lakh.

#### **Cash Flows from Financing Activities**

Net cash from financing activities for fiscal 2024 was at ₹. 537.29 lakh due to repayment of borrowing, while for fiscal 2023, net cash from financing activities was at ₹ (32.47) lakh. For fiscal 2022, the net cash from financing activities was ₹ (21.61) lakh due to repayment of borrowing.

#### **OTHER MATTERS**

##### **1. 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.

##### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s*

*Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on Page 141 and 183 respectively of this Draft Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

3. **Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.**

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on Page 26 and 183 respectively of this Draft Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. **Future relationship between Costs and Income**

Other than as described in the chapter titled “*Risk Factors*” beginning on Page 26 of this Draft Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; (d) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Company, , the Directors, the Promoters, and the Group Companies in the last five Fiscals, including outstanding action; or (e) Material Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Companies ("**Relevant Parties**").*

*Our Board, in its meeting held on February 15, 2024, determined that outstanding legal proceedings involving the Relevant Parties will be considered as material litigation ("**Material Litigation**") (i) if the aggregate amount involved exceeds 5% of Profit after tax as per the latest fiscal in Restated Financial Statements; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.*

*It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.*

*Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated February 15, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 20% of trade payables as per the Restated Financial Statements of our Company disclosed in this Draft Prospectus, would be considered as material creditors. The trade payables of our Company as on March 31, 2024 were ₹315.41 lakhs. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.*

*For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.*

*There are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.*

*All terms defined in a particular litigation disclosure pertains to that litigation only.*

#### **I. Litigation involving our Company**

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

##### **1. Criminal proceedings**

Nil

##### **2. Outstanding actions by regulatory and statutory authorities**

Nil.

**3. Material civil proceedings**

Nil.

**B. Litigation filed by our Company**

**1. Criminal proceedings**

Nil.

**2. Material civil proceedings**

Nil.

**C. Tax proceedings**

(in Rs. lakhs)

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable
Direct Tax	11*	60.47
Indirect Tax	1 <sup>#</sup>	82.98
Total	12	143.45

\*(i) Income Tax Department has levied a penalty under Section 143(3) of the Income Tax Act, 1961 for the Assessment Year 2021 amounting to Rs. 48,26,810; (ii) Income Tax Department has levied a penalty under Section 147 of the Income Tax Act, 1961 for the Assessment Year 2019 amounting to Rs. 14,060 (iii) Income Tax Department has levied a penalty under Section 1431a of the Income Tax Act, 1961 for the Assessment Year 2017 amounting to Rs. 50; (iv) Income Tax Department has levied a penalty under Section 147 of the Income Tax Act, 1961 for the Assessment Year 2019 amounting to Rs. 3,19,730; (v) Income Tax Department has levied a penalty under Section 1431a of the Income Tax Act, 1961 for the Assessment Year 2018 amounting to Rs. 7,470; (vi) Income Tax Department has levied a penalty under Section 147 of the Income Tax Act, 1961 for the Assessment Year 2019 amounting to Rs. 2,00,800; (vii) Income Tax Department has levied a penalty under Section 147 of the Income Tax Act, 1961 for the Assessment Year 2019 amounting to Rs. 2,35,580; (viii) TDS demands for the Financial Year 2020-21 amounting to Rs. 510; (ix) TDS demands for the Financial Year 2022-22 amounting to Rs. 64,720; (x) TDS demands for the Financial Year 2022-23 amounting to Rs. 2,82,670 and (xi) TDS demands for the Financial Year 2023-24 amounting to Rs. 95,010

<sup>#</sup>GST department has issued notice bearing no AD270324384097U amounting to Rs. 82,98,000.

**II. Litigation involving our Directors (other than Promoters)**

**A. Litigation filed against our Directors (other than Promoters)**

**1. Criminal proceedings**

Nil.

**2. Outstanding actions by regulatory and statutory authorities**

Nil.

**3. Material civil proceedings**

Nil.

**B. Litigation filed by our Directors (other than Promoters)**

**1. Criminal proceedings**

Nil.

**2. Material civil proceedings**

Nil.

**C. Tax proceedings**

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

### III. Litigation involving our Promoters

#### A. Litigation filed against our Promoters

##### 1. Criminal proceedings

Nil.

##### 2. Outstanding actions by regulatory and statutory authorities

Nil.

##### 3. Material civil proceedings

Nil.

#### B. Litigation filed by our Promoters

##### 1. Criminal proceedings

Nil.

##### 2. Material civil proceedings

Nil.

#### C. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)
Direct Tax	2	22.73
Indirect Tax	Nil	Nil
Total	2	22.73

\*Includes income tax demands of our Promoter Zaid khan (i) Income Tax Department has levied penalty under Section 142(1) of the Income Tax Act, 1961 for the Assessment Year 2008 amounting to Rs. 21,37,379; and (ii) Income Tax Department has levied penalty under Section 143(3) of the Income Tax Act, 1961 for the Assessment Year 2008 amounting to Rs. 1,35,380.

### Outstanding dues to creditors

As per the Restated Financial Statements, 20% of our trade payables as at March 31, 2024, was Rs. 315.41 and accordingly, creditors to whom outstanding dues exceed Rs.193.7 have been considered as material creditors for the purposes of disclosure in this Draft Prospectus.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2024, by our Company, are set out below:

			(in Rs. lakhs)
Type of creditors	Number of creditors	Amount involved	
Material creditors	1	193.7	
Micro, Small and Medium	0	-	

Type of creditors	Number of creditors	Amount involved
Enterprises		
Other creditors	25	121.7
Total*	26	315.4

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at <https://worldofkri.com>. It is clarified that such details available on our website do not form a part of this Draft Prospectus.

### Material Developments

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after March 31, 2024*" on beginning on page 184 of this Draft Prospectus, there have not arisen, since the date of the last financial information disclosed in this Draft Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next [●] months.

## GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Offer and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “**Risk Factors**” beginning on page 26, these material approvals are valid as of the date of this Draft Prospectus. For details in connection with the regulatory and legal framework within which we operate, see “**Key Regulations and Policies**” on page 116.

Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

### I. Material approvals obtained in relation to the Offer

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on July 11, 2024, authorized the Offer, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on August 5, 2024, authorized the Offer under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from the NSE Emerge, dated [●].

### II. Material approvals obtained in relation to our business and operations

Our Company have obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### A. Incorporation details of our Company

- a. Our Company was originally formed as a partnership firm in the name of “M/s Kri Entertainment” vide partnership deed dated November 2, 2016.
- b. Fresh Certificate of Incorporation dated September 12, 2023 issued to our Company by the RoC, pursuant to the conversion of our Company from partnership firm to public limited company in the name of KRI Entertainment Limited.

#### B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Permanent Account Number (PAN)	AARFK2513K	Income Tax Department	October 11, 2016	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	MUMK27238B	Income Tax Department	July 26, 2016	Valid till cancelled
3.	GST Registration Certificate	27AAKCK4999F1ZW	Goods and Services Tax Department	September 12, 2023	Valid till cancelled
4.	Certificate of Registration- Professional Tax	27471515169P	Maharashtra Sales Tax Department	May 5, 2017	Valid till cancelled
5.	Certificate of Enrolment-	99984662757P	Maharashtra Sales Tax	September 18, 2023	Valid till cancelled

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
	Professional Tax		Department		

**C. Regulatory approvals of our Company**

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Registration - Employees' Provident Fund	KDMAL3094614000	Employees' Provident Fund Organization	October 5, 2023	Valid till cancelled
2.	Certificate of Registration for Shops and Establishments	820328942	Labour Department, Maharashtra	February 12, 2024	Valid till cancelled
3.	Certificate of Importer – Exporter Code	AARFK2513K	Ministry of Commerce and Industry	July 18, 2023	Valid till cancelled
4.	UDYAM Registration Certificate	UDYAM-MH-18-0282979	Ministry of Micro, Small and Medium Enterprises, Government of India	October 28, 2023	Valid till cancelled

**III. Material approvals or renewals for which applications are currently pending before relevant authorities**

Nil

**IV. Material approvals expired and renewal yet to be applied for**


Nil

**V. Material approvals required but not obtained or applied for**

Nil

**VI. Intellectual Property**

As on the date of this Draft Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999

Date of Issue	Trademark Holder	Trademark No.	Class of Registration	Trademark
August 7, 2019	Kri Entertainment	4258585*	35	

*\*Our Company has made an application for updation of name and registered address in the trademark which was earlier registered in the name of the partnership firm i.e. M/s Kri Entertainment to Kri Entertainment Limited.*

For risk associated with our intellectual property please see, “**Risk Factors**” on page 26.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE Offer

Our Board of Directors have vide resolution dated July 11, 2024 authorized the Offer, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013

Further, our shareholders of our Company have approved by passing a special resolution under section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of our Company held on August 5, 2024.

The Offer for Sale has been authorised by the Selling Shareholder by their consent letter dated August 7, 2024 and the No. of Equity Shares offered are as follows:

Sr. No.	Selling Share Holder	No. Equity Shares Offered.
1.	Shvate Sushma Kaull	3,00,000
2.	Zahid Akram Khan	3,00,000

The Selling Shareholder has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholder has also confirmed that he is the legal and beneficial owner of the Equity Shares being offered by him under the Offer for Sale.

The Company has obtained approval from NSE vide letter dated [●] to use the name of NSE in this Draft Prospectus for listing of equity shares on the NSE Emerge. NSE is the designated stock exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, Promoters, members of the Promoters' Group, directors are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Prospectus. The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### CONFIRMATIONS

1. Our Company, Promoters, Promoters' Group and selling shareholder are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Prospectus.
2. Our directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our directors are associated as promoters or directors in past 5 (five) years.

### ELIGIBILITY FOR THE OFFER

Our Company is eligible in terms of Regulations 228 of SEBI ICDR Regulations for this Offer as:

- i. Neither our Company, nor any of its Promoters, selling shareholder, Promoters' Group or Directors are debarred from accessing the capital market by the Board.
- ii. Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- iii. Neither our Promoters nor any of our Directors is declared as Fugitive Economic Offender.
- iv. Neither our Company, nor our Promoters, neither our Directors, are Wilful Defaulters or Fraudulent

#### Borrowers or Fugitive Economic Offenders.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018; and this Issue is an “Initial Public Offer” (“IPO”) in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible for the Offer in accordance with 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 more than ten crores but less than or equal to twenty-five crores, 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 Emerge Platform of NSE.

The Selling Shareholder has, severally and not jointly, confirmed that it has held its respective portion of offered shares for a period of at least one year prior to the date of filing of this Draft Prospectus and that it is in compliance with the SEBI ICDR Regulations and are eligible for being offered in the Offer for sale.

#### We confirm that:

1. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, 2018, the Lead manager shall ensure that the issuer shall file copy of the Draft Prospectus / Prospectus with SEBI along with Due Diligence Certificate including additional confirmations as required at the time of filing the Draft Prospectus / Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this issue has been one hundred percent (100%) underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details, pertaining to said underwriting please see “**General Information**” on page 54.
3. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within such time period as required under applicable laws from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of eight (8) day, be liable to unblock such application money with interest as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.
4. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we shall enter into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this offer. For further details of the arrangement of market making please see “**General Information**” on page 54 of this Draft Prospectus.

**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.**

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Platform of The National Stock Exchange of India Limited which states as follows:

In terms of Regulation 229(3) and other provisions of Chapter IX of the SEBI (ICDR) Regulations of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE which are as under

#### 1. **The issuer should be a Company incorporated Under Companies Act, 1956/2013**

Our Company was incorporated under the Companies Act, 2013 on September 12, 2023.

#### 2. **The post issue paid up capital of the Company (face value) shall not be more than ₹ 25 crores.**

The present paid-up capital of our Company is ₹ 752.00 Lakh and we are proposing an Initial Public

Offer of up to 30,00,000 equity shares of ₹ 10 each at Issue price of ₹[•]/- per Equity Share including share premium of ₹[•]/- per Equity Share, aggregating to ₹ [•] Lakhs and Offer for sale of upto 6,00,000 Equity Shares of ₹10/- each at Issue price of ₹[•]/- per Equity Share including share premium of ₹[•]/- per Equity Share, aggregating to ₹ [•] Lakhs. Hence, our Post Issue Paid up Capital will be ₹ upto 992.00 Lakhs which is less than ₹ 25.00 Crore.

### 3. **Track Record**

#### A. **The company should have a track record of at least 3 years.**

Our Company was originally formed as a partnership firm under the Partnership Act, 1932 in the name of “M/s KRI Entertainment”, pursuant to a partnership deed dated November 2, 2016. M/s Kri Entertainment, was thereafter converted from a partnership firm to a public limited company under part XXI of the Companies Act, 2013 with the name “Kri Entertainment Limited” vide certificate of incorporation dated September 12, 2023 issued by the Registrar of Companies, Mumbai. Therefore, we are in compliance with criteria of having track record of 3 years.

#### B. **The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.**

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

Particulars	(₹ In lakh)		
	For the year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Operating profit (earnings before interest, depreciation and tax and other income) from operations	613.12	327.89	94.5
Net Worth as per Restated Financial Statement	652.87	255.80	86.13

### 4. **The Company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

The Company's shares bear an ISIN No: INE0ROJ01016

#### **Company shall mandatorily have a website.**

Our Company has a live and operational website i.e. <https://worldofkri.com/>.

### 5. **Other Listing Condition:**

- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the Company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.
- Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the Company
- There has been no change in the Promoter/s of the Company in preceding one year from the

date of filing application to NSE for listing on SME segment.

- e. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.

## 6. DISCLOSURES

- a. There is no material regulatory or disciplinary action taken by any stock exchange or regulatory authority in the past one year in respect of promoters of our Company.
- b. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters/promoting Company(ies), companies promoted by the Promoters/Promoting Company(ies) during the past three years.
- c. There are no criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its Directors and its effect on the business of the Company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For further details please refer the chapter titled "*Outstanding Litigation and Other Material Developments*" on page 190.
- d. The applicant, Promoters, companies promoted by the Promoters/Promoting Company(ies) litigation record, the nature of litigation, and status of litigation. For further details please refer the chapter titled "*Outstanding Litigation and Other Material Developments*" on page 190.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the NSE Emerge.

### In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

- 1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten by the LM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by LM, please refer to Section titled "*General Information*" beginning on page no. 54 of this Draft Prospectus.
- 2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled "*General Information*" beginning on page no. 54 of this Draft Prospectus.
- 3. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight 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 days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the Issue document and LM shall ensure the same.
- 4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Issue Document through LM immediately up on registration of the Issue Document with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on our Prospectus.

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.

### SEBI DISCLAIMER CLAUSE

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENTS 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 OFFER IS PROPOSED TO BE MADE OR FOR**

**THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENTS. THE LEAD MANAGER, KHANDWALA SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENTS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENTS AND THE LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS.**

**THE FILING OF THE OFFER DOCUMENTS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES 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 OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENTS.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS OFFER WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MUMBAI IN TERMS OF SECTION 26 OF THE COMPANIES ACT, 2013**

**DISCLAIMER FROM OUR COMPANY, SELLING SHARE HOLDER OUR DIRECTORS AND LEAD MANAGER**

Our Company, the selling shareholder, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, would be doing so at his or her own risk.

None amongst our Company and selling shareholder is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Applications Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for our Company, the selling shareholder and respective affiliates and associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company, the selling shareholder for which they have received, and may in future receive compensation

**DISCLAIMER IN RESPECT OF JURISDICTION**

This offer is being made in India to persons resident in India including Indian Nationals Resident in India who are not Minors, HUFs, Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian Financial Institutions, Commercial Banks, Regional Rural Banks, Co-Operative Banks (subject to RBI permission), or Trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, any FIIs sub – account registered with SEBI which is a foreign corporate or foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Prospectus / Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus/ Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai 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, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft Prospectus / Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus / Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE OF THE EMERGEPLATFORM OF NSE LIMITED**

As required, a copy of this Draft Prospectus has been submitted to National Stock Exchange of India Limited. The Disclaimer Clause as intimated by the National Stock Exchange of India Limited to us, post scrutiny of this Draft Prospectus will be produced by our Company in the Prospectus.

#### **DISCLAIMER CLAUSE 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 of the Securities Act).

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions 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. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share 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**

Our Company has obtained In-Principle Approval from NSE vide letter dated [●] to use name of NSE in this offer document for listing of equity shares on Emerge Platform of NSE. In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is requirement of obtaining In-principle approval from Emerge Platform of NSE. Application will be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the offer.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE, the Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus and the Selling Shareholder will be liable to reimburse our Company for any such repayment of monies, on its behalf, with respect to their Offered Shares. The allotment letters shall be issued or application money shall be refunded / unblocked within such time prescribed by SEBI or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of the NSE mentioned above are taken within Three Working Days from the Offer Closing Date. It is clarified that such liability of a Selling Shareholder shall be limited to the extent of its respective portion of the Offered Shares. The Selling Shareholder confirm that it shall extend complete co-operation required by our Company and the LM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the

Stock Exchange within six Working Days from the Offer Closing Date, or within such other period as may be prescribed.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) **makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or**
- b) **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or 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”**

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## **CONSENTS**

The written consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Offer, the Lead Manager to the Offer, Underwriter(s), Registrar to the Offer, Market Makers, Banker to Offer and Sponsor Bank 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 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

**Note: The Underwriter(s) Market Makers, Banker to Offer and Sponsor Bank to act in their respective capacities aforesaid will be appointed prior to filing of the 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, our Statutory Auditors of the Company, have provided their written consent to the inclusion of their report, Restated Financial Statements and Statement of Tax Benefits dated [●] and [●] respectively, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus with ROC.

## **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUED HANDLED BY THE LM:**

Price information of past issues handled by Khandwala Securities Limited

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing*	
1.	Vishnusurya Projects And Infra Limited	49.98	68.00	October 10, 2023	73.00	141.94	(1.25)	478.34	10.26	271.36	14.34
2.	Kaushalya Logistics Limited	36.60	75.00	January 8, 2024	100.00	(13.67)	(1.94)	(17.19)	4.65	(11.33)	13.07
3.	Euphoria Infotech India Limited	9.60	100.00	January 30, 2024	190.00	(59.92)	1.64	(63.73)	4.96	(61.54)	14.33
4.	Qvc Exports Limited	24.07	86.00	August 28, 2024	161.00	(60.22)	4.50	N.A	N.A	N.A	N.A
5.	Bikewo Greentech Limited	24.09	62.00	September 27, 2024	45.00	N.A	N.A	N.A	N.A	N.A	N.A
6.	Phoenix Overseas Limited	36.03	64.00	September 27, 2024	64.00	N.A	N.A	N.A	N.A	N.A	N.A

#### Summary Statement of Disclosure:

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day*		
			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%
2022-2023	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
2023-2024	3	96.2	Nil	1	Nil	1	Nil	1	Nil	1	Nil	1	Nil	1
2024-25	3	84.18	Nil	N.A	1	N.A	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

#### Break -up of past issues handled by Khandwala Securities Limited:

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2023-2024	3	Nil
2024-25	3	Nil

#### Notes:

1. Source: All share price data is from [www.nseindia.com](http://www.nseindia.com).
2. NSE Nifty is considered as the Benchmark Index.
3. In case 3<sup>0h</sup>/ 9<sup>0h</sup> is not a trading day, closing price on NSE of the previous trading day for the respective Script has been considered, however, if script is not traded on that previous trading day then last trading price has been considered.

For details regarding the track record of the Book Running Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the website of the Book Running Lead Manager as set forth in the table below:

Sr. No.	Name of the Book Running Lead Manager	Website
1.	Khandwala Securities Limited	<a href="https://kslindia.com/merchant-banking/">https://kslindia.com/merchant-banking/</a>

## EXPERT OPINION

Except for:

- Restated Financial Statements dated August 08, 2024 by Naik Mehta & Co, Chartered Accountants;
- Statement of Tax Benefits dated September 17, 2024 by Naik Mehta & Co; we have not obtained any other expert opinions.

Here, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## PREVIOUS PUBLIC OR RIGHTS ISSUE

Except as stated in the chapter titled "*Capital Structure*" on page 62, we have not made any previous rights and / or public issues during the last Five (5) years and are an “Unlisted Issuer” in terms of SEBI (ICDR) Regulations and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.

## COMMISSION OR BROKERAGE

We have not made any public issue in last five (5) years. Hence, no sums have been paid or payable as Commission or Brokerage.

## CAPITAL ISSUE DURING THE PREVIOUS THREE (3) YEARS BY ISSUER, LISTED GROUP COMPANIES AND SUBSIDIARIES OF OUR COMPANY

Except as disclosed in Chapter titled "*Capital Structure*" on page 62 and below, our Company, Group Companies and Subsidiaries Company has not made any capital issue during the previous three (3) years. Further Our Company do not have any listed group Companies/ Subsidiaries / Associates.

## PERFORMANCE VIS-À-VIS objects;

Except as stated in the chapter titled "*Capital Structure*" on page 62, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI (ICDR) Regulations and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

## STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Company and the selling shareholder has appointed the Registrar to the Offer, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Offer will handle investor’s grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Offer in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name,

address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company will obtain authentication on the SCORES and will comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 and any amendment thereto, in relation to redressal of investor grievances through SCORES, prior to filing the Prospectus.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All grievances relating to Applications submitted with the Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Applicants shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Our Company, the LM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of any SCSB, Registered broker, Syndicate member, RTA or CDP including any defaults in complying with its obligations under the SEBI ICDR Regulations.

#### **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 OUR COMPANY**

The Company has appointed Registrar to the Offer, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Offer to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Offer will handle investor's grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Offer in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the selling share holder, the Lead Manager and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Director(s) held on April 22, 2024. For further details on the Committees, please refer to the section titled “*Our Management*” beginning on page 124 of this Draft Prospectus.

**Our Company has appointed Kriti Goyal as the Compliance Officer to redress the complaints, if any, of the investors participating in the Offer.**

Contact details for our Compliance Officer are as follows:

**Kriti Goyal.**

A201 to 206, 2nd floor, Fairlink Centre,  
Oshiwara, Andheri, Mumbai 400 053 Maharashtra India

**Tel:** 022 67086712

**E-mail id:** [cs@worldofkri.com](mailto:cs@worldofkri.com)

**Website:** <https://worldofkri.com>

**EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI

## SECTION VII – OFFER INFORMATION

### TERMS OF THE OFFER

The Equity Shares being Allotted pursuant to Offer are subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, our Memorandum and Articles of Association, SEBI Listing Regulation, the terms of this Draft Prospectus, the Prospectus, the Abridged Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Offer and to the extent applicable.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/ 2019/ 76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the “**UPI Circular**”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“**UPI Phase II**”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“**UPI Phase III**”). Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“**UPI Streamlining Circular**”) has instituted certain mechanisms towards the streamlining of applications made through the UPI Mechanism as well as redressal of investor grievances. The UPI Streamlining Circular came into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of the UPI Streamlining Circular are deemed to form part of this Draft Prospectus. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.

Further vide the said circular Registrar to the Offer and Depository Participants have been also authorized to collect the Application for Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Offer and Depository Participants as and when the same is made available.

### Authority for the Offer

The present Public Offer of upto 30,00,000 Equity Shares aggregating to up to [●] lakhs comprising of fresh issue of upto 24,00,000 Equity Shares aggregating to up to [●] lakhs and Offer for Sale of upto 06,00,000 Equity Shares aggregating to up to [●] lakhs, which have been authorised by a resolution of the Board of Directors of our Company at their meeting held on July 11, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extraordinary General Meeting held on August 5, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Offer for Sale has been authorised by the Selling Shareholder by their consent letters dated August 7, 2024, and the no. of Equity Shares offered by them are as follows:

Sr No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1.	Shvate Sushma Kaull	3,00,000
2.	Zahid Akram Khan	3,00,000

The Selling Shareholder have confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and it has not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholder has also confirmed that it has the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

### Ranking of Equity Shares

The Equity Shares being offered and transferred in the offer shall be subject to the provisions of the Companies Act 2013 and our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the chapter titled "*Main Provisions of the Articles of Association*" beginning on page 249.

### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company.

We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to chapter titled "*Dividend Policy*" and "*Main Provisions of Articles of Association*" beginning on pages 140 and 249 respectively.

### FACE VALUE AND OFFER PRICE

The face value of the Equity Shares is ₹10 each and the Offer Price is ₹[●] per Equity Share (including premium of ₹[●] per Equity Share).

The Offer Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "*Basis for Offer Price*" beginning on page 81.

At any given point of time there shall be only one denomination for the Equity Shares.

### Compliance with Disclosure and Accounting Norms

Our Company shall comply with all applicable 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:

1. Right to receive dividend, if declared;
2. Right to receive Annual Reports and notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy in accordance with the provisions of the Companies Act, 2013;
5. Right to receive offer/ issue for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation subject to any statutory and other preferential claim being satisfied;
7. Right of free transferability subject to applicable law, including any RBI rules and regulations; and
8. Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the chapter titled “*Main Provisions of Articles of Association*” beginning on page 249.

### **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 Emerge Platform of NSE India from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Share 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.

In accordance with Regulation 267(2) of the SEBI (ICDR) Regulations 2018 the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Minimum Number of Allottees**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be fifty (50) shareholders failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Mumbai, India.

**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 Issued or sold within the United States to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## Joint Holders

Where 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 read with Companies (Share Capital and Debentures) Rules, 2014, 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 Applicants, 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 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 accordance to Section 72 (4) of the Companies Act, 2013, 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/transfer/alienation 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 Articles of Association of the Company, 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 ninety (90) 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 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.

## Offer programme

<b>Offer OPENS ON</b>	[●]
<b>Offer CLOSES ON</b>	[●]
<b>FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE</b>	[●]
<b>INITIATION OF REFUNDS / UNBLOCKING OF FUNDS FROM ASBA ACCOUNT</b>	[●]
<b>CREDIT OF EQUITY SHARES IN DEMAT ACCOUNTS OF ALLOTTEES</b>	[●]
<b>COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE</b>	[●]

UPI mandate end time and date shall be at 5.00 pm on Issue/Offer Closing Date.

In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.

In terms of Regulation 266 (3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances or for reason considered necessary by our Company, our Company may, for reasons to be recorded in writing, extend the Offer Period disclosed in the Prospectus, for a minimum period of two (2) working days, subject to the Offer Period not exceeding ten (10) working days

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE EMERGE taken within three (3) Working Days of the Offer Closing Date or such period as may be prescribed, with reasonable support and cooperation of the Selling Shareholder, as may be required in respect of its Offered Shares, the timetable may change due to various factors, such as extension of the Offer Period by our Company in consultation with the Selling Share Holder and the Lead Manager, or any delays in receiving the final listing and trading approval from Emerge Platform of NSE India. The Commencement of trading of the Equity Shares will be entirely at the discretion of NSE India and in accordance with the applicable laws. The Selling Shareholder confirm that they shall extend such reasonable support and co-operation in relation to the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within 3 Working Days from the Offer Closing Date or such other period as may be prescribed by SEBI. Our Company shall follow the timelines provided under the aforementioned circular.

#### **Offer period (except the Offer Closing Date)**

Submission and Revision of Application Form	Only between 10.00 a.m. to 5.00 p.m. IST
---	--

#### **Offer Closing Date**

Submission and Revision of Application Form*	Only between 10.00 a.m. to 3.00 p.m. IST
--	--

\*UPI mandate end time and date shall be at 5.00 pm on Issue/Offer Closing Date

On the Offer Closing Date, the Applications shall be uploaded until:

Until 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and

Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by LM to the Stock Exchange. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated in accordance with applicable law by the intermediary responsible for causing such delay in unblocking, which period shall start from the day following the receipt of a complaint from the Applicant. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Applicant shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Applicant using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022

Due to limitation of time available for uploading the application forms on the Offer Closing Date, Applicants are advised to submit their applications one (1) day prior to the Offer Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Offer Closing Date. Any time mentioned in the Prospectus are Indian Standard Time (IST). Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Application and any revision in Application were not accepted on Saturdays and public holidays as declared by the Stock Exchanges. Applications by ASBA Applicant shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Prospectus may result in changes in the timelines.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing

It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected. In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Application Forms prior to the Offer Closing Date. Allocation to Retail Individual Applicants, in this Offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received NSE EMERGE may be taken as the final data for the purpose of Allotment.

#### **Minimum Subscription**

This Offer is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the Offer through Prospectus on the date of closure of the Offer including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of Offer on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so Offered under the Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Four (4) days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a.).

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.

#### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of [●] Equity 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 Emerge Platform of NSE Limited.

#### **Withdrawal of the Offer**

Our Company and the Selling Shareholder in consultation with the Lead Manager, reserve the right to not to proceed with the Offer after the Offer Opening Date but before the Allotment. In such an event, our Company would Offer a public notice in the newspapers in which the pre-offer advertisements were published, within two (2) days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not

proceeding with the offer. The Lead Manager through, the Registrar to the Offer, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Applicant within one (1) working day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Offer is withdrawn after the designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is registered with the ROC. If our Company or the Selling Shareholder in consultation with LM withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer, our Company shall file a fresh Draft Prospectus.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the Pre-Offer Equity Shares and Promoters' minimum contribution in the Offer as detailed in the chapter titled "*Capital Structure*" beginning on page 62 of this Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the chapter titled "*Main Provisions of Articles of Association*" beginning on page 249.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **New Financial Instruments**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Offer. Further, our Company is not issuing any new financial instruments through this Offer. Application by Eligible NRIs, FPIs or VCFs registered with SEBI

Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs 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 Offer.

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.

### **Allotment of Equity Shares Only in Dematerialized Form**

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialized form.

As per the existing SEBI ICDR Regulations, 2018 the trading of the Equity Shares shall only be in dematerialized form for all investors.

In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Offer before filing this Prospectus:

Tripartite agreement dated October 25, 2023 among CDSL, our Company and the Registrar to the Offer; and Tripartite agreement dated November 9, 2023 among NSDL, our Company and the Registrar to the Offer.

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

## **MARKET MAKING**

The shares offered through this offer is proposed to be listed on the EMERGE Platform of NSE India, wherein the Lead Manager to this Offer shall ensure compulsory Market Making through the registered Market Makers of the Emerge Platform of NSE India for a minimum period of three (3) years from the date of listing of shares issued through this Prospectus. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 54.

## OFFER STRUCTURE

This Offer 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 Face value capital is more than or equal to ₹ 10 crores, shall offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“**SME Exchange**”, in this case being the EMERGE Platform of NSE). For further details regarding the salient features and terms of such an offer please refer to the chapters titled “**Terms of the Offer**” and “**Offer Procedure**” beginning on pages 207 and 217 respectively.

This Offer comprised of Initial Public Offering of upto 30,00,000 Equity Shares for Cash at an Offer Price of ₹[●]/- per Equity Share comprising of Fresh Issue of 24,00,000 Equity Shares for Cash at an Offer Price ₹[●]/- per Equity Share aggregating to ₹[●] Lakhs by our Company and Offer for sale of 06,00,000 Equity Shares for Cash at an Offer Price ₹ 10 per Equity Share aggregating to ₹[●] Lakhs by the Selling Shareholder.

The Offer comprises a reservation of [●] Equity Shares of Rs 10 each for subscription by the designated Market Maker (“**the Market Maker Reservation Portion**”).

Particulars	Net Offer to Public	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	[●]	[●]
<b>Percentage of Offer Size available for allocation</b>	[●]*	[●]
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate, subject to minimum allotment of [●] Equity Shares and Further allotment in multiples of [●] Equity Shares each.	Firm Allotment
<b>Mode of Application</b>	Retail Individual Investor may apply through UPI Payment Mechanism. All other applicants and Retail Individual Investors (whose bank do not provide UPI ID) shall apply through ASBA process only.	
<b>Minimum Application Size</b>	<b><i>For Other than Retail Individual Investors:</i></b>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2 lakhs  <b><i>For Retail Individuals:</i></b>  Such number of equity shares where application size is of at least [●] Equity Shares.	[●] Equity Shares
<b>Maximum Application</b>	<b><i>For Other than Retail Individual Investors:</i></b>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed the +Net Offer.  <b><i>For Retail Individuals:</i></b>  Such number of equity Shares so that the Application Value does not exceed ₹ 2 lakhs.	[●] Equity Shares
	Compulsorily in dematerialized mode	

Particulars	Net Offer to Public	Market Maker Reservation Portion
Trading Lot	[ ● ] Equity Shares	[ ● ] Equity Shares. <b>However,</b> may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations
Terms of payment	In case of ASBA, the entire application amount shall be blocked at the time of submission of Application Form to the SCSBs and in case of UPI as an alternate mechanism, application amount shall be blocked at the confirmation of mandate collection request by the Applicant.	

*\* 50 % of the shares issued in the Net Offer to Public portion are reserved for applications whose value is below ₹ 2 lakhs and the balance 50 % of the shares are available for applications whose value is above ₹ 2 lakhs.*

**Note:**

- i) In case of joint application, the Application Form should contain only the name of First Applicant whose name should also appear as the first holder of beneficiary account held in joint names. The signature of only such First Applicant would be Required in the Application Form and such First Applicant would be deemed to have signed on behalf of joint holders.
- ii) Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Offer.
- iii) SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB.

This Offer is being made *in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details please refer chapter titled “Offer Procedure” beginning on page 217 of this Draft Prospectus.*

## OFFER PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “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, the Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Investor through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Issue size; (iii) allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Offer; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”), Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.. Thereafter, vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“**UPI Phase III**”). Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“**UPI Streamlining Circular**”) has instituted certain mechanisms towards the streamlining of applications made through the UPI Mechanism as well as redressal of investor grievances. The UPI Streamlining Circular came into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of the UPI Streamlining Circular are deemed to form part of this Draft Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI

*vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.*

The revisions of the circular dated June 2, 2021 are elaborated as under: -

- i) **SCSB's shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc. shall be included in SMS for Public Issues opening on/after January 01, 2022.**
- ii) **The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.**
- iii) **In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB's etc., the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.**
- iv) **The Stock Exchanges and Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.**
- v) **The Registrar to the Offer shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized.**
- vi) **The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Offer, not later than 5:00 PM on BOA+1.**
- vii) **Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Offer shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1 and ensure that the unblocking is completed on T+3.**

Our Company, the Selling Shareholder and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their application are submitted in accordance with applicable laws and 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 and the 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. Further, the Company, the Selling Shareholder and the LM are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Offer.

#### **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

##### ***Phase I:***

This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the Application Form with any of the intermediary

and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six working days.

### ***Phase II:***

This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

### ***Phase III:***

Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“**T+3 Circular**”).

In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs issuing facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement of or SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Applicant to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

## **FIXED PRICE OFFER PROCEDURE**

The Offer is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process. Wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion Offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Offer Price.

Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Offer Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange are required to submit their Applications to the Application Collecting Intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Offer and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the 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, the Company would have a right to reject the Applications only on technical grounds. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected.

**Investors should note that Equity Shares will be allotted to successful Applicants in dematerialized form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. However, the Investors may get the Equity Shares rematerialized subsequent to the allotment.**

#### **ELECTRONIC REGISTRATION OF APPLICATIONS**

- i) The Designated Intermediary may register the Application using the online facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Fixed Process on a regular basis before the closure of the Offer.
- ii) On the Application/Issuer Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchange and as disclosed in the Prospectus.

Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 p.m. IST on the next Working Day following the Application/Issuer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Application/Issuer Period after which the Stock Exchange send the information to the Registrar to the Offer for further processing.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI ICDR Regulations, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORMS**

Copies of the Application Form and the Abridged Prospectus will be available at the offices of the LM, the Designated Intermediaries at Applications Centers, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Offer Opening Date.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus / Prospectus. All the Applicants (other than Anchor Investor and Retail Individual Investor

using UPI Payment Mechanism) shall mandatorily participate in the Offer only through the ASBA process for application. ASBA applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to make Applications using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Application Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians / Eligible NRIs applying on a non-repatriation basis (ASBA)	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue*

*\*Excluding electronic Application Form.*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Application details in the electronic Bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSBs, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For UPI Investors, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

Application Forms will also be available on the website of the NSE (<https://www.nse.com>). Same Application Form applies to all ASBA Applicants/ Retail Individual Investors applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Offer and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

## SUBMISSION AND ACCEPTANCE OF APPLICATION FORM

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Offer, shall submit a completed application form to any of the following Intermediaries (Collectively called “**Designated Intermediaries**”).

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
3.	A depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity)
4.	Registrar to an Offer and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

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.

Designated Intermediaries shall submit Application Forms to SCSBs only

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchanges(s) and may by 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 without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). 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 Offer.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant Applications details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share Applications 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. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account

Stock exchange(s) shall validate the electronic Application details with depository's records for DP ID/ClientID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Application are deemed to have authorized our Company to make the necessary changes in the prospectus, without prior or subsequent notice of such changes to the Applicants.

## WHO CAN APPLY?

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);**
- 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 would be considered at par with those from individuals;**
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;**
- Mutual Funds registered with SEBI;**
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;**
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);**
- FII and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;**
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;**

9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRI)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

**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 to, or for the account or benefit of "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. 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.**

**MAXIMUM AND MINIMUM APPLICATION SIZE**

***For Retails 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 ₹ 2 lakhs. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹ 2 lakhs.

***For Other than Retail Individual Investors (Non-Institutional Investors and QIBs):***

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2 lakhs 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 Investor cannot withdraw its Application after the Offer Closing Date and is required to pay 100% Application Amount upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2 lakhs 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, the Selling Shareholder 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 Offer in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Offer, either in the QIB Portion and Non-Institutional Category where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis

**Option to Subscribe to the Offer**

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialized subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

**Application By HUF**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Applications is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

**Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

Application made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. 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 (1) 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.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Application Form. Failing this, our Company reserves the right to reject their application in whole or in part, in either case, without assigning any reason thereof.

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.

#### **Application by Indian Public including eligible NRIs applying on non-Repatriation**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors (other than minor having valid depository accounts as per demographic details provided by the depository), Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares Offered to the public.

#### **Application by Eligible NRIs/FII's on Repatriation Basis**

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") ASBA 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. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such Application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme ("PIS") is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

#### **Application by FPIs**

In terms of the FPI Regulations, the Offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 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 upto the sectoral cap by way of a resolution passed by our Board followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

FPIs are permitted to participate in the Offer 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 FPI Regulations, an FPI, by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the 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 recognized 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' nor 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. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated Depository Participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

#### **Application by SEBI registered VCFs, AIFs and FVCIs**

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) Investee Company. A category III AIF cannot invest more than 10% of their investible funds in one (1) Investee Company. A venture capital fund registered as a category I AIF, as defined in SEBI AIF Regulations, cannot invest more than 1/3<sup>rd</sup> 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 SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

**Our Company, Selling Share Holder or the LM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Application by provident funds/ pension funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus

of ₹ 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject their application, without assigning any reason thereof

#### **Application 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 Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject their application without assigning any reason thereof.

#### **Application by Banking Companies**

In case of Application made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the 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 reserves the right to reject any Application by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), 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 by a banking company 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.

#### **Application by Insurance Companies**

In case of Application made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject their application without assigning any reason thereof.

Insurance companies participating in this Offer, shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time including the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDA Investment Regulations").

1. **Equity shares of a company: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/investment assets in case of a general insurer or a reinsurer;**
2. **The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and**
3. **The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.**

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.

Insurer companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("IRDA Investment Regulations").

### **Application by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of SEBI circulars dated September 13, 2012 and January 2, 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 ASBA applications.

**The information set out above is given for the benefit of the Applicants. Our Company, the Selling Shareholder and the LM are not liable for any amendments or modification or changes to 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 any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Prospectus and the Prospectus.**

### **Application by Systemically Important Non-Banking Financial Companies**

In case of Application made by systemically important non-banking financial companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

### **Application under Power of Attorney**

In case of Application made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, FPIs, Mutual Funds, Eligible QFIs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with a minimum corpus of ₹ 2,500 Lakhs and pension funds with a minimum corpus of ₹ 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject their application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

1. **With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.**
2. **With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.**
3. **With respect to Applications made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 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.**
4. **With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.**
5. **Our 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 our 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 Offer 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 Offer shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories

### **Application by OCBs**

In accordance with RBI regulations, OCBs cannot participate in this Offer.

### **OFFER PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) 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, the Selling Shareholder 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.

Lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

### **ASBA Process and Electronic Registration of Application**

Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

**APPLICATION FORM SHALL BEAR THE STAMP OF THE SCSBS/ REGISTRAR AND SHARE TRANSFER AGENTS/ DEPOSITORY PARTICIPANTS/ STOCK BROKERS AND IF NOT, THE SAME SHALL BE REJECTED.**

### **Who can apply?**

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.

### **Mode of Payment**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA

Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

**Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.**

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Offer.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

#### **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Offer, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

#### **Terms of payment**

The entire Offer price of ₹ [●]/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs 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. The Applicants should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Applicants.

#### **Payment Mechanism**

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Applications Amount (Offer price) in the bank account specified in the Application Form. The SCSB shall keep the Applications Amount in the relevant bank account blocked until withdrawal/rejection of the Application or receipt of instructions from the Registrar to unblock the Applications Amount. However, Non-Retail Investors 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 Offer 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 Applications Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Applicant, as the case may be.

#### **PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)**

In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line

the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (T+3 Circular).

**The Offer will be made under UPI Phase II of the UPI Circulars, unless Phase III of the UPI Circulars becomes effective and applicable on or prior to the Offer Opening Date.**

#### **Who can apply through UPI Mode?**

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

#### **Process**

**Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in)**

#### **Blocking of Funds:**

- i) Investors shall create UPI ID
- ii) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form
- iii) Thereafter, intermediary shall upload the Application details and UPI ID in the electronic bidding system of the Stock Exchange
- iv) Stock Exchange shall validate the Application details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission
- v) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
- vi) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

#### **Unblocking of funds:**

1. After the Offer close day, the RTA on the basis of application and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
2. Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds
3. Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

Further, RIIs would continue to have an option to modify or withdraw the Applications till the closure of the Offer period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.

#### **REJECTION GROUNDS UNDER UPI PAYMENT MECHANISM**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for

rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

#### **LIST OF BANKS PROVIDING UPI FACILITY**

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

*Home >> Intermediaries/Market Infrastructure Institutions >> Recognised Intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.*

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018).

#### **ELECTRONIC REGISTRATION OF APPLICATIONS**

- i) The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
- ii) The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
- iii) In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange.
- iv) The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Offer Closing Date.
- v) The Stock Exchanges will issue an electronic facility for registering Applications for the Offer. This facility will be available with the Designated Intermediary and their authorized agents during the Offer Period. The Designated Branches or the Agents of the Designated Intermediary 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 on-line facilities on a regular basis. On the Offer Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Offer Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
- vi) At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:

**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;**  
**UPI ID (RIIs applying through UPI Mechanism)**  
**Numbers of Equity Shares Applied for;**  
**Location of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and**  
**Bank account number**
- vii) 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 Application Form number which shall be system generated.
  - viii) 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 registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  - ix) Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
  - x) In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
  - xi) The permission given by the Stock Exchanges 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 Promoter, 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.
  - xii) Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Offer Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar will receive this data from the Stock Exchanges 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.

## **WITHDRAWAL OF APPLICATIONS**

RIIs can withdraw their applications until Offer Closing Date. In case a RII wishes to withdraw the applications during the Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB or Sponsor Bank in the ASBA Account.

The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Applications at any stage.

## **SIGNING OF UNDERWRITING AGREEMENT**

The Offer is 100% Underwritten. For further details please refer to the Chapter titled “*General Information*” on page 54 of this Draft Prospectus.

## **FILING OF THE DRAFT PROSPECTUS**

For filing details, please refer to the Chapter titled “*General Information*” beginning on page 54 of this Draft Prospectus.

## **PRE-Offer ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, the Company shall, after filing the Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI 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 registered office of the Company is situated.

## **ISSUANCE OF ALLOTMENT ADVICE**

Upon approval of the Basis of Allotment by the Designated stock exchange, the Registrar shall upload on its website. 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 Offer. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Offer.

- 1. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.**
- 2. Issuer will ensure that: (i) the allotment of the equity shares; and (ii) initiate corporate action for credit of shares to the successful applicant's Depository Account within 4 working days of the Offer 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.**
- 3. 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 Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.**

## **ISSUANCE OF CONFIRMATION ALLOCATION NOTE ("CAN")**

- 1. A physical book is prepared by the Registrar on the basis of the Application Forms received from Investors. Based on the physical book and at the discretion of the Company in consultation with the LM, selected Investors will be sent a CAN and if required, a revised CAN.**
- 2. In the event that the Offer Price is higher than the Investor Allocation Price: Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Investor and the pay-in date for payment of the balance amount. Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Investors.**
- 3. In the event the Offer Price is lower than the Investor Allocation Price: Investors who have been Allotted Equity Shares will directly receive Allotment Advice.**

## **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 Offer.

## **GENERAL INSTRUCTIONS**

Applicants are requested to note the additional instructions provided below.

### **Do's:**

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their Application s through the ASBA process only;
- Read all the instructions carefully and complete the Application Form;
- Ensure that the details about the PAN, UPI ID (if applicable), DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised

- form only;
- Ensure that your Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Collection Centre within the prescribed time, except in case of electronic for Retail Individual Investors using UPI mechanism, may submit their ASBA forms with Designated Intermediary and ensure that it contains the stamp of such Designated Intermediary;
  - Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
  - If the first applicant is not the ASBA account holder (or the UPI- linked bank account holder as the case may be), ensure that the Application Form is signed by the ASBA account holder (or the UPI- linked bank account holder as the case may be). Ensure that you have mentioned the correct bank account number and UPI ID in the Application Form;
  - All Applicants (other than Anchor Investors and RII using UPI Mechanism) should apply through the ASBA process only. RII not using UPI mechanism, should submit their application form directly with SCSB's and not with any designated intermediary.
  - With respect to Applications by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your application;
  - Ensure that you request for and receive a stamped acknowledgement of your application;
  - Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
  - Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner.
  - Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
  - Except for Applications (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Applications by persons resident in the state of Sikkim, who, in terms of SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the central or the state government and officials appointed by the courts and for Applicants residing in the state of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same. All other applications in which PAN is not mentioned will be rejected.
  - Ensure that the Demographic Details are updated, true and correct in all respects;
  - Ensure that thumb impressions and signatures other than in the languages specified in the eighth schedule to the Constitution of India are attested by a magistrate or a notary public or a special executive magistrate under official seal;
  - Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
  - Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
  - Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
  - If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;
  - Since the allotment will be in dematerialised form only, Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, match with the DP ID, Client ID (where applicable) and PAN available in the Depository database otherwise liable to be rejected; Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they

- appear in the Application Form;
- 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 correctly signed the authorization /undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you have mentioned the correct ASBA Account number (for all Applicant other than Retail Individual Investors making Application using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
- Retail Individual Investors making Application using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
- Retail Individual Investors making Application using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
- Applicants, other than Retail Individual Investors using the UPI Mechanism, shall ensure that they have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form to the relevant Designated Intermediaries;
- Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;
- In case of ASBA Applicants (other than Retail Individual Investors using UPI Mechanism), ensure that while making Application through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Application Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
- Once the Sponsor Bank Offer the UPI Mandate Request, the Retail Individual Investors would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
- Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- Retail Individual Investors who wish to revise their applications using the UPI Mechanism, should submit the revised Application with the Designated Intermediaries, pursuant to which Retail Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in the Retail Individual Investors ASBA Account.
- Retail Individual Investors using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
- Retail Individual Investors applied using the UPI Mechanism should mention valid UPI ID of only the applicant (in case of single account) and of the first applicant (in case of joint account) in the Application Form;

- Retail Individual Investors using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner;
- 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 receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form;
- Retail Individual Investors shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Offer Closing Date.
- Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
- Do not apply by another Application Form after submission of Application to the Designated Intermediary.
- Do not submit the Application Forms with the Banker(s) to the Offer (assuming that such bank is not a SCSB), our Company, the LM or the Registrar to the Offer (assuming that the Registrar to the Offer is not one of the RTAs) or any non-SCSB bank;
- Do not apply on an Application Form that does not have the stamp of the Designated Intermediary;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on a physical Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- If you are a Retail Individual Investor and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
- Do not submit the Application Forms to any Designated Intermediary that is not authorised to collect the relevant Application Forms or to our Company;
- If you are a Retail Individual Applicant, do not apply for an exceeding ₹ 200,000;
- 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 the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- As an ASBA Applicant, do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available to be blocked in the relevant ASBA Account and as in the case of Retail Individual Investors using the UPI Mechanism shall ensure that funds equivalent to the entire application amount are available in the UPI linked bank account where funds for making the Application s are available.
- Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
- If you are a Retail Individual Investor and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- If you are a QIB, do not submit your application after 3.00 pm on the Offer Closing Date for QIBs;
- If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your application after 3.00 pm on the Offer Closing Date;
- Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not submit an application if you are not competent to contract under the Indian Contract Act, 1872,

- (other than minors having valid depository accounts as per Demographic Details provided by the Depositories);
- Do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise their applications during the Offer Period and withdraw their Applicants on or before the Offer Closing Date;
  - Do not apply for shares more than specified by respective Stock Exchange for each category;
  - Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Retail Individual Investor using the UPI mechanism;
  - If you are a QIB or a Non-Institutional Applicant, do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage;
  - Do not apply if you are an OCB.
  - Do not submit incorrect UPI ID details, if you are a Retail Individual Investors applying through UPI Mechanism;
  - Do not submit ASBA Forms at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
  - Do not submit ASBA Forms to a Designated Intermediary at a Collection Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Collection Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>). The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
  - Do not submit an Application Form with third party UPI ID or using a third-party bank account (in case of Applications submitted by Retail Individual Investors using the UPI Mechanism)

**The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. 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. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall 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 Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of Stock Exchange.

#### **Applicant's Depository Account and Bank Details**

**Please note that, providing bank account details 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, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Offer or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by

the Registrar to the Offer. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Payment by Stock Invest**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Offer.

## **OTHER INSTRUCTIONS**

### **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 Offer to detect multiple applications are given below:

1. **All applications are electronically strung on first name, address (1<sup>st</sup> 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.**
2. **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.**
3. **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 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 Offer 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.**

#### **PERMANENT ACCOUNT NUMBER (“PAN”)**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Offer, Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RIIs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

#### **GROUND FOR TECHNICAL REJECTIONS**

Applicants are requested to note that Application may be rejected on the following additional technical grounds.

- i) Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- ii) In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- iii) Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- iv) PAN not mentioned in the Application Form;
- v) GIR number furnished instead of PAN;
- vi) Applications for lower number of Equity Shares than specified for that category of investors;
- vii) Applications at a price other than the Fixed Price of the Offer;
- viii) Applications for number of Equity Shares which are not in multiples as stated in the chapter titled “Offer Structure”;
- ix) Category not ticked;
- x) Multiple Applications as defined in the Prospectus;
- xi) In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- xii) Applications accompanied by Stock invest/ money order/ postal order/ cash;
- xiii) Signature of the First Applicant or sole Applicant is missing;
- xiv) Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Offer Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- xv) In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- xvi) Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- xvii) Applications by OCBs;
- xviii) Applications by US persons other than in reliance on Regulations;
- xix) Applications not duly signed;
- xx) Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- xxi) Applications by any person that do not comply with the securities laws of their respective jurisdictions

- are liable to be rejected;
- xxii) Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- xxiii) Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- xxiv) Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹ 2 lakhs received after 3.00 pm on the Offer Closing Date;
- xxv) Applications not containing the details of Bank Account and/or Depositories Account.
- xxvi) Applications under the UPI Mechanism submitted by Retail Individual Investors using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- xxvii) Application submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI;
- xxviii) Applications submitted on a plain paper.
- xxix) Applications by person for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

## **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL AND CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

1. **A tripartite agreement dated November 9, 2023 with NSDL, our Company and Registrar to the Offer;**
2. **A tripartite agreement dated October 23, 2023 with CDSL, our Company and Registrar to the Offer;**

The Company's shares bear an ISIN No: INE0QNI01012

- i) **An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.**
- ii) **The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.**
- iii) **Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).**
- iv) **Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.**
- v) **If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.**
- vi) **The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.**
- vii) **It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.**
- viii) **The trading of the Equity Shares of our Company would be only in dematerialized form.**

## **COMMUNICATIONS**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer 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 Banker to the Offer where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Company Secretary and Compliance Officer (☐) or the Registrar to the Offer 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.**

---

**KRI ENTERTAINMENT LIMITED**

A201 to 206, 2nd floor, Fairlink Centre, Oshiwara, Andheri, Mumbai, Maharashtra - 400053.

**Tel No:** 022 67086712

**Email:** [cs@worldofkri.com](mailto:cs@worldofkri.com)

**Website:** <https://worldofkri.com>

---

**Bigshare Services Private Limited**

S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai, Maharashtra - 400093

**Telephone.:** +91 22 6263 8200

**E-mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

---

## **Disposal of Applications**

With respect to Investors, our Company shall ensure dispatch of Allotment Advice, refund orders (except for applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account of Depository Participants of the Applicants and submit the documents pertaining to the Allocation to the Stock Exchange(s) on the Investor Application Date. In case of Applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 6 Working Days from the Application/ Offer Closing Date.

## **IMPERSONATION**

Attention of the Applicant 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:

- i) **makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- ii) **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 shall be liable for action under Section 447”.**

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of “imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud”.

## **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Stock Exchange, along with the Lead Manager 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.

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Stock Exchange. In the event of over subscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- i) 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).
- ii) 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).
- iii) For applications where the proportionate allotment works out to less than [ ● ] Equity Shares the allotment will be made as follows:
- iv) Each successful applicant shall be allotted [ ● ] Equity Shares; and
- v) The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Equity Shares allotted in that category is equal to the

- number of Shares worked out as per (2) above.
- vi) 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 Equity Shares by rounding off to the lower nearest multiple of [ ● ] Equity Shares subject to a minimum allotment of [ ● ] Equity Shares.
  - vii) 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. If as a result of the process of rounding off to the lower nearest multiple of [ ● ] Equity Shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Prospectus.
  - viii) Since present Offer is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - ix) A minimum of 50% of the net Issue of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
  - x) The balance net Issue of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - xi) The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

If the retail individual investor is entitled to more than fifty percent 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 para titled “*Basis of Allotment*” of this Draft Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 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 Stock Exchange.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Offer, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified shall be achieved before our company proceeds to get the basis of allotment approved by the Stock Exchange.

The Executive Director/Managing Director of the 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.

**As per the RBI regulations, OCBs are not permitted to participate in the Offer.**

**There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **AT PAR FACILITY**

Letters of Allotment or refund orders or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process. The issuer shall ensure that “at par” facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

## **GROUND FOR REFUND**

### ***Non-Receipt of Listing Permission***

An Issuer makes an Application to the Stock Exchange for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchange from where such permission is sought are disclosed in this Draft Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by Stock Exchange, the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of this Draft Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Offer shall intimate Public Issue bank / Bankers to the Offer and Public Issue Bank/Bankers to the Offer shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within Four days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in this Draft Prospectus.

### ***Minimum Subscription***

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on application money has to be returned within such period of 30 days from the date of the Draft 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 Offer through this Offer document including devolvment of underwriters within Sixty Days from the date of closure of the Offer, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section [●] of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

### ***Minimum Number of Allottees***

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than fifty (50), failing which the entire application monies may be refunded forthwith.

## **MODE OF REFUNDS**

- i) In case of ASBA Application: Within Four (4) Working Days of the Application / Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Applications, for any excess amount blocked on Application, for any ASBA Applications withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.
- ii) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.
- iii) In case of Investors: Within Four (4) Working Days of the Application/ Offer Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Applicant s' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays

in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

#### **MODE OF MAKING REFUNDS FOR APPLICANTS OTHER THAN ASBA APPLICANTS**

The payment of refund, if any, may be done through various modes as mentioned below:

- i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Applicant as obtained from the Depository;
- ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- iii) Direct Credit - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- iv) RTGS - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the applicant, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicant's account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the LM or the Registrar to the Offer or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- v) Please note that refunds, on account of our Company not receiving the minimum subscription of 100% of the Offer, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to this Draft Prospectus.

#### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The issuer shall allot securities issued to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen percent per annum (15% p.a.) if the allotment letters or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the Offer. However, applications received after the closure of Offer in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

#### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange are taken within 4 Working Days of the Offer Closing Date. The Registrar to the Offer may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 4 Working Days of the Offer Closing Date.

## **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

- i) That the complaints received in respect of this Offer shall be attended to by our Company expeditiously and satisfactorily;
- ii) 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 6 (Six) working days of closure of the Offer;
- iii) That funds required for making refunds / unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by us;
- iv) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Offer giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- v) That no further issue of Equity Shares shall be made till the Equity Shares issued through this Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
- vi) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
- vii) That if our Company does not proceed with the Offer after the Offer Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- viii) That if our Company withdraws the Offer after the Offer Closing Date, our Company shall be required to file a fresh Draft Prospectus with Stock Exchange/ RoC / SEBI, in the event our Company subsequently decides to proceed with the Offer;

## **UNDERTAKINGS BY SELLING SHAREHOLDER**

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholder in this Draft Prospectus shall be deemed to be “statements and undertakings made by the Selling Shareholder”. All other statements and/ or undertakings in this Draft Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholder. The Selling Shareholder severally and not jointly, specifically confirms and undertakes the following in respect of himself and the Equity Shares being offered by it pursuant to the Offer for Sale:

- 1. that the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and are eligible to be a part of the Offer for Sale, in accordance with Regulation 8 of the SEBI ICDR Regulations and shall continue to be in dematerialised form at the time of transfer.
- 2. that the portion of the offered Shares have been held by such Selling Shareholder for a minimum period of one year prior to the date of filing this Draft Prospectus, such period determined in accordance with Regulation 26 (6) of the SEBI ICDR Regulations
- 3. that they are the legal and beneficial owner of and have full title to the Offered Shares
- 4. that they shall provide all support and cooperation as may be reasonably requested by our Company and the LM to the extent such support and cooperation is in relation to its Offered Shares and in relation to necessary formalities for listing and commencement of trading at the Stock Exchanges, the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of the Offered Shares
- 5. that the Selling Shareholder specifically confirms that they shall not have any recourse to the proceeds of the Issue, until final listing and trading approvals have been received from the Stock Exchange
- 6. that they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Applicants for making a Applications in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Applications in the Offer, except as permitted under applicable law
- 7. that they shall not offer, lend, pledge, create lien, charge, encumber, sell, contract to sell or otherwise transfer or dispose of, directly or indirectly, any of the Equity Shares offered in the Offer

8. that they will provide such assistance as may be required by our Company and LM acting reasonably, in redressal of such investor grievances that pertain to the Equity Shares being offered pursuant to the Offer and statements specifically made or confirmed by it in relation to itself as a Selling Shareholder;
9. that they shall transfer the Offered Shares to an escrow demat account in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement; and
10. The Selling Shareholder has authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Applicants in respect of their Offered Shares

#### **Utilization of Net Proceeds**

Our Board certifies that:

- Our Company and the Selling Shareholder, severally and not jointly, specifically confirm that all monies received out of the Offer 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.
- details of all monies utilised out of the Fresh Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Offer proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Fresh Offer, if any, shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.
- the utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Offer Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- the details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested

## 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 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. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy and FEMA has been entrusted to the concerned ministries / departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), to October 15, 2020. Under the current FDI Policy where companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities 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 ("**Restricted Investor**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of 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 aforesaid restriction / purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. 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 Bids 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 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.**

For further details, see "*Offer Procedure*" on page 217.

## **SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

*Pursuant to the Companies Act and the SEBI ICDR Regulations, the Description of Equity Shares and Terms of the Articles of Association are detailed below. Capitalized terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.*

*The following regulations comprised in these Articles of Association were adopted pursuant a time of conversion partnership firm to a public limited company under part XXI of the Companies Act, 2013.*

### **MAIN ARTICLES OF ARTICLES OF ASSOCIATION**

#### **SHARE CAPITAL AND VARIATION RIGHTS**

Article 1 states that subject to the provisions of the Companies Act, 2013 (“**The Act**”, hereafter) 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.

Article 2 states that 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 provided one certificate for all his shares without payment of any charges or several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon. 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.

Article 3 states 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. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

Article 4 states that 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.

Article 5 states that 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 rules made thereunder. 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. 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.

Article 6 states that 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. To every such separate meeting the provisions of these regulations relating to 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.

Article 7 states that 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 shares ranking *pari passu* therewith.

Article 8 states that 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**

Article 9 states that the company shall have a first and paramount lien 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 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 be wholly or in part exempt from the provisions of this clause. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

Article 10 states that 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 unless a sum in respect of which the lien exists is presently payable or 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.

Article 11 states that to give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. 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.

Article 12 states that 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. 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.

### **CALL ON SHARES**

Article 13 states that 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. 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. A call may be revoked or postponed at the discretion of the Board.

Article 14 states that a call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

Article 15 states that the joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Article 16 states that 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. The Board shall be at liberty to waive payment of any such interest wholly or in part.

Article 17 states that 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. 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.

Article 18 states that 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**

Article 19 states that the instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. 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.

Article 20 states that the Board may subject to the right of appeal conferred by section 58 decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien.

Article 21 states that 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.

Article 22 states that 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**

Article 23 states the following -

- 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 sole holder, shall be the only persons recognised 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.

Article 24 states that 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 to be registered himself as holder of the share or to make such transfer of the share as the deceased or insolvent member could have made. 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.

Article 25 states that 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. If the person aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share. 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.

Article 26 states that 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 been complied with.

Article 27 states that in case of a One Person Company on the death of the sole member the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member the nominee on becoming entitled to such shares in case of the members death shall be informed of such event by the Board of the company 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 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**

Article 28 states that if a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

Article 29 states that the notice aforesaid shall 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 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.

Article 30 states that 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.

Article 31 states that a forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Article 32 states that 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. 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.

Article 33 states that 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. 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. The transferee shall thereupon be registered as the holder of the share; and 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.

Article 34 states that the provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **ALTERATION OF CAPITAL**

Article 35 states that 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.

Article 36 states that subject to the provisions of section 61, the company may, by ordinary resolution, consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; subdivide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and 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.

Article 37 states that where shares are converted into stock, 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.

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. 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.

Article 38 states that the company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, its share capital; any capital redemption reserve account; or any share premium account.

### **CAPITALISATION OF PROFITS**

Article 39 states that the company in general meeting may upon the recommendation of the Board resolve 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 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. 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 paying up any amounts for the time being unpaid on any shares held by such members respectively 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 partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B). 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. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

Article 40 states that whenever such a resolution as aforesaid shall have been passed the Board shall 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 generally do all acts and things required to give effect thereto. The Board shall have power 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 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 Any agreement made under such authority shall be effective and binding on such members.

### **BUY-BACK OF SHARES**

Article 41 states that 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**

Article 42 states that all general meetings other than annual general meeting shall be called extraordinary general meeting.

Article 43 states that the Board may whenever it thinks fit call an extraordinary general meeting. 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**

Article 44 states that 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. Save as otherwise provided herein the quorum for the general meetings shall be as provided in section 103.

Article 45 states that the chairperson if any of the Board shall preside as Chairperson at every general meeting of the company.

Article 46 states that 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.

Article 47 states that 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.

Article 48 states that in case of a One Person Company 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 such minutes book shall be signed and dated by the member the resolution shall become effective from the date of signing such minutes by the sole member.

### **ADJOURNMENT OF MEETING**

Article 49 states that 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. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. 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. 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**

Article 50 states that subject to any rights or restrictions for the time being attached to any class or classes of

shares on a show of hands every member present in person shall have one vote and 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.

Article 51 states that a member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

Article 52 states that in the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

Article 53 states that 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.

Article 54 states that any business other than that upon which a poll has been demanded maybe proceeded with pending the taking of the poll.

Article 55 states that 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.

Article 56 states that 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. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

### **PROXY**

Article 57 states that 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.

Article 58 states that an instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

Article 59 states that 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**

Article 60 states that 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. Following are the First Directors of the Company –

1. Mr. Shavte Ravi Kumar (also known as Shvate Sushma Kaull)
2. Mr. Zahid Akram Khan
3. Ms. Mahasweta Ghosh

Article 61 states that the remuneration of the directors shall in so far as it consists of a monthly payment be deemed to accrue from day-to-day. 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 in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company or in connection with the business of the company.

Article 62 states that the Board may pay all expenses incurred in getting up and registering the company.

Article 63 states that 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.

Article 64 states that all cheques promissory notes drafts hundis bill 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 Article 65 states that 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.

Article 66 states that 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. 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**

Article 67 states that the Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit. A director may and the manager or secretary on the requisition of a director shall at any time summon a meeting of the Board.

Article 68 states that save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.

Article 69 states that 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.

Article 70 states that the Board may elect a chairperson of its meetings and determine the period for which he is to hold office. 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.

Article 71 states that 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. 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.

Article 72 states that a committee may elect a chairperson of its meetings. 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.

Article 73 states that a committee may meet and adjourn as it thinks fit. 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.

Article 74 states that 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.

Article 75 states that 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.

Article 76 states that in case of a One Person Company 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 such minutes book shall be signed and dated by the director 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**

Article 77 states that subject to the provisions of the Act 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 A director may be appointed as chief executive officer manager company secretary or chief financial officer.

Article 78 states that 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**

Article 79 states that the Board shall provide for the safe custody of the seal. 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. A company may by writing (under its common seal if any) authorise any person either generally or in respect of any specified matters as its attorney to execute other deeds on its behalf in any place either in or outside India. (Provided that in case a company does not have a common seal the authorization under this sub-section shall be made by two directors or by a director and the company secretary wherever the company has appointed a Company Secretary).

#### **DIVIDENDS AND RESERVES**

Article 80 states that the company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

Article 81 states that 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.

Article 82 states that 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 thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.

Article 83 states that 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. 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. 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.

Article 84 states that 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.

Article 85 states that any dividend interest or other monies payable in cash in respect of shares may be 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Article 86 states that 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.

Article 87 states that 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.

Article 88 states that no dividend shall bear interest against the company.

### **ACCOUNTS**

Article 89 states that 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. 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**

Article 90 states that subject to the provisions of Chapter XX of the Act and rules made thereunder 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. 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. 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**

Article 91 states that 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 IX – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office between 10.00 a.m. and 5.00 p.m. on all Working Days from the date of the Prospectus until the Offer Closing Date.

#### **A. Material Contracts**

1. Offer Agreement dated August 08, 2024 entered into between our Company and the Lead Manager.
2. Registrar agreement dated August 22, 2024 entered into between our Company, and the Registrar to the Offer.
3. Tripartite Agreement dated October 25, 2023 between CDSL, our Company and the Registrar to the Offer.
4. Tripartite Agreement dated November 09, 2023 between NSDL, our Company and the Registrar to the Offer.
5. Banker to the Issue Agreement dated [●] between our Company, the Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Refund Bank(s) and the Registrar to the Offer.
6. Syndicate Agreement dated of [●] between our Company, the Lead Manager, the Syndicate Members and Registrar to the Offer.
7. Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
8. Underwriting Agreement dated of [●] between our Company, the Lead Manager and the Underwriters.

#### **B. Material Documents**

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of incorporation dated September 12, 2023.
3. Resolution of the Board of Directors dated July 11, 2024 authorising the Issue and other related matters.
4. Shareholders' Resolution passed at the Extra-ordinary General Meeting of the Company held on August 5, 2024 authorising the Issue and other related matters.
5. Resolution of the Board dated September 30, 2024 approving this Draft Prospectus for filing with the NSE.
6. Copies of annual reports of our Company for the last three Fiscals, i.e., 2024.
7. Statement of Tax Benefits dated September 17, 2024 issued by our Statutory Auditors included in this Draft Prospectus.
8. Certificate dated September 17, 2024 from Naik & Mehta Co., Statutory Auditors verifying the Key Performance Indicators (KPIs).

9. Consents of our Directors, Chief Financial Officer, Company Secretary and Compliance Officer, LM, Legal Counsel to the Offer, Statutory Auditor and Peer Reviewed Auditor, Registrar to the Offer, Bankers to the Offer, Bankers to our Company, Market Maker, Underwriters and Syndicate Members as referred to in their specific capacities.
10. Consent of the Statutory Auditors dated September 17, 2024 to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Statutory Auditor, and for inclusion of their examination report dated August 06, 2024 on examination of our Restated Financial Statements and the statement of possible special tax benefits dated September 17, 2024 in the form and context in which it appears in this Draft Prospectus.
11. Certificate dated September 17, 2024 from Naik & Mehta Co, Chartered Accountants, to include details regarding working capital requirements of the Company.
12. Due diligence Certificate dated [●] addressed to SEBI issued by the LM.
13. In-principle listing approval dated [●] from 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, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines 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 and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

## **SIGNED BY THE DIRECTORS OF OUR COMPANY**

Sd/-

---

**Shvate Sushma Kaul**  
**Managing Director**  
**DIN: 08295411**

**Place:** Mumbai

**Date:** September 30, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines 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 and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

Sd/-

---

**Zahid Akram Khan**  
**Executive Director**  
**DIN: 07126276**

**Place:** Mumbai

**Date:** September 30, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines 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 and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

## SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

---

**Chahan Vinod Vora**  
**Independent Director**  
**DIN: 10275707**

**Place:** Mumbai

**Date:** September 30, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines 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 and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

## SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

---

**Aneesh Mohan**  
**Non-Executive Director**  
**DIN: 10458463**

**Place:** Mumbai

**Date:** September 30, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines 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 and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

Sd/-

---

**Meenakshi Saini**  
**Independent Director**  
**DIN: 07455823**

**Place:** Mumbai

**Date:** September 30, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines 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 and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

---

**Manish B Sharma**  
**Chief Financial Officer**

**Place:** Mumbai

**Date:** September 30, 2024