



SILLY MONKS ENTERTAINMENT LIMITED

CIN: U92120TG2013PLC090132

Our Company was incorporated as Silly Monks Entertainment Private Limited on September 20, 2013 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 090132. The status of our Company was changed to a public limited company and the name of our Company was changed to Silly Monks Entertainment Limited by a special resolution passed on May 15, 2017. A fresh Certificate of Incorporation consequent upon conversion was issued on May 24, 2017 by the Registrar of Companies, Hyderabad. The Company's Corporate Identity Number is U92120TG2013PLC090132. For further details, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page no. 98 of this Prospectus.

Registered Office: 301, Ektha Pearl, 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad 500 084

Tele Fax No.: +91 - 40 - 2300 4518; **Email:** investor@sillymonks.com; **Website:** www.sillymonks.com

Contact Person: Ms. Sushma Barla, Company Secretary and Compliance Officer.

Our Promoters: Mr. Tekulapalli Sanjay Reddy and Mr. Anil Kumar Pallala

THE ISSUE

PUBLIC ISSUE OF 12,60,000 EQUITY SHARES OF ₹ 10 EACH ("EQUITY SHARES") OF SILLY MONKS ENTERTAINMENT LIMITED ("SMEL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 120 PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 1,512.00 LAKHS ("THE ISSUE"), CONSISTING OF FRESH ISSUE OF 9,70,000 EQUITY SHARES AGGREGATING TO ₹ 1,164.00 LAKHS AND AN OFFER FOR SALE OF 2,90,000 EQUITY SHARES BY MR. TEKULAPALLI SANJAY REDDY AND MR. ANIL KUMAR PALLALA (THE PROMOTER SELLING SHAREHOLDERS) AGGREGATING TO ₹ 348.00 LAKHS ("OFFER FOR SALE"), OF WHICH 72,000 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 11,88,000 EQUITY SHARES OF ₹ 10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.15% AND 25.60%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS 12.00 TIMES OF THE FACE VALUE

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.

For further details see "Issue Related Information" beginning on page no. 209 of this Prospectus.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page no. 217 of this Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 and 28 of the Companies Act, 2013.

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue 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 12.00 times the face value. The Issue Price (determined and justified by our Company and the Selling Shareholders in consultation with the Lead Manager as stated under "Basis for Issue Price" beginning on page no. 65 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

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 12 of this Prospectus.

COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Selling Shareholder assumes responsibility that this Prospectus contains all information about them as a Selling Shareholders in the context of the Offer for Sale and further assumes responsibility for statements in relation to themselves included in this Prospectus.

LISTING

The Equity Shares issued through this Prospectus are proposed to be listed on Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. Our Company has received an In Principle Approval letter dated September 14, 2017 from National Stock Exchange of India Limited for using its name in this offer document for listing our shares on the SME Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Ground Floor,
Alkesh Dinesh Modi Marg,

Fort, Mumbai - 400 001

Tel No.: +91 - 22 - 6216 6999

Fax No.: +91 - 22 - 2263 0434

Email: ipo@afsl.co.in

Website: www.afsl.co.in

Investor Grievance Email: feedback@afsl.co.in

Contact Person: Mr. Vimal Maniyar/ Mr. Swapnil Ukirde

SEBI Registration No.: INM000011344



BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road,

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Tel: +91 - 22 - 6263 8200;

Fax: +91 - 22 - 6263 8299;

Email: ipo@bigshareonline.com;

Website: www.bigshareonline.com

Investor Grievance Email: investor@bigshareonline.com;

Contact Person: Mr. Vipin Gupta

SEBI Registration No.: INR000001385

ISSUE OPENS ON

JANUARY 05, 2018

ISSUE CLOSES ON

JANUARY 10, 2018

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
Silly Monks Entertainment Limited / SMEL / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Silly Monks Entertainment Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Hyderabad.
Promoter(s) / Core Promoter	The Promoters of our Company: <ul style="list-style-type: none"> • Mr. Tekulapalli Sanjay Reddy • Mr. Anil Kumar Pallala
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page no. 119 of this Prospectus

Company related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Silly Monks Entertainment Limited.
Auditor of the Company (Statutory Auditor)	M/s. Ramasamy Koteswara Rao & Co., Chartered Accountants, having their office #8-2-293/82/IIII/573/M/1F, Road No. 82, Jubilee Hills, Hyderabad – 500 033.
Audit Committee	The committee of the Board of Directors constituted on December 22, 2017 as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013
Board of Directors / Board	The Board of Directors of Silly Monks Entertainment Limited, including all duly constituted Committees thereof.
Company Secretary and Compliance Officer	Ms. Sushma Barla
Director(s)	Director(s) of Silly Monks Entertainment Limited, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company
Excluded Promoter Group	A member of the promoter group namely G. Sudhakar Reddy with whom our Promoter namely Mr. Tekulapalli Sanjay Reddy has disassociated himself. For further details, please refer to the chapter titled “ <i>Our Promoters and Group Companies</i> ” on page no. 119 of this Prospectus.
Group Companies	<ul style="list-style-type: none"> • Ektha.Com Private Limited • Dream Boat Entertainment Private Limited For details please refer the chapter titled “ <i>Our Group Companies</i> ” on page no. 123 of this Prospectus
Key Management Personnel / KMP	Individuals described in the chapter titled “ <i>Our Management</i> ” on page no. 106 of this Prospectus
MOA / Memorandum of Association	Memorandum of Association of Silly Monks Entertainment Limited.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted on December 22, 2017 as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013
Registered Office	The Registered Office of our Company which is located at: 301, Ektha Pearl, 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad 500 084.
Registrar of Companies / RoC	Registrar of Companies, Hyderabad situated at 2nd Floor, Corporate Bhawan, GSI Post, Tattianaram Nagole, Bandlaguda, Hyderabad - 500 068.
Selling Shareholders	<ul style="list-style-type: none"> • Mr. Tekulapalli Sanjay Reddy • Mr. Anil Kumar Pallala

Term	Description
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted on December 22, 2017 as our Company's Stakeholders' Relationship Committee.
Subsidiaries	<ul style="list-style-type: none"> • Monkstar Music LLP • Event Monks Entertainment LLP • Dream Boat Entertainment Pte Limited For details please refer the chapter titled " <i>History and Certain Corporate Matters</i> " on page no. 98 of this Prospectus
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.

Issue Related Term

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 58 of SEBI ICDR Regulations and appended to the Application Form
Allotment	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue to the successful applicants
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted.
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form.
ASBA Application / Application	An indication to make an offer during the Issue Period by an Applicant pursuant to submission of the Application Form, to subscribe to the Equity Shares at a price as mentioned in the Prospectus, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Prospectus and Application Form
Banker(s) to the Company	Such banks, which are disclosed as Bankers to our Company in the chapter titled " <i>General Information</i> " on page no. 42 of this Prospectus
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being Axis Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled " <i>Issue Procedure</i> " beginning on page no. 217 of this Prospectus.
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches	Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.

Term	Description
Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL
Depositories Act	The Depositories Act, 1996, as amended from time to time
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Issue Account.
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited) 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 CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated Stock Exchange	SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE
Draft Prospectus	The Draft Prospectus dated August 23, 2017 issued in accordance with the SEBI ICDR Regulations
Eligible NRIs	An NRI from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to purchase the equity shares.
Escrow Agreement	Agreement dated December 15, 2017 entered into amongst the Company, the Selling Shareholders, Lead Manager, the Registrar and the Banker to the Issue to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Fresh Issue	The Fresh Issue of 9,70,000 Equity Shares by our Company of ₹ 10 each at a price of ₹ 120 per equity share aggregating to ₹ 1,164.00 lakhs, to be issued by our Company for subscription pursuant to the terms of this Prospectus
Fresh Issue Proceeds	The proceeds of the Fresh Issue as stipulated by the Company. For further information about use of the Fresh Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 58 of this Prospectus
Issue/ Issue Size / Public Issue/ IPO	This Initial Public Issue of 12,60,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 120 per equity share aggregating to ₹ 1,512.00 lakhs by our Company and the Selling Shareholders.
Issue Closing date	The date on which the Issue closes for subscription being January 10, 2018
Issue Opening date	The date on which the Issue opens for subscription being January 05, 2018
Issue Price	The price at which the Equity Shares are being issued by our Company and the Selling Shareholders in consultation with the Lead Manager under this Prospectus being ₹ 120 per share.
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.
Market Maker	The Reserved portion of 72,000 Equity shares of ₹ 10 each at an Issue Price of ₹ 120

Term	Description
Reservation Portion	aggregating to ₹ 86.40 lakhs for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated June 10, 2017.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
Non-Institutional Applicant	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Net Issue	The Issue of 11,88,000 Equity Shares of ₹ 10 each at ₹ 120 per Equity Share aggregating to ₹ 1,425.60 lakhs by our Company and the Selling Shareholders
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
NSE Emerge Platform	SME Platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Offered under Chapter XB of the SEBI ICDR Regulations.
Offer for Sale	The offer for sales of 2,90,000 Equity Shares by selling shareholders of ₹ 10 each aggregating to ₹ 348.00 lakhs for subscription pursuant to the terms of this Prospectus
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, 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 requires.
Prospectus	This Prospectus dated December 26, 2017, to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCBSs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI
Qualified Institutional Buyers / QIBs	Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
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/ Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited
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 ₹ 2,00,000
Self-Certified Syndicate Bank(s) / SCBSs	A Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCBSs is available at http://www.sebi.gov.in/pmd/scsb.pdf
Share Escrow Agent	Share Escrow agent appointed pursuant to the Share Escrow Agreement, being Bigshare Services Private Limited
Share Escrow Agreement	Agreement dated December 15, 2017 entered into between the Selling Shareholders, our Company, the Escrow Agent and the Lead Manager in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees.
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCBS (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	Aryaman Financial Services Limited and Aryaman Capital Markets Limited.
Underwriting	The Agreement among the Underwriters, the Selling Shareholders and our Company dated

Term	Description
Agreement	June 10, 2017.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

Technical / Industry related Terms

Term	Description
2G	Second Generation
3G	Third Generation
4G	Fourth Generation
CAGR	Compound Annual Growth Rate
CSO	Central Statistics Organisation
DIPP	Department of Industrial Policy and Promotion
DBEPL	Dream Boat Entertainment Pte. Ltd.
EBITDA	Earnings before interest, tax, depreciation and amortization
EMEL	Event Monks Entertainment LLP
EMDEs	Emerging Market and Developing Economies
FDI	Foreign Direct Investment
G-20 countries	Group Of Twenty Countries
GFD	Gross Fiscal Deficit
GDP	Gross Domestic Product
H2	Second Half Year
HK	Hong Kong
I&B	Information and Broadcasting
IMF	International Monetary Fund
iOS	iPhone Operating System
IPL	Indian Premier League
IPO	Initial Public Offering
ISM	The Institute for Supply Management's
LLP	Limited Liability Partnership
LTE	Long-Term Evolution
M&E	Media and Entertainment
MB	Megabyte
MD	Managing Director
MCN	Multi Channel Network
MML	Monkstar Music LLP
OECD	Organisation for Economic Co-operation and Development
OTT	Over-The-Top
PAN	Permanent Account Number
PMI	Purchasing Managers' Index
Q1 / Q2 / Q3 / Q4	Quarter One / Two / Three / Four
RBI	Reserve Bank of India
SME	Small or Medium Enterprise
SPV	Special-Purpose Vehicle
Sq.ft.	Square Feet
TS	Telangana State

Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India

Term	Description
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
CSR	Corporate Social Responsibility
CST	Central Sales Tax
DIN	Director Identification Number
DP	Depository Participant as defined under the Depositories Act
DP ID	Depository Participant’s identification
ECS	Electronic Clearing System
EOGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HNI	High Networth Individuals
HUF	Hindu Undivided Family
IAS Rules	Indian Accounting Standards, Rules 2015
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
IPO	Initial Public Offering
ISIN	International Securities Identification Number

Term	Description
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MICR	Magnetic ink character recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NoC	No Objection Certificate
NRE Account	Non Resident External Account
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	The Reserve Bank of India
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI LODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sec	Section
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985

Term	Description
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VAT	Value added tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.

CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this Prospectus are to the Republic of India. In this Prospectus, our Company has presented numerical information in “lakhs” units. One lakhs represents 1,00,000.

Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our audited financial statements as on and for the Fiscal Years ended March 31, 2017, 2016, 2015 and 2014 and for six months period ended September 30, 2017 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 12, 78 and 173 of this Prospectus, respectively, and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

Currency, Units of Presentation and Exchange Rates

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

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

Definitions

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page no. 1 of this Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page no. 264 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained 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. Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

All statements contained in this Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Digital Media Publishing Industry in India where we have our businesses 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 and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility 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, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in Digital Media Publishing Industries;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our failure to keep pace with rapid changes in technology;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to manage risks that arise from above factors;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks;
- Changes in consumer demand and
- Failure to successfully upgrade our products and service portfolio, from time to time.

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 12, 78 and 173 of this Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Prospectus. Our Company, the Selling Shareholders, our Directors,

the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend 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 requirements, our Company, the Selling Shareholders and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations on page nos. 78 and 173 of this Prospectus respectively as well as other financial and statistical information contained in this Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto.

Materiality

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

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

INTERNAL RISK FACTORS

1. Our revenues and profitability are directly linked to monetization of our Content. Any failure to monetize content could adversely affect our profitability and business growth.

Monetization of content means deploying content on distribution platforms so as to enable them to generate advertising & other related revenue from our content. The revenue is then shared by distribution platforms with us. Our profitability is directly linked with the monetization of the content. The actual monetization of the content acquired by us may vary from estimates for factors which may be beyond our control. In certain contents, we may not be able to monetize adequately to recover the costs associated with such contents.

Further, being a digital media publishing company we derive revenues from various types of digital content including but not limited to music, videos, films, short films web series etc. There is no specific process to compute which video or specific digital media item generated how much revenue, as some of the times these contents are even sold / hosted as a bundle or that they may be used with interlink ages. We have a programming team who generate/repurpose the content from the existing content e.g. scene mashups, genre based scene mashups etc Hence we may not be able to specifically project the expected revenues from a specific media content which we propose to acquire from the issue proceeds.

Further, we cannot give any assurance that all future contents would generate sufficient revenues to recover their cost involved. The content platforms may change their policies on revenue sharing or we may face increase in cost in the form of additional deployment charges or other charges as per future market conditions.

The aforementioned risks could adversely impact our profitability which could have a material adverse effect on our business, results of operations and financial condition.”

- 2. We depend on our relationships with platform owners for monetization of our Content Library. Any failure to maintain and grow these relationships could adversely affect our ability to distribute & monetize content, which would in turn affect our growth and profitability.***

Distribution platforms play a significant role in digital media. Our company has entered into an agreement with various industry players to provide the platform, the said relationship is established through our existing network formed by experienced team. We have entered into an agreement with Google Inc (YouTube), Yahoo, Vuclip, Amazon, Saavn etc. Any failure to maintain these relationships with the aforementioned platform owners or to establish and capitalise on new relationships, could harm our business or prevent our business from growing, which could have a material adverse effect on our business prospects, financial condition and results of operations.

- 3. Any failure to source content could adversely affect our profitability and business growth. Further, intensified competition may result in high cost of acquisition for content.***

The contents that are being published over platforms are either created by us i.e. by our in-house production or acquired through outright purchase or through syndicated method. In case of content which is bought by us, we own the copy rights of the content through an agreement with assignor and hence the publishing revenue is fully accrued to us. In case of syndication, we have entered into an agreement with the content partner which is subject to expiry.

Our ability to successfully acquire content depends on maintaining existing relationships and/ or forming new ones. If, we are unable to form new relationships or renew these arrangements in a timely manner or at all, or our access to content otherwise deteriorates, or if any party fails to perform under its agreements or arrangements with us, it could have a material adverse effect on our business prospects, financial condition and results of operations.

Further, our company faces competition from both organized as well as unorganized players. Intensified competition from these players may affect our ability to acquire the content, as it results into cost escalation from content providers. In recent years, demand for the limited content pool has increased, which has in turn contributed to an increase in costs for content acquisition. There can be no assurance that the costs of content acquisition will not continue to increase in the future, making it more difficult for us to access content cost-effectively. This could reduce our ability to sustain profit margins, which could have a material adverse effect on our business prospects, financial condition and results of operations.

- 4. Our ability to remain competitive may be adversely affected by emerging technologies with respect to distribution platform and our ability to adapt to such changes.***

The digital media and entertainment industry continues to undergo significant technological developments. Modernisation and technology up gradation is essential to reduce costs. Our technology and key infrastructure may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may not have the competitive edge. Although we strive to keep our technology, equipments and infrastructures in line with the latest technological standards, we may be required to implement new technology or upgrade the equipments employed by us. Further, the costs in upgrading our technology and modernizing the equipments are significant which could substantially affect our finances and operations. If we fail to exploit emerging technologies, it could have a material adverse effect on our business prospects, financial condition and results of operations.

- 5. We cannot forecast if a film will be successful. Also, change in consumer tastes further compromise our ability to predict which films will be successful with audiences. Further we have limited experience in producing films, which could adversely affect the quality and consequently the profitability of the films we produce.***

The demand for film production depends substantially on consumer taste that changes frequently in unpredictable ways. There is no way that will enable us to predict whether a film will be successful or not. The economic success of our films depends on many factors including consumer tastes, the cast, the marketing of the film and other tangible and intangible factors, which cannot be predicted. As on June 2017, we have co-produced Telugu Movies named 'Oohalu Gusagusalade', 'Dikkulu Choodaku Ramayya' & 'Tungabhadra' with Vaaraahi Chalana Chitram. Hence, we have limited experience in producing films, which could adversely affect the quality and consequently the profitability of the films we produce. Our limited experience may also make it more difficult to attract and retain creative talent. This could result in losses, which could have a material adverse effect on our business prospects and financial condition.

6. We cannot be certain that our Content Library do not infringe upon the intellectual property rights of third parties.

Although there are currently no pending or threatened intellectual property claims against us, infringement claims may be asserted against us in the future. There has been a substantial amount of litigations in the digital media industry regarding intellectual property rights. It is possible that in the future, third parties may claim that our group’s contents infringe their intellectual property. We expect that content developers will increasingly be subject to infringement claims as the number of competitors in our industry segment grows and the functionality of products in different industry segments overlap. In addition, our group may find it necessary to initiate claims or litigation against third parties for infringement of our group’s proprietary rights. Although we may disclaim certain intellectual property representations to our viewers, these disclaimers may not be sufficient to fully protect us against such claims.





We are required to provide specific indemnity relating to third party intellectual property rights infringement. In some instances, the amount of these indemnities may be greater than the revenues we receive. If we become liable to third parties for infringing their intellectual property rights, we could be required to pay a substantial damage award and be forced to develop non-infringing content or cease deploying the content that contain the infringing. Any claims or litigation in this area, irrespective of the outcome, could be time-consuming and costly and/or injure our reputation.

7. The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. We have not entered into any definitive agreements to utilise the proceeds of the Issue. Any variation between the estimation and actual expenditure on these projects could result in execution delays or influence our profitability adversely.

The deployment of funds as stated in the section titled “Objects of the Issue” on page no. 58 of this Prospectus are entirely at the discretion of our management and are not subject to monitoring by any independent agency. All the figures included under the “Objects of the Issue” are based on our own estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. We have specified the six cities in which we will be opening our offices but we have not specified the exact location of the offices. Also, the exact content that we will be buying from the proceeds of IPO has not been identified. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

8. We are applicants in respect of several trademark applications & copyright applications which are pending registration. A delay in, or failure to obtain, registration may result in our inability to adequately defend intellectual property rights.

We utilise the following intellectual properties in our business:

Sr. No.	Particulars of Mark	Mark Type	Applicant	Date of Filing	Application Number	Class
1.		Word	Silly Monks Entertainment Pvt. Ltd	December 27, 2013	2650549	41
2.		Device	Silly Monks Entertainment Pvt. Ltd	December 27, 2013	2650550	41
3.		Device	Silly Monks Entertainment Pvt. Ltd	December 27, 2013	2650551	41
4.		Device	Event Monks Entertainment LLP	May 01, 2015	2954370	41

Substantial portion of the IPs we currently use in business; are unregistered and our inability to use this IPs in the future due to objections from other players or other such delays in registration could cause substantial expenses in rebranding as well as reduce our sales and operational profits. For details of our Intellectual properties and legality status please refer “Our Business” and “Government and other Key Approvals” beginning on page nos. 78 and 195 of this Prospectus.

9. We are subject to risks arising from exchange and/or interest rate fluctuations.

Although our functional currency is the Indian rupee, our group transacts a significant portion of our business in several other currencies, particularly the US\$. Our exchange rate risk primarily arises from our foreign currency revenues, receivables, payables and other foreign currency assets and liabilities, including that of our subsidiaries.

Our Export revenue for the last 3 financial years are as mentioned below:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Export Revenue	58.46	242.05	155.73	74.09
% of Total Sales	30.15%	80.70%	77.38%	41.95%

A portion of our expenses, comprising personnel expenses, professional fees and operating and other expenses and will continue to be denominated and incurred in Indian Rupees. Therefore, changes in the exchange rate between the Rupee and other currencies, especially with respect to the US\$, may have a material adverse effect on our consolidated revenues, other income, cost of services, operating costs and net income, which may in turn have a negative impact on our business, operating results and financial condition. The exchange rate between the Rupee and the US\$ has been volatile in recent years and may fluctuate substantially in the future.

Further, our group has not entered into any foreign exchange forward contracts or any other hedging transaction to cover any outstanding consolidated accounts receivables and projected earnings in foreign currency. If there is a delay in the receivables outstanding in foreign currencies, or a sudden downward exchange rate movement in the currencies we deal in, then our consolidated revenues calculation in Rupee terms may be adversely impacted. Also, if we decide to hedge these receivables in the future, it may result in additional cash flows for premiums and commissions on the hedging instrument.

10. We require number of approvals, licenses, registrations and permits for our business and are required to comply with certain rules, regulations and conditions to operate our business and failure to obtain, retain or renew such approvals and licenses in a timely manner or to comply with the requisite rules, regulations and conditions may adversely affect our operations.

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. While we believe that we will be able to obtain the required permits and approvals as and when required there can be no assurance that the relevant authorities will issue any or all requisite permits or approvals in the time frame anticipated by us, or at all. Non-renewal of the permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals.

Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business and financial condition. For further details, please refer to the chapters titled “Key Regulations and Policies” and “Government and Other Key Approvals” beginning on pages no. 90 and 195 respectively, of this Prospectus.

11. Major Dependence on Digital Publishing Business for our revenue

We are substantially dependent on digital media publishing business for our revenue. In Fiscal 2017, our revenue from digital media publishing constitutes approximately 87% of our total revenue. We are yet to scale material

revenue from other business streams. Our dependence on a single stream for revenue generation could adversely affect our revenue from operations and financial conditions, in case of failure of digital media publishing stream

12. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects. For further information, see the sections titled “Our Management” and “Our Promoters and Promoter Group” on page nos. 106 and 119 respectively of this Prospectus and the section titled “Financial Statements” beginning on page no. 130 of this Prospectus.

13. Certain of our Subsidiaries have incurred losses during recent Fiscal Years.

The following Subsidiaries have incurred losses in recent Fiscal Years:

(₹ in lakhs)

Sr. No.	Name of Subsidiary	For the period ended September 30, 2017	Profits/(Losses) For March 31,		
			2017	2016	2015
1.	Monkstar Music LLP	1.81	1.74	(5.36)	-
2.	Event Monks Entertainment LLP	0.46	0.91	(2.02)	(5.40)
3.	Dream Boat Entertainment Pte. Ltd	70.27	116.84	31.11	(4.90)

For further details of our Subsidiaries, see the section titled “History and Certain Corporate Matters” on page no. 98 of this Prospectus.

14. Our success depends on our ability to retain and attract Key Managerial Personnel and, if we are not able to retain them or recruit additional qualified personnel, we may be unable to successfully develop and grow our business.

Our Company is depending significantly on the expertise, experience and continued efforts of our key managerial personnel. If one or more members of our key managerial personnel are unable or unwilling to continue in his/her present position, it may be difficult to find a replacement, and business might thereby be adversely affected. Our industry requires personnel with specific technical knowledge and experience for our business.

Competition for key managerial personnel in our industry is intense and it is possible that our Company may not be able to retain existing key managerial personnel or may fail to attract/ retain new employees at equivalent positions in the future. As such, loss of key managerial personnel could adversely affect our business, results of operations and financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled “Our Management” beginning on page no. 106 of this Prospectus.

15. Our international operations expose us to complex management, foreign currency, legal and economic risks. These risks may have a material adverse effect on our business prospects, results of operations and financial condition.

Our wholly owned subsidiary company DBEPL operates in Hong Kong. As a result of our existing and expanding international operations, we are subject to risks inherent to establishing and conducting operations in international markets, including (i) cost for compliance with a wide range of regulatory requirements; (ii) exchange rate movements; (iii) potential difficulties with respect to protection of our intellectual property rights;

The risks stated above and the constantly changing dynamics of international markets could have an adverse effect on our business prospects, results of operations and financial condition.

16. Certain of our subsidiary companies are been authorized to engage in a similar line of business.

The main object clause of our subsidiary companies - Dream Boat Entertainment Pte Ltd, Event Monks Entertainment LLP and Monkstar Music LLP permits them to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits.

Besides, our Company undertakes many business activities with our subsidiaries. For example, we have entered into a 'Service Contract' with our wholly owned subsidiary company, Dream Boat Entertainment Pte Ltd for sharing YouTube income. We have similar arrangements with our other subsidiaries and group companies and we try to ensure that all these transactions are carried out at an arms-length.

However, we cannot be assured that we shall be able to adopt necessary measures for mitigating any conflicts arising out the above arrangements and hence the same if not managed well, could adversely affect our results of operations and financial condition. For further details, please refer to the chapters titled 'Our Business', 'Our Group Companies', beginning on page nos. 78, 123 respectively and 'Annexure XXIV - Statement of Related Party Transactions' on page no. 170 of this Prospectus.

17. We have in the past entered into related party transactions and may continue to do so in the future and there can be no assurance that we could not have achieved more favourable terms if such transactions had been entered into with independent third parties.

Our Company has entered into certain transactions with our related parties including our Promoters, the Promoter Group, our Directors, their relatives and Group entities. While we believe that all such transactions have been conducted on the arms length basis, there can be no assurance that we could not have been achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter "Annexure XXIV – Statement of Related Party Transactions" beginning on page no. 170 of this Prospectus.

18. Our insurance coverage may prove inadequate to satisfy future claims against us.

Our business & assets could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be covered by insurance. Currently we do not have any insurance policy for any of our business or assets or properties except vehicle insurance. Thus any of the aforementioned losses will not be compensated to any extent. If we are required to take new coverage, there can be no assurance that a suitable coverage will be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. Presently, if we suffer a large uninsured loss our business, financial condition and results of operations may be adversely affected.

19. We do not own the registered office from which we operate. Any dispute in relation to the lease of our premises would have a material adverse effect on our business and results of operations.

Details of Property are illustrated in the below table:

Premises Leased	Name of Licensor	Amount of Rent & Security Deposit	Purpose
301, 'Ektha Pearl', No. 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad 500084. Admeasuring net carpet area of 5667 sq. ft. (59% of the parking of 3rd floor is earmarked to Lessee)	Reddeppagari Madhavi Relationship with Promoter: N.A.	<ul style="list-style-type: none"> ➤ From Sept 01, 2016 to May 31, 2017- Rent of ₹ 2,50,000 Per Month (Plus Service Tax). ➤ From 10 Month to 33 Month- Rent Of ₹ 2,75,000 Per Month (Plus Service Tax). ➤ From 34 Month to 57 Month Rent Of ₹ 3,00,000 Per Month (Plus Service Tax). <p>Refundable Security Deposit ₹ 15,00,000 Paid by cheque # 000802 dated September 01, 2016.</p>	Registered Office

We operate our SPV office at Hong Kong on a sharing basis with local associate. We also have a sale point in Cochin through our representative. However; our company does not bear any rental charges for these facilities and the same are built into our business understandings with local associate.

If any of the owners of these premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavourable to us, or if we are otherwise unable to occupy such premises, we may suffer a disruption in our operations or have to pay increased license fee, which could have an adverse effect on our business and financial results.

20. Our Company has allotted Equity Shares during the preceding one year from the date of the Draft Prospectus which is lower than the Issue Price.

We have issued certain Equity Shares in the one year from the date of the Draft Prospectus which is lower than the Issue Price. Details of such issuances are given in the table below:

Date of Allotment	No. of Equity Shares	Issue Price (₹)	Nature of Allotment	Allotted Person
May 24, 2017	31,47,000	Nil	Bonus Allotment	Allotted to all the Shareholders of the Company

Further, In fiscal 2017, our Company have allotted 1,06,500 equity shares for ₹ 282 per equity share to private investor before bonus. In May 24, 2017, our Company has issued bonus in the ratio of 6:1 i.e. 6 equity shares for every 1 equity share held to the shareholders and hence after bonus the price of per equity share falls below our issue price. For Further details of equity shares issued, please refer to the section titled “Capital Structure” beginning on page no. 49 of this Prospectus.

21. We have not made any provisions for decline in value of our Investments.

As on September 30, 2017, we hold investments in Unquoted Equity Instruments aggregating to ₹ 0.80 lakhs & investments in LLP’s aggregating to ₹ 44.60 lakhs as per Restated Standalone Financial Statements. We have not made any provision for the decline in value of these investments and hence as and when these investments are liquidated, we may book losses based on the actual value we can recover for these investments and if lower than the cost, the same could adversely affect our results of operations.

22. We are dependent on our Individual Promoters, Mr. Tekulapalli Sanjay Reddy and Mr. Anil Kumar Pallala for their expertise and market goodwill. Our separation, if any, from our Promoters may adversely affect our business.

Our promoters, Mr. Tekulapalli Sanjay Reddy has a vast experience in TV production house, selling of ad inventory & sponsorships over platforms, brand management & Mr. Anil Kumar Pallala holds an extensive experience as his career graph depicts many roles such as audio engineer, live sound mixing engineer & music producer.

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Also, they were instrumental in setting up our subsidiaries. Our Promoters have been actively involved in the day to day operations and management since the incorporation of the Company and also of our subsidiaries. Accordingly, our Group performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in their present position i.e. if any of our promoters decide to join any corporation in managerial capacity or otherwise, we may not be able to replace them easily or at all.

The loss of promoter’s services could impair our ability to implement our strategy, and our business, consolidated financial condition, results of operations and prospects may be materially and adversely affected.

23. Our Company has reported certain negative cash flows from its investing activity and operating activity, details of which are given below. Sustained negative cash flow could impact our growth and business.

Our Company had reported certain negative cash flows from our investing activities and operating activities in the previous years as per the restated financial statements and the same are summarised as under:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	Year ended March 31,			
		2017	2016	2015	2014
Net Cash from Operating Activities	(2.73)	116.60	28.33	(0.84)	(0.48)
Net Cash from Investing Activities	(54.50)	(335.29)	(58.58)	(47.57)	(38.26)
Net Cash used in Financing Activities	6.10	297.92	29.74	40.22	49.06

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

24. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

Employee misconduct or errors could expose us to business risks or losses, including termination of our contracts, regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

25. We have not disclosed the details of one of the members of the Promoter Group of our Promoter namely Mr. Tekulapalli Sanjay Reddy in the Prospectus, as required by SEBI ICDR Regulations, since we have not received any information from such person.

In accordance with regulation 2(1)(zb) of the SEBI ICDR Regulations, G. Sudhakar Reddy, is one of the members of the Promoter Group. However, information regarding G. Sudhakar Reddy and the companies in which he holds more than 10% shares is not available and therefore not disclosed in the in the Prospectus as such our Promoter has disassociated himself from such person. For further details please refer to the chapter “Our Promoter and Promoter Group” on page no. 119 of the Prospectus.

However, since we do not have access to any information pertaining to G. Sudhakar Reddy and in connection with the entities in which he is associated or interested, we are not in a position to confirm whether such entities if any, are subject to any pending legal or regulatory proceedings or whether any such action has been taken by any statutory/regulatory authority including SEBI and RBI against such entities if any.

26. Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.

Our business activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. We are unable to assure you that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may lead to strikes, lock-outs or increased wage demands. Such issues could have adverse effect on our business, and results of operations.

27. Our Company has not paid any dividends till now and there can be no assurance that we will pay dividends in future. Our ability to pay dividends in the future will depend upon a variety of factors such as future earnings, financial condition, cash flows, working capital requirements, and restrictive covenants in our financing arrangements.

Our Company has not paid any dividends till now and there can be no assurance that we will pay dividends in future. Our ability to pay dividends in the future will depend on our earnings, financial condition and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover our operating expenses and pay dividends to our shareholders, or at all. Our ability to pay dividends could also be restricted under the existing or certain financing arrangements that we may enter into.

- 28. *We propose to utilize a part of the Net Proceeds for general corporate purpose and our management will have the discretion to deploy the funds. In any case, the deployment towards general corporate purposes out of the IPO proceeds shall not exceed 25% from the said issue.***

We propose to utilize the Net Proceeds for purposes identified in the section titled “*Objects of the Issue*” and we propose to utilize the balance portion of the Net Proceeds towards general corporate purposes, namely, including but not restricted to for our working capital requirements, bank deposits, deposits for renting or otherwise acquiring business premises, margin money, acquiring business assets, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, starting new products or services, obtaining new or enabling accreditations and licenses, investment in business venture, strategic alignment, strategic initiatives as per the objects of the Company, expansion into new geographies, investment in securities, brand building exercises, strengthening of our marketing capabilities, implementing enterprise resource planning tools and methodology, in our operations and other project related investments and commitments and execution capabilities in order to strengthen our operations.

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

The success of our business will depend greatly on our ability to effectively implement our business and growth strategies. We plan to increase our revenue by moving to additional geographies as well as adding content to our existing content library. We believe our experience and expertise will help us in executing these business strategies; however we may not be able to execute our strategies in time or at all in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long- term business outlook.

- 30. *We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.***

Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition. We are operating in a niche segment & there are various players in our industry which are much larger than us. Also our principle platforms such as Google Inc (YouTube), Amazon, Vuclip, Yupp TV etc have their internal departments which are into content creation. If our platforms providers start their own content deployment instead of giving us a platform for deployment & sharing the revenue, that could adversely affect our revenue from operations and financial conditions.

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

This Issue comprises of Offer for sale of 2,90,000 Equity Shares by our Promoters / Promoter Groups. The proceeds from the Issue pertaining to the above sale shares will be paid to the aforesaid persons in proportion of the Equity Shares offered by them in the Issue and we will not receive any proceeds from the Issue. For further details, please refer the chapter titled “*Objects of the Issue*” on page no. 58 of this Prospectus.

- 32. *Any further issuance of Equity Shares by our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the investors’ shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

- 33. *Our Company (including our subsidiaries) has entered into agreements with various companies in different countries for association as business partners. Our ability to expand our business & procure new contracts or enter into beneficial business agreement may be affected by these agreements***

We have entered into an agreement with platform providers such as Vuclip, Amazon, Saavn etc. Our wholly owned subsidiary DBEPL has entered into an agreement with Google Inc (YouTube) for MCN. Further our ability to expand our business & procure new contracts or enter into beneficial business agreement may be affected by these agreements, there are certain clauses in those agreements which may restrict our business abilities. Such restrictive

clauses hamper our ability to offer services to new customers and which may adversely affect our business and growth. In case of any intentional or unintentional violation of any of the terms of the business agreements with our business partners, they may terminate the association. Further, our business partner may also initiate any legal proceedings against us in case of violations of the terms of the agreement. If any of these legal proceedings materialise, it may affect market image, brand value our consolidated financial condition seriously.

34. *The Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.*

The Issue price based on numerous factors and may not be indicative of the market price for our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that you will be able to resell your Shares at or above the Issue Price. Among the factors that could affect our Share price are: quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net profit and income; changes in income 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.

35. *The acquisition of other companies, businesses or technologies in the future could result in operating difficulties, integration issues and other adverse consequences due to our limited past experience in acquiring businesses.*

We have acquired 100% stake in Dream Boat Entertainment Pte. Ltd. in the year 2014-15, thus making it our wholly owned subsidiary. To foster our growth, we may consider making additional acquisitions in the future to expand our business. However, we have limited experience in acquiring businesses, and any acquisitions we undertake could limit our ability to integrate an acquired business and may create unforeseen operating difficulties and expenditures, including potentially dilutive issuances of the Equity Shares, incurrence of debt, contingent liabilities or amortization expenses or write-offs of goodwill, difficulties in integrating the operations, technologies, research and development activities, personnel and distribution, marketing and promotion activities of acquired businesses and ineffectiveness or incompatibility of acquired technologies.

Further; when we acquire businesses we may have to pay a certain amount of premium to the outgoing management / shareholders for synergic benefits that we may accrue compared to standalone valuations of those firms / businesses / companies. Our inability to identify suitable acquisition opportunities or adequately priced acquisitions, entering into agreement with such parties or obtain the necessary financing to make such acquisitions could adversely affect our future growth. Moreover, the costs of identifying and consummating acquisitions may be significant. Also, acquired assets or businesses may not generate the financial results we expect. We may also have to obtain approvals and licenses from the relevant government authorities for the acquisitions and to comply with any applicable laws and regulations, which could result in increased costs and delay. We cannot assure you that we will be able to achieve the strategic objective for such an acquisition. Furthermore, if an acquisition generates insufficient revenues or if we are unable to manage our expanded business operations efficiently, our consolidated results of operations could be materially and adversely affected.

36. *System failures or inadequacy and security breaches in computer systems may adversely affect our business.*

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communication services. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of services our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security.

Any failure to effectively maintain or improve or upgrade our systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

RISK FACTORS RELATED TO EQUITY SHARES

37. *Any further issuance of Equity Shares by Our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.*

Any future issuance of Equity Shares by our Company could dilute the investors' shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

38. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.*

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements, and that of our Subsidiary and the dividends they distribute to us. In the past, we have not made dividend payments to the Shareholders of our Company. The Company may decide to retain all future earnings, if any, for use in the operations and expansion of the business. In such situation, the Company 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 and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot state with any certainty whether we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

EXTERNAL RISK FACTORS

39. *The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.*

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation.

To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavour to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the

Companies Act, 2013, which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

40. Any changes in the regulatory framework could adversely affect our operations and growth prospects.

Our Company is subject to various regulations and policies. For details see section titled “Key Industry Regulations and Policies” beginning on page no. 90 of this Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

41. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and prospects.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. The GOI has introduced a comprehensive national goods and services tax ("GST") regime that has combined taxes and levies by the Central and State Governments into a unified rate structure which is effective from July 1, 2017. While the GOI and other state governments have announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

Further, the General Anti Avoidance Rules ("GAAR") are proposed to be made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

We have not determined the impact of these proposed legislations on our business. Uncertainty in the applicability, Interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, 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 impact the viability of our current business or restrict our ability to grow our business in the future. Further, the GoI may introduce a waiver or incentive scheme in relation to specific population segments such as MSEs in public interest, pursuant to which we may be required to Issue our products and services at discounted rates. This may affect our business and results of operations.

42. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse affects on our operations and financial performance.

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

43. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

44. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.*

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in NIFTY, NSE's/SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

45. *Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.*

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

46. *We will prepare our financial statements from April 01, 2018 onwards under the Indian Accounting Standards ("Ind AS"). As Ind AS is different in many respects from Indian GAAP, our financial statements from April 1, 2018 may not be comparable to our historical financial statements and our financial statements for the year ending March 31, 2017 prepared under Indian GAAP may not be comparable to our financial statements for the year ending March 31, 2017 prepared under Ind AS for comparison purposes. In addition, our transition to Ind AS reporting could have an adverse effect on our business and results of operations.*

We currently prepare our financial statements under Indian GAAP. The Companies (Indian Accounting Standards) Rules, 2015 ("IAS Rules"), as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, enacted changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial statements of the companies to which they apply shall be prepared and audited in accordance with Ind AS. Ind AS is different in many respects from Indian GAAP. All NBFCs and HFCs having a net worth of more than ₹ 5,000.00 million are required to mandatorily adopt Ind AS for the accounting period beginning from April 01, 2018, with comparatives for the period ending on March 31, 2017. Although any company may voluntarily implement Ind AS for the accounting period beginning from April 01, 2015, we intend to implement Ind AS for the accounting period beginning from April 01, 2018. As there is not yet a significant body of established practice, such as interpretations of Ind AS, on which to draw in forming judgments regarding the Ind AS implementation and application, we have not determined with any degree of certainty the impact the adoption of Ind AS will have on our financial statements. However, we know that the Ind AS will change our methodology for estimating allowances for doubtful debt losses. Ind AS will require us to value our NPAs by reference to their market value (if a ready market for such loans exists) or to calculate the present value of the expected future cash flows realisable from our loans, including the possible liquidation of collateral (discounted at the loan's effective interest rate) in estimating allowances for doubtful debt losses. This may result in us recognising higher allowances for doubtful debt losses in the future, which will adversely affect our results of our operations. Accordingly, our

financial statements for the period commencing from April 01, 2018 may not be comparable to our historical financial statements and our financial statements for the year ending March 31, 2017 prepared under Indian GAAP may not be comparable to our financial statements for the year ending March 31, 2017 prepared under Ind AS for comparison purposes.

In our transition to Ind AS reporting, we may encounter difficulties in the on-going process of implementing and enhancing our management information systems. Our management may also have to divert significant time and additional resources in order to implement Ind AS on a timely and successful basis. Moreover, there is increasing competition for the small number of Ind AS experienced accounting personnel available as more Indian companies begin to prepare Ind AS financial statements. Therefore, our transition to Ind AS reporting could have an adverse effect on our business and results of operations.

PROMINENT NOTES

1. Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
2. The Net Worth of our Company (net of revaluation reserves) is ₹ 439.01 and ₹ 414.65 lakhs and the book value of each Equity Share was ₹ 11.96 and ₹ 79.06 as of September 30, 2017 and March 31, 2017 as per our Restated Financial Statements. For more information, please refer the Section titled “*Financial Information*” beginning on page no. 130 of this Prospectus.
3. Public Issue of 12,60,000 Equity Shares for cash at price of ₹ 120 per share including a premium of ₹ 110 aggregating to ₹ 1,512 lakhs. The Issue will constitute 27.15 % of the post-Issue paid-up Equity Share capital of our Company.
4. The average cost of acquisition of Equity Shares by our Promoters is.

Promoters	Average cost (₹)
Mr. Tekulapalli Sanjay Reddy	1.43
Mr. Anil Kumar Pallala	1.43

5. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page no. 65 of this Prospectus.
6. The details of transactions by our Company with our Group Companies or associate during the last year are disclosed under “*Annexure XXIV - Statement of Related Party Transactions*” on page no. 170 of this Prospectus.
7. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of the Draft Prospectus.
8. Our Company was incorporated as Silly Monks Entertainment Private Limited on September 20, 2013 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 090132. The status of our Company was changed to a public limited company and the name of our Company was changed to Silly Monks Entertainment Limited by a special resolution passed on May 15, 2017. A fresh Certificate of Incorporation consequent upon conversion was issued on May 24, 2017 by the Registrar of Companies, Hyderabad. The Company’s Corporate Identity Number is U92120TG2013PLC090132

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

INDIAN ECONOMIC SCENARIO

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). The Government of India has forecasted that the Indian economy will grow by 7.1 per cent in FY 2016-17. As per the Economic Survey 2016-17, the Indian economy should grow between 6.75 and 7.5 per cent in FY 2017-18. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices. India's consumer confidence index stood at 136 in the fourth quarter of 2016, topping the global list of countries on the same parameter, as a result of strong consumer sentiment.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

India's gross domestic product (GDP) grew by 7 per cent year-on-year in October-December 2016 quarter, which is the strongest among G-20 countries, as per Organisation for Economic Co-operation and Development (OECD) Economic Survey of India, 2017. According to IMF World Economic Outlook Update (January 2017), Indian economy is expected to grow at 7.2 per cent during FY 2016-17 and further accelerate to 7.7 per cent during FY 2017-18.

The Union Budget, 2017-18 deferred the target for the gross fiscal deficit (GFD) to GDP ratio of 3.0 per cent to 2018-19 from 2017-18. Nevertheless, the government remained committed to the spirit of fiscal consolidation as the Centre's GFD is budgeted to decline by 0.3 percentage point to 3.2 per cent in 2017-18 through an increase in non-debt receipts, particularly tax revenues and disinvestment proceeds. This makes room for enhanced budgetary allocation for the farm and rural sectors, social and physical infrastructure, and employment generation. Future fiscal consolidation is contingent upon efficient revenue mobilisation - broadening the tax base; and incentivising digital payments.

(Source: <https://rbi.org.in/Scripts/PublicationsView.aspx?id=17454>)

India | Economic Forecasts | 2016-2020

Overview	Actual	Q2/16	Q3/16	Q4/16	Q1/17	2020	
GDP Growth Rate	1.70	1.9	1.6	1.7	1.7	1.3	percent
Unemployment Rate	4.90	4.7	5	4.8	4.8	4.6	percent
Inflation Rate	5.76	5.05	4.87	4.64	5.1	3.8	percent
Interest Rate	6.50	6.5	6.5	6.5	6.5	4.75	percent
Balance of Trade	-6272.90	-19200	-19000	-7764	-7826	-10115	USD Million
Government Debt to GDP	67.20	67.87	68.01	68.15	68.69	77.11	percent

(Source: www.ibef.org/economy/indian-economy-overview)

Digital Media Publishing Industry Global and Indian Economy

Global Trends: Transition to On-Demand Content

Media consumption across the globe is increasingly happening in digital formats. The increase in the number of devices capable of supporting digital media along with increasing internet access speed, has provided consumers with an option to access the media content of his choice be it information, entertainment or social activity anytime, anywhere. Media consumption in the US has shown tremendous increase and has seen a significant jump from traditional media to new (digital) media. The rise of digital media players such as Netflix, Hulu, Amazon, Apple TV, Roku, and Boxee, etc. are challenging the traditionally maintained supremacy of the television as the main entertainment hub.

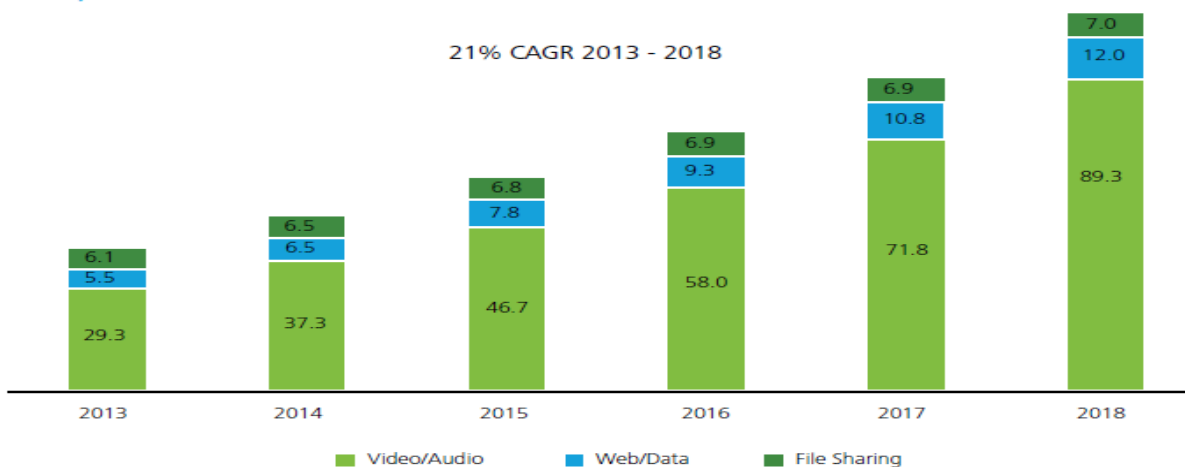
Mobile devices driving the digital consumption Online media consumption has shown tremendous growth over the past few years. Among the digital devices, mobile devices have taken over as the preferred medium of consuming online media. The smartphone market has seen an unprecedented growth in the last 5 years. Smartphone devices across the globe grew at a CAGR of 17% as compared to 9.5% growth in all mobile devices. Smartphones crossed 2 billion mark in 2014 and are expected to reach 4.6 billion by 2019. This increase in the number of mobile devices is making it easier for consumers to access music and video content on the go. In 2014, the smartphone mobile data traffic alone stood at

1.73 EB per month (69% of global mobile data traffic), which is expected to grow 10-fold from 2014 to 2019, a compound annual growth rate (CAGR) of 60%. Tablet mobile data traffic will grow 20-fold from 2014 to 2019 (CAGR of 83%) to reach 3.2 EB per month.

The internet has been and continues to be a disruptive force impacting distribution and consumption channels for media. With better networks, coverage, and advanced technologies (3G, 4G / LTE) the data consumption across the globe has risen. Audio & Video drive the global digital media consumption. Most of this data growth is attributed to different digital media especially the entertainment services like video, audio etc.

Globally, video and audio traffic has dominated the internet data consumption for some years now. The devices used to access digital content have evolved in the last few years that have increased the array of platforms on which a user can stream audio and video content. Netflix share of internet traffic in North America increased further and accounted for 34% of data flowing to consumers during the peak times in first half of 2014. 2 Over-the-top (OTT) service providers like YouTube and Subscription-based digital content providers like Spotify have also acted as a catalyst in the growth of audio/video data streaming. The global audio and video traffic combined is expected to reach 82% of all internet traffic by 2018.

Figure 2 : Video and Audio will generate 89% of Consumer Internet Data Traffic by 2018 (Exabytes per month)



Source: CISCO VNI report, 2014

Marketers are shifting their advertising spends towards digital media. There is a marked shift in consumer preferences towards digital media consumption as compared to traditional forms of media which include TV, print press, and radio. People are spending more time each day on digital rather than traditional forms of media. Data from the US and the UK have shown that in last 4 years, there has been a significant increase in the time that people spend on digital media. The increasing popularity of digital media has provided for a paradigm shift in the global advertising spends. Marketers are following the changing trend and increasingly allocating their budget to digital mediums. Spending on digital media as a percentage of total advertising spend is expected to increase from 21% in 2010 to 28% in 2015. It is further expected to reach 36% by 2020. This increase is mainly coming by cannibalizing traditional advertising mediums like print.

Digital Media Landscape in India

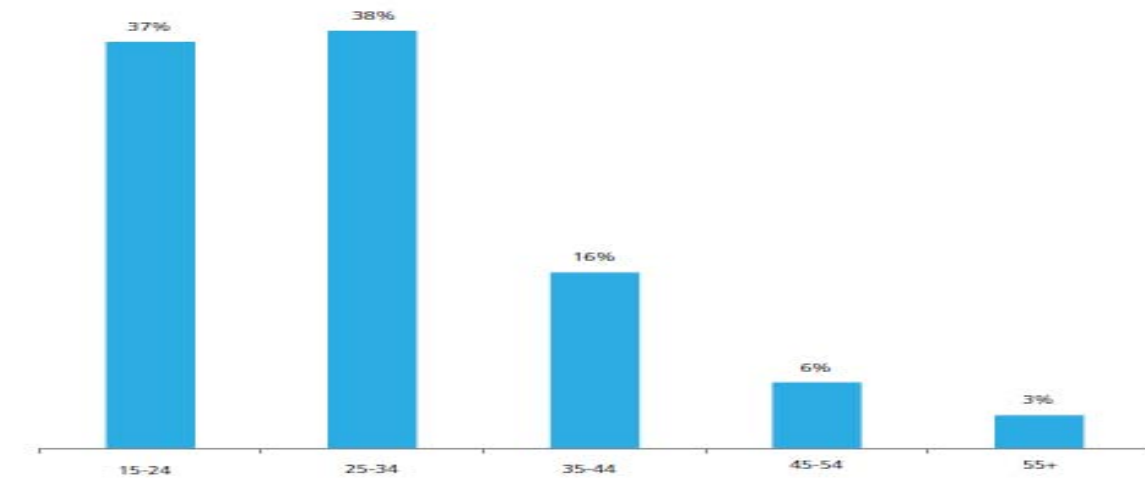
In line with global trends, the Indian consumer is increasingly consuming the content on digital platforms. This trend is observed for all type of content including news (text), music (audio), or video. Increasing internet penetration and mobile device proliferation and convenience of consuming the content anytime, anywhere are the key drivers for this trend.

Rapidly increasing internet users

India added 43 million internet users (20.5% growth) from October 2013 to September 2014 and total internet users crossed 254 million in September 2014. Out of these, 235 million users accessed internet through mobile devices. The growth in internet users was seen both in rural and urban parts of India. Internet users in rural India is expected to reach 138 million by June 2015, while 216 million internet users are expected to be in urban India by then. With improved networks, better access to internet, multimedia service-capable mobile devices and application development ecosystem, more and more media consumption would happen on digital platforms.

India has around 300,000 app developers and is already the second largest Android developer community in the world after the US. While the internet user base in India is growing at a rapid rate; most of these users (75%) belongs to the age group of less than 35 years. More than half of the app users in India are aged between 18 and 24 years and a further 29% between 25 and 35. 45% of these users reside in the top 4 metros.

Figure 5: Indian internet users - age wise distribution

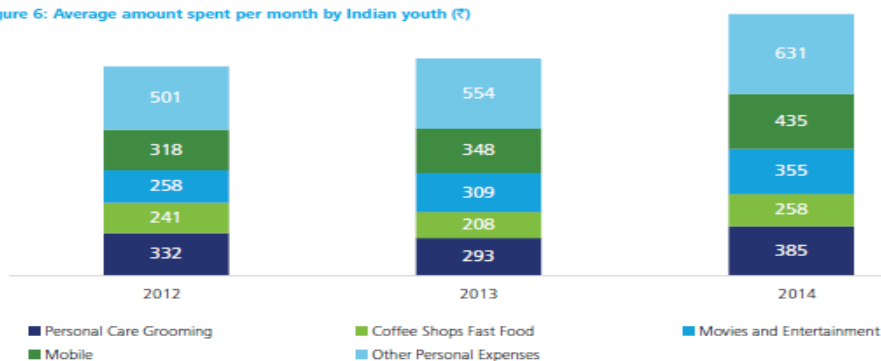


Source: vserv.com

Higher spend on entertainment services by youth

On an average, an internet connected user in India spends 14% of his or her time and 17% of his or her monthly spending on entertainment. Combined spend by an internet user on Mobile and Entertainment increased by 34% in two years from 2012 to 2014.

Figure 6: Average amount spent per month by Indian youth (₹)



Source: Hindustan Times Report *

In terms of media consumption, an average mobile web user in India consumes about 6.2 hours of media daily which includes 102 minutes of mobile media and 79 minutes of online (desktop) media consumption. Social media and entertainment (Music & Video) are the two activities on which the Indian mobile internet users spend their time the most followed by games, general search, and emails. Out of the total time spent on digital media by youths, about 21% of the time is spent on audio and video entertainment. Spending per month by users on digital media especially entertainment is expected to grow by 2.5 times by 2020. A similar trend is expected for the time spent on consuming the digital media services. Mobile Devices Driving Digital Media Consumption Internet traffic originating from mobile devices in India has already surpassed the desktop internet traffic. Most of the users are now accessing internet via mobile devices. In rural India mobile internet users are set to grow at a rate of 33% from October 2014 to reach 49 million by March 2015 and 53 million by June 2015. In urban India, this number is expected to reach 143 million by March 2015 and 160 million by June 2015.

Current smartphone penetration in India stands at 13.4% up from 10% in 2014. As per the study done by Deloitte across 25 countries, at 25-35% smartphone penetration data growth gains further impetus and more than doubles as compared to previous period.

This is mostly driven by the data hungry applications and on-demand services. India is likely to follow the global trend and point of 30% smartphone penetration will see tremendous data growth with even more adoption of data hungry applications / services on mobile devices. Smartphone shipments exceeded forecasts in 2014 leading to the availability of increased potential mobile data users. Average smartphone price in India in 2014 stood at \$135 and about 84 million smartphone units were sold in 2014. The average Smartphone price is expected to fall over the next few years to \$100 while the sales volume is expected to rise to more than 350 units per year by 2020. However, 5-10% extra fall in the prices may increase the sales and penetration more than expected thereby contributing to even higher data growth.

Rising data consumption with smartphone penetration:

While the proliferation on mobile devices would enable the digital media consumption, data prices, and anywhere connectivity would play equally important role in shaping the digital media consumption habits among Indian users. Average data price per MB on mobile networks has fallen significantly over the past few years; however, mobile data tariffs are likely to mirror the trends in 2G market where voice tariffs in India are stabilizing after long period of sharp falls.

Average data consumption per user in 2014 was 688 MB per user for 3G and 216 MB per user for 2G. On an average, a 3G user consumed about 3x data payloads as compared to 2G counterparts. Further, with high smartphone usage and lower data tariffs, India has already started experiencing S-curve data growth and this trend is expected to continue in the near future.

With more subscribers using faster access technologies, data would consequently grow faster. With faster technology, there is an increase expected in adoption of data hungry applications especially entertainment services like On-demand music and video streaming and download. In 2014, about 47% of mobile data traffic was contributed by streaming / downloading audio and video services. As data networks improve in India, it is expected that users would start using higher levels of data. The contribution from on-demand entertainment services is estimated to grow to more than 74% by 2020.

(Digital Media: Rise of On-demand Content, Deloitte)

India Media and Entertainment 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.

Market Dynamics

The Indian media & entertainment sector is expected to grow at a Compound Annual Growth Rate (CAGR) of 14.3 per cent to touch ₹ 2.26 trillion (US\$ 33.9 billion) by 2020, while revenues from advertising is expected to grow at 15.9 per cent to ₹ 99,400 crore (US\$ 14.91 billion). Over FY 2015-20, radio will likely grow at a CAGR of 16.9 per cent, while digital advertising will grow at 33.5 per cent. The largest segment, India's television industry, is expected to grow at a CAGR of 15 per cent, while print media is expected to grow at a CAGR of 8.6 per cent.

India is one of the highest spending and fastest growing advertising market globally. The country's expenditure on advertising is estimated at 15.5 per cent in 2016, and is expected to grow by 11.2 per cent in 2017, based on various media events like T20 Cricket World Cup, the Indian Premier League (IPL) and State elections. Television segment, which continues to hold highest share of spending, is expected to grow by 12.3 per cent in 2016 and 11 per cent in 2017, led by increased spending by packaged consumer goods brands and e-commerce companies.

The Foreign Direct Investment (FDI) inflows in the Information and Broadcasting (I&B) sector (including Print Media) in the period April 2000 – December 2016 stood at US\$ 6.3 billion, as per data released by Department of Industrial Policy and Promotion (DIPP).

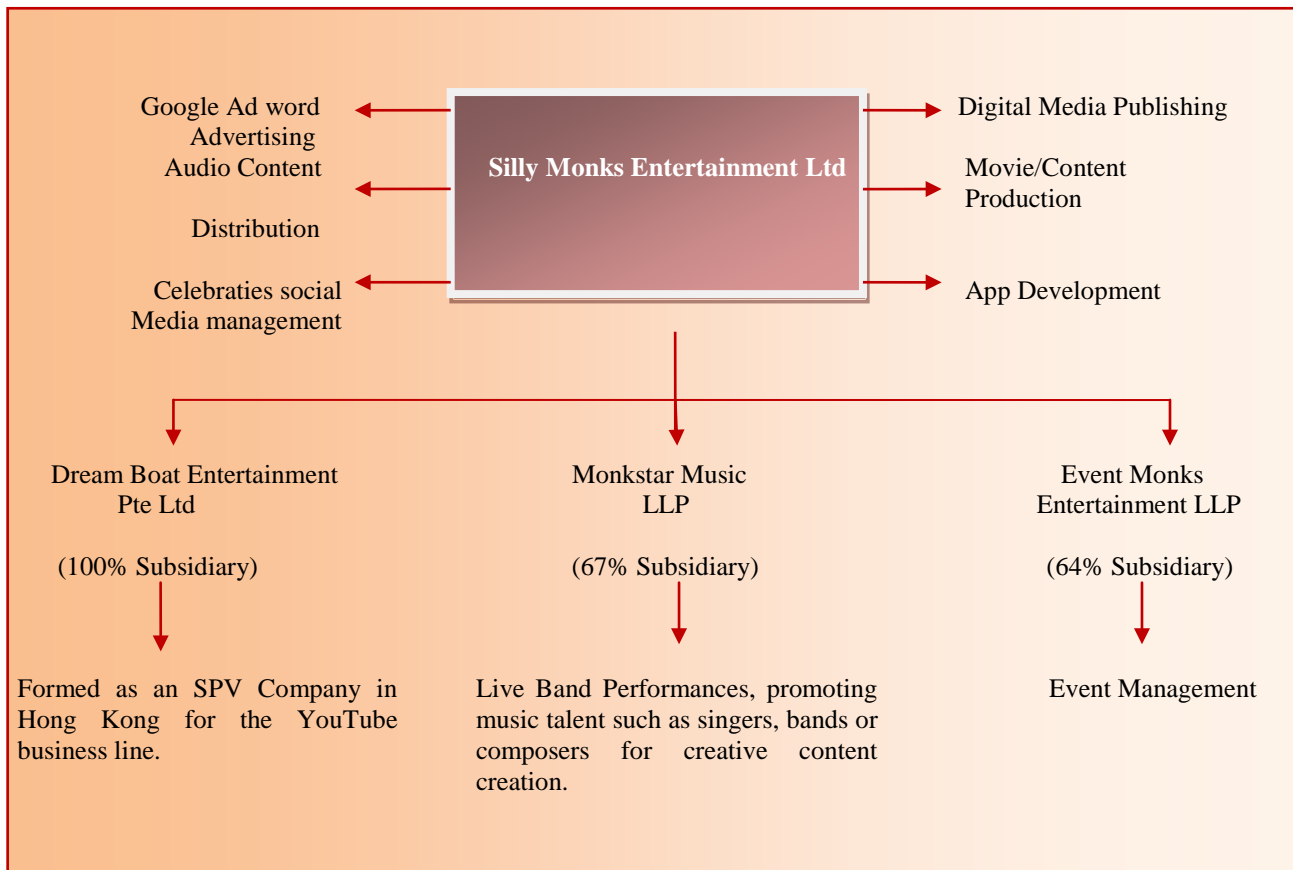
(<https://www.ibef.org/industry/media-entertainment-india.aspx>)

SUMMARY OF OUR BUSINESS

OVERVIEW

We are a ‘South India’ based entertainment & media startup with a focus of being a recognized & fast growing player in areas such as digital media publishing, movie/content production, celebrities social media management, App development, Audio content Distribution, Google Ad word and online / digital Advertising, event management, and live band performances.

Our business lines / model are as are as illustrated below:



Our main focus currently is Digital Media Publishing. We publish our content on various platforms such as YouTube, Facebook, Amazon, Vuclip etc. The contents that are being published over these platforms are either created by us i.e. by our in-house production or acquired through outright purchase or through syndicated method. In case of content which is bought by us, we own the copy rights of the content through an agreement with assignor and hence the publishing revenue is fully accrued to us. When the content is through syndication, we share the revenue with the content partner.

We have been growing our focus in movie production; wherein we have co-produced Telugu Movies named Oohalu Gusagusalade’ ‘Dikkulu Choodaku Ramayya’, & Tungabhadra with Vaaraahi Chalana Chitram. We are also planning to venture into the Hindi Film industry through our co produced venture ‘The Great Indian Escape’ with KIK Butt Entertainment.

Our company’s consolidated revenues have increased at a CAGR of 91.42% from ₹ 327.98 lakhs in FY 2014-15 to ₹ 1,201.82 lakhs in FY 2016-17; EBITDA has increased at a CAGR of 209.51% from ₹ 19.69 lakhs in FY 2014-15 to ₹ 188.66 lakhs in FY 2016-17.

Apart from our promoters Mr. Tekulapalli Sanjay Reddy & Mr. Anil Kumar Pallala, our startup has been funded by well renowned personalities such as Mr. Ranganathasai Korrapati who is a film producer and distributor known for his works predominantly in Telugu cinema & Mr. Sreenivasa Reddy Musani who is Chairman and Managing Director of

Hyderabad based Ektha Group which operates in Information Technology, Engineering, Business Process, Data Processing, Multimedia & Real Estate. Our vision is to be the first media start up to get listed on SME Exchange Platform in India and to utilize the funds raised towards fast expansion of our business operation across pan India & for growing our content library. For further details of our fund utilization please refer to “*Objects of the Issue*” beginning on page no. 58 of this Prospectus.

Our Strengths

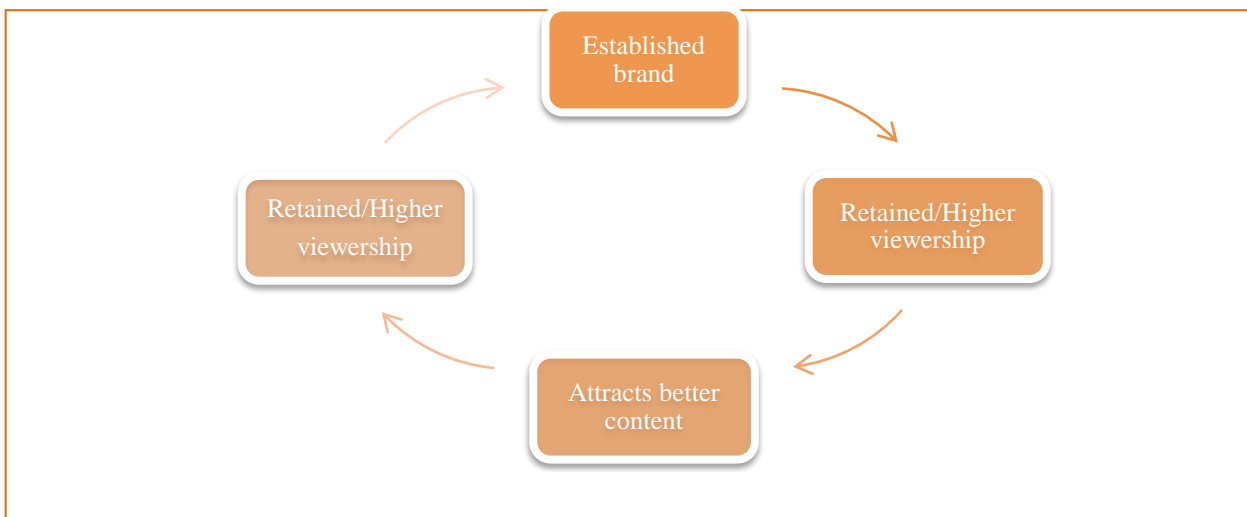
Following are our major strengths:

1. Experienced & Qualified Team:

Our senior management team is experienced in this industry and in the application of marketing and distribution initiatives in this sector. The Promoters and the senior management team of our Company have significant industry experience and have been instrumental in the consistent growth of our Company’s performance. Our Managing Director & founder Mr. Tekulapalli Sanjay Reddy has a vast experience in TV production house, selling of ad inventory & sponsorships over platforms, brand management. Our Director Mr. Anil Kumar Pallala holds an extensive experience as his career graph depicts many roles such as audio engineer, live sound mixing engineer & music producer. Further our promoter directors are supported by a team of well qualified and experienced professionals. We believe that our management team's experience and their understanding of the Digital Media business will enable us to continue to take advantage of both current and future opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition. 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. 106 of this Prospectus.

2. Established brand within the niche Digital Media Publishing space:

Branding is one of the most important aspects of any business. Brand strategy is what, where, when, how and to whom you plan on communicating and delivering on your brand messages, where you advertise is a part of your brand strategy. Distribution channels are also a part of the brand strategy. Through our focus on quality content we believe that we have become a well known brand name in the business of Digital Media Marketing. In India, there are around 8 well known Multi Channel Networks for YouTube & we are one of them. As on December 13, 2017, we have 972 channels under our network and the “Silly Monks Multi Channel Network (MCN)” along with its affiliates has delivered approximately 376 Million+ views in the month of November, 2017. The benefit of branding is depicted as below:



As our YouTube Multi Channel Network becomes more popular and attracts more & more viewers this would make us a stronger brand in this space and hence continue to attract better content and hence again continue to retain / attract viewership making this a healthy cycle which would provide us with a competitive edge against newer players / entrants in the future.

3. Diverse and growing Content Library:

In the business of Digital Media Publishing, a strategic marketing approach is important which is focused on creating and distributing valuable, relevant, and consistent content to attract and retain a clearly defined audience and ultimately, to drive profitable customer action. Secondly, your content must benefit a clearly defined audience focusing what are the wants, needs, interests, questions, concerns of the defined audience. Silly Monks has developed a vast & diversified content library of its own. Some content has been created by our in-house team, some content has been bought by us & some content has been syndicated one. Our major focus is on bringing the innovation in our content & making it audience focused. Our library has content which is meant for audience of different age group, which is in different languages & it is growing continuously.

4. Strong Fiscal planning and global business approach:

We have applied a global approach to our business. We have our wholly owned subsidiary Dream Boat Entertainment Pte. Ltd. (DBEPL) located at Hong Kong. DBEPL has entered into an agreement with Google Ireland Limited (YouTube) for content hosting services & the revenue generated from YouTube is realized by the SPV & further shared with our company. Hong Kong is a major domicile for offshore companies in the Asian Pacific Region who wish to enter into business arrangements with digital media giants such as Google (which operates YouTube) etc. Hence having a SPV at Hong Kong would help our company improve our business relations as well as our post tax profits on a consolidated basis.

Our Strategies

Our overall strategy is structured around our Content and its successful exploitation to ensure that it can be monetized through diversified platforms on a worldwide basis. Our strategy is designed to address predictability, scalability and sustainability, ultimately resulting in profitability.

The key elements of our strategy are as follows:

1. Scaling up Content driven by return on investment & moving up in the value chain:

We are emphasizing on monetizing our content in an effective manner through scaling up our content which is driven by return on investment. Since we are into the business of digital media, the performance of the content can be measured on real time basis which help us to analyze the output of the content. Once the performance has been measured, we scale up the content depending upon its popularity & performance. We then promote the similar content so to enhance the monetization. Also, we make an upward movement in the value chain i.e. if the top performing content is procured by syndication method, we move upward in the value chain by creating the similar content (movement from content procurer to content creator).

2. PAN India presence & Strategic Sales:

We aim to expand our operation across PAN India through funds raised from IPO. PAN India presence will enable us to attract more content providers across India. We will identify local talents & promote them over the platforms. PAN India presence will help us to develop a vast & diversified content library of our own, due to which we will have the ability to slice and dice the content and package it in different ways that are more suited for the media platforms i.e. content for children, teenagers etc.

3. Enhancing monetization of Content through existing and emerging media platforms:

Business should be capable of generating income from a number of sources ensuring that if a source fails, the cash flows will not be affected substantially. The same approach can be used for monetizing video. There is no single “best” approach. Each audience and subject requires a slightly different method, but with time and testing, one can figure out the best method(s). Along with an attractive/innovative content, selection of the right platform to deploy the content is also important. In the business of Digital Media Publishing, Distribution Platform has a significant importance. Further Silly Monks has a strong relationship with various players in the industry, the said relationship is either established formally through an agreement specially with platform providers or through our existing networking of experienced team. We have entered agreements with key industry players such as Google Inc (YouTube), Yahoo, Vuclip, Amazon, Saavn etc.

We also keep constant track on new emerging media platforms to deploy our content as an effective & efficient media platform with an effective content result into enhanced monetization. The monetization of the content has to be smart & we have expertise in it.

4. Single strategy for other business:

Our subsidiaries Event Monks Entertainment LLP & Monkstar Music LLP are in the business of Event Management & Live Band Performances respectively. We are moving towards becoming a Multi Media Hub. We ensure the synergic benefits of our other business lines through monetizing their content by deploying it on our existing & emerging platforms.

SUMMARY OF FINANCIAL INFORMATION

Annexure I

STATEMENT OF CONSOLIDATED ASSETS & LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
EQUITY AND LIABILITIES				
Shareholder's fund				
a) Equity Share Capital	367.15	52.45	41.80	19.00
b) Reserves and Surplus	282.34	500.91	66.49	40.16
Total Shareholders Fund (Net of revaluation reserve)	649.49	553.36	108.29	59.16
Minority Interest	(0.07)	(0.83)	(2.01)	-
Non-Current Liabilities				
a) Long Term Borrowings	60.46	49.28	14.16	36.20
b) Deferred Tax Liabilities	11.15	9.96	5.73	4.67
Total	71.61	59.24	19.89	40.87
Current Liabilities				
a) Short-Term Borrowings	-	-	33.94	-
b) Trade Payables	182.23	85.65	92.73	2.26
c) Other Current Liabilities	56.91	147.42	20.57	4.63
c) Short-Term Provisions	6.85	8.29	2.01	38.02
Total	245.99	241.36	149.26	44.91
TOTAL	967.03	853.13	257.43	144.94
ASSETS				
Non - Current Assets				
a) Fixed Assets				
i.) Tangible assets	151.19	149.33	41.88	20.04
ii.) Intangible Assets	155.11	121.48	108.00	49.53
iii.) Capital Work in Progress	32.67	40.54	-	1.45
b) Non Current Investment	-	-	-	0.05
c) Long term Loans & Advances	137.40	150.30	-	-
d) Other non-current assets	9.00	-	-	-
Total	485.37	461.65	149.88	71.06
Current Assets				
a) Trade Receivables	298.42	113.78	96.49	46.54
b) Cash and Cash equivalents	144.33	257.41	15.12	18.60
c) Short-term loans and advances	15.08	14.36	9.36	5.41
d) Other current assets	23.83	5.93	4.59	3.32
Total	481.66	391.48	125.56	73.87
TOTAL	967.03	853.13	275.43	144.94

Annexure II
STATEMENT OF CONSOLIDATED PROFIT & LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
INCOME:				
Revenue from Operations	653.69	1,195.64	492.47	326.88
Other Income	0.74	6.18	0.14	1.10
Total Income	654.43	1,201.82	492.61	327.98
EXPENSES:				
Operational Expenses	393.14	828.32	307.51	207.51
Employee benefit expenses	64.66	114.05	88.09	66.52
Finance Cost	5.08	3.58	4.96	4.83
Depreciation and amortisation expense	16.68	27.10	15.14	12.49
Other Expenses	70.03	70.79	45.04	34.26
Total Expenses	549.58	1,043.84	460.73	325.61
Net Profit / (Loss) Before Tax	104.84	157.98	31.88	2.37
Less: Tax Expense				
Current tax	6.68	8.29	2.01	1.03
Deferred tax	1.19	4.22	1.06	4.45
MAT Credit Entitlement	0.07	(0.17)	-	(1.03)
Total Tax Expense	7.94	12.34	3.07	4.45
Net Profit / (Loss) After Tax but Before Extraordinary Items	96.90	145.64	28.81	(2.08)
Extraordinary Items	-	-	-	-
Net Profit / (Loss) After Tax & Extraordinary Items	96.90	145.64	28.81	(2.08)
Net Profit Attributable to Owners	96.14	144.74	27.89	(2.08)

Annexure III
STATEMENT OF CONSOLIDATED CASH FLOW, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Cash flow from operating activities:				
Net Profit before tax as per Profit And Loss account	104.84	157.98	31.88	2.37
Adjusted for:				
Depreciation & Amortization	16.68	27.10	15.14	12.49
Interest & Financial Charges	5.08	3.58	4.96	4.83
Operating Profit Before Working Capital Changes	126.60	188.66	51.98	19.69
Adjusted for (Increase)/Decrease in:				
Trade Payables	96.58	(7.08)	90.47	2.26
Short Term Loans and Advances	(0.72)	(5.00)	(3.94)	(5.41)
Other Current Assets	(17.73)	(1.34)	(1.27)	(3.32)
Trade Receivables	(184.81)	(17.29)	(49.95)	(46.54)
Short Term Provisions	(1.44)	6.28	(36.01)	35.19
Other Current Liabilities	(90.51)	126.84	15.94	4.63
Cash Generated From Operations	(72.03)	291.07	67.22	6.50
Direct Tax Paid	6.75	8.12	2.01	-
Net Cash Flow from/(used in) Operating Activities: (A)	(78.77)	282.95	65.21	6.50
Cash Flow From Investing Activities:				
Purchase / (Sale) of Investments	-	-	0.05	(0.05)
Purchase of Fixed Assets	(44.30)	(188.57)	(94.01)	(83.50)
Other Non-Current Assets	12.89	(150.30)	-	-
Other Non-Current Assets	(9.00)			
Net Cash Flow from/(used in) Investing Activities: (B)	(40.40)	(338.87)	(93.96)	(83.55)
Cash Flow from Financing Activities:				
Increase / (Decrease) in Long Term Borrowing	11.18	35.12	(22.04)	36.20
Increase / (Decrease) in Short Term Borrowing	-	(33.94)	33.94	-
Interest & Financial Charges	(5.08)	(3.58)	(4.96)	(4.83)
Proceeds from Issue of Shares	-	300.33	22.80	58.00
Addition/(withdrawal) of Capital by Minority	-	0.28	(4.48)	-
Net Cash Flow from/(used in) Financing Activities (C)	6.10	298.21	25.27	89.37
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(113.07)	242.29	(3.49)	12.32
Cash & Cash Equivalents As At Beginning of the Year	257.41	15.12	18.61	6.28
Cash & Cash Equivalents As At End of the Year	144.34	257.41	15.12	18.60

Annexure I
STATEMENT OF STANDALONE ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
EQUITY AND LIABILITIES					
Shareholder's fund					
a) Equity Share Capital	367.15	52.45	41.80	19.00	13.00
b) Reserves and Surplus	71.86	362.20	46.37	40.31	(1.52)
Total Shareholders Fund (Net of revaluation reserve)	439.01	414.65	88.17	59.31	11.48
Non-Current Liabilities					
a) Long Term Borrowings	60.37	49.19	14.07	36.11	36.06
b) Deferred Tax Liabilities	11.15	9.96	5.73	4.67	0.23
Total	71.52	59.15	19.80	40.79	36.29
Current Liabilities					
a) Short-Term Borrowings	-	-	33.94	-	-
b) Trade Payables	55.79	12.00	3.50	2.26	7.09
c) Other Current Liabilities	57.71	57.70	13.33	4.47	9.29
c) Short-Term Provisions	6.12	7.11	2.01	1.03	-
Total	119.62	76.81	52.78	7.76	16.38
TOTAL	630.15	550.61	160.76	107.86	64.15
ASSETS					
Non - Current Assets					
a) Fixed Assets					
i.) Tangible assets	151.11	149.33	41.89	19.75	20.93
ii.) Intangible Assets	107.86	71.64	51.28	49.52	3.09
iii.) Capital Work in Progress	20.00	28.87	-	1.45	12.76
b) Non Current Investment	45.40	30.18	22.16	1.13	-
c) Long term Loans & Advances	137.41	150.30	-	-	-
d) Other Non Current Assets	9.00	-	-	-	-
Total	470.78	430.32	115.33	71.85	36.78
Current Assets					
a) Trade Receivables	106.82	21.98	37.02	25.32	10.60
b) Cash and Cash equivalents	29.73	80.85	1.62	2.13	10.32
c) Short-term loans and advances	13.69	12.93	3.49	5.41	5.50
d) Other current assets	9.13	4.53	3.30	3.15	0.96
Total	159.37	120.29	45.43	36.01	27.37
TOTAL	630.15	550.61	160.76	107.86	64.15

Annexure II
STATEMENT OF STANDALONE PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
INCOME:					
Revenue from Operations	194.54	299.93	201.26	176.62	32.67
Other Income	0.73	2.30	0.14	1.12	0.19
Total income	195.27	302.23	201.40	177.74	32.87
EXPENSES:					
Operational Expenses	41.09	72.82	52.70	56.17	14.29
Employee benefit expenses	64.66	114.05	78.44	66.52	12.01
Finance Cost	5.08	3.58	4.96	4.83	-
Depreciation and amortisation expense	14.05	20.30	15.10	12.50	1.48
Other Expenses	38.65	54.17	41.06	30.43	6.38
Total expenses	163.52	264.92	192.26	170.46	34.16
Exceptional and prior period items					
Net Profit / (Loss) before Tax	31.75	37.31	9.13	7.28	(1.29)
Less: Tax expense					
Current tax	6.12	7.11	2.01	1.03	-
Deferred tax	1.19	4.22	1.06	4.45	0.23
MAT Credit Entitlement	0.07	(0.17)	-	(1.03)	-
Total Tax Expense	7.39	11.16	3.07	4.45	0.23
Net Profit / (Loss) after tax	24.36	26.15	6.06	2.83	(1.52)
Less : Proposed Dividend	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Net Profit transferred to Reserves	24.36	26.15	6.06	2.83	(1.52)

Annexure III
STANDALONE CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Cash flow from operating activities:					
Net Profit before tax as per Profit And Loss account	31.75	37.31	9.13	7.28	(1.29)
Adjusted for:					
Depreciation & Amortization	14.04	20.30	15.10	12.50	1.48
Interest & Financial Charges	5.08	3.58	4.96	4.83	-
Operating Profit Before Working Capital Changes	50.88	61.19	29.19	24.61	0.19
Adjusted for (Increase)/Decrease in:					
Trade Payables	43.79	8.50	1.24	(4.83)	7.09
Short Term Loans and Advances	(0.77)	(9.44)	1.93	0.09	(5.50)
Other Current Assets	(4.62)	(1.23)	(0.15)	(2.19)	(0.96)
Trade Receivables	(84.84)	15.04	(11.70)	(14.72)	(10.60)
Short Term Provisions	(0.99)	5.10	0.98	1.03	-
Other Current Liabilities	0.02	44.36	8.86	(4.82)	9.29
Cash Generated From Operations	3.48	123.53	30.34	(0.84)	(0.48)
Direct Tax Paid	6.20	6.94	2.01	-	-
Net Cash Flow from/(used in) Operating Activities: (A)	(2.71)	116.59	28.33	(0.84)	(0.48)
Cash Flow From Investing Activities:					
(Purchase)/ Sale of Fixed Assets	(43.18)	(176.97)	(37.55)	(46.44)	(38.26)
(Increase) / Decrease in Long Term Loans & Advances	12.89	(150.30)	-	-	-
Increase in Other Non Current Assets	(9.00)	-	-	-	-
Purchase of Investment	(15.22)	(8.02)	(21.03)	(1.13)	-
Net Cash Flow from/(used in) Investing Activities: (B)	(54.50)	(335.29)	(58.58)	(47.57)	(38.26)
Cash Flow from Financing Activities:					
Increase / (Decrease) in Long Term Borrowing	11.18	35.12	(22.04)	0.05	36.06
Increase / (Decrease) in Short Term Borrowing	-	(33.94)	33.94	-	-
Interest & Financial Charges	(5.08)	(3.58)	(4.96)	(4.83)	-
Proceeds from Issue of Shares	-	300.33	22.80	45.00	13.00
Net Cash Flow from/(used in) Financing Activities (C)	6.10	297.93	29.74	40.22	49.06
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(51.12)	79.23	(0.51)	(8.19)	10.32
Cash & Cash Equivalents As At Beginning of the Year	80.85	1.62	2.13	10.32	-
Cash & Cash Equivalents As At End of the Year	29.73	80.85	1.62	2.13	10.32

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS

Equity Shares Offered⁽¹⁾: Present Issue of Equity Shares by our Company and the Selling Shareholders ⁽²⁾ :	12,60,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 120 per share aggregating ₹ 1,512.00 lakhs.
Consisting of:	
Fresh Issue	9,70,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 120 per share aggregating ₹ 1,164.00 lakhs
Offer for Sale to the Public	2,90,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 120 per share aggregating ₹ 348.00 lakhs
Which Comprises:	
Issue Reserved for the Market Maker	72,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 120 per share aggregating ₹ 86.40 lakhs
Net Issue to the Public	11,88,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 120 per share aggregating ₹ 1,425.60 lakhs
	Of which⁽³⁾:
	5,94,000 Equity Shares of ₹ 10 each at a price of ₹ 120 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	5,94,000 Equity Shares of ₹ 10 each at a price of ₹ 120 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
Equity Shares outstanding prior to the Issue	36,71,500 Equity Shares
Equity Shares outstanding after the Issue	46,41,500 Equity Shares
Objects of the Issue	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 58 of this Prospectus

⁽¹⁾ This issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please see the section titled “Issue Related Information” beginning on page no. 209 of this Prospectus.

⁽²⁾ The present Issue has been authorized pursuant to a resolution of our Board dated June 01, 2017 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held with a shorter notice on June 08, 2017.

⁽³⁾ The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated May 29, 2017. The No. of Equity Shares offered by each Selling Shareholders are as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1	Mr. Tekulapalli Sanjay Reddy	2,40,000
2	Mr. Anil Kumar Pallala	50,000
	Total	2,90,000

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue 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 Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

⁽³⁾ This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. The allocation’ is the net issue to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and

b) Remaining to

(i) Individual applicants other than retail individual investors; and

(ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for

c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

For further details please refer to the chapter titled “Issue Structure” beginning on page no. 215 of this Prospectus.

GENERAL INFORMATION

Our Company was incorporated as Silly Monks Entertainment Private Limited on September 20, 2013 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 090132. The status of our Company was changed to a public limited company and the name of our Company was changed to Silly Monks Entertainment Limited by a special resolution passed on May 15, 2017. A fresh Certificate of Incorporation consequent upon conversion was issued on May 24, 2017 by the Registrar of Companies, Hyderabad. The Company's Corporate Identity Number is U92120TG2013PLC090132.

For further details, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page no. 98 of this Prospectus.

BRIEF COMPANY AND ISSUE INFORMATION

Registered Office	Address: 301, Ektha Pearl, 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad - 500 084 Tele Fax No: +91 – 40 – 2300 4518 Email: investor@sillymonks.com Website: www.sillymonks.com
Date of Incorporation	September 20, 2013
Company Registration No.	090132
Company Identification No.	U92120TG2013PLC090132
Address of Registrar of Companies	Address: 2nd Floor, Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda, Hyderabad - 500 068. Tel No.: +91 – 40 - 2980 5427/ 2980 3827/ 2980 1927 Fax No.: +91 – 40 - 2980 3727
Issue Programme	Issue Opens on: January 05, 2018 Issue Closes on: January 10, 2018
Designated Stock Exchange	National Stock Exchange of India Limited
Company Secretary & Compliance Officer	Ms. Sushma Barla Address: 301, Ektha Pearl, 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad - 500 084 Tele Fax No: +91 – 40 – 2300 4518 Email: investor@sillymonks.com

BOARD OF DIRECTORS OF OUR COMPANY

The following table sets forth the Board of Directors of our Company:

Name	Designation	Director's Identification No.
Mr. Tekulapalli Sanjay Reddy	Chairman & Managing Director	00297272
Mr. Anil Kumar Pallala	Whole Time Director	02416775
Mrs. Swathi Reddy	Non Executive Director	00297360
Mr. Venkata Kama Dixitulu Dixitula	Non Executive Independent Director	08032281
Mr. Prasada Rao Kalluri	Non Executive Independent Director	07780628

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled "Our Management" beginning on page no. 106 of this Prospectus.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and unblocking of funds. All grievances relating to the Application process may be addressed to the Registrar to the Issue with a copy to the SCSBs, giving full details such as name, address of Applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSB where the Application Form was submitted by the Applicants.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

LEAD MANAGER TO THE ISSUE



ARYAMAN FINANCIAL SERVICES LIMITED
60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.),
Fort, Mumbai – 400 001
Tel. No.: +91 – 22 – 6216 6999
Fax No.: +91 – 22 – 2263 0434
Website: www.afsl.co.in
Email: ipo@afsl.co.in
Investor Grievance Email: feedback@afsl.co.in
Contact Person: Mr. Vimal Maniyar/ Mr. Swapnil Ukirde
SEBI Registration No.: INM000011344

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai – 400 059
Tel: +91 – 22 – 6263 8200;
Fax: +91 – 22 – 6263 8299
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com;
Contact Person: Mr. Vipin Gupta
SEBI Registration No.: INR000001385

LEGAL COUNSEL TO THE ISSUE

Y. SURYANARAYANA (ADVOCATE)
Nirmal Towers 200, Flat No. 106,
Dwarkapuri Colony, Punjagutta,
Hyderabad- 500 082
Tel No.: +91- 40 - 2335 0486
Email: suryacorporatelawyer@gmail.com
Contact Person: Mr. Y. Suryanarayana

STATUTORY AUDITOR OF THE COMPANY

M/S. RAMASAMY KOTESWARA RAO & CO, CHARTERED ACCOUNTANTS
#8-2-293/82/JIII/573/M/1F,
Road No. 82, Jubilee Hills, Hyderabad – 500 033
Tel No.: +91- 40 – 2339 4982 / 85
Fax No.: +91 – 40 – 2343 0601
Email: rkandco@gmail.com; cvk@rkandco.in
Website: www.rkandco.in
Contact Person: Mr. C. V. Koteswara Rao

BANKER(S) TO OUR COMPANY



ICICI BANK LIMITED
Financial District Branch, ICICI Towers, Financial Dist. Plot no. 12,
Gachibowli, Nanakramguda, Hyderabad – 500 032
Cont. No.: 9701379375
Email: sayan.saha@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Sayan Saha

BANKER(S) TO THE ISSUE



AXIS BANK LIMITED

Jeevan Prakash Building,
Sir P.M. Road, Fort, Mumbai – 400 001
Tel No.: +91 – 22 – 4086 7376 / 7464
Fax No.: +91 – 22 – 4086 7327/ 7378
Website: www.axisbank.com
Email: fort.operationshead@axisbank.com
Contact Person: Mr. Anil Kanekar
SEBI Registration No.: INBI00000017

SELF CERTIFIED SYNDICATE BANKS

The lists of Banks that have been notified by SEBI to act as SCSBs for the ASBA process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSBs collecting the ASBA Application Forms, please see the above mentioned SEBI link.

BROKERS TO THIS ISSUE

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 Stock Exchange, at NSE Limited, as updated from time to time.

REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

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 Stock Exchange at NSE Limited, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at NSE Limited, as updated from time to time.

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) and updated from time to time.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Aryaman Financial Services Limited is the Sole Lead Manager to this Issue, and hence is responsible for all the Issue management related activities.

MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the issue size is below ₹ 10,000 lakhs and hence our Company has not appointed a monitoring agency for this issue.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, 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, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI Listing Regulations, 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 Prospectus.

IPO GRADING

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

TRUSTEES

This being an Issue of Equity Shares, the appointment of trustees is not required.

DETAILS OF THE APPRAISING AUTHORITY

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

CREDIT RATING

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

EXPERT OPINION

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, M/s. Ramasamy Koteswara Rao & Co, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated December 15, 2017 and the Statement of Tax Benefits dated June 12, 2017, issued by them and included in this Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	January 05, 2018
Issue Closing Date	January 10, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On and before January 15, 2018
Initiation of Allotment / Refunds / Unblocking of Funds	On and before January 16, 2018
Credit of Equity Shares to demat accounts of Allottees	On and before January 17, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On and before January 18, 2018

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the Lead Manager. 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 the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company, nor the Selling Shareholders, nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

UNDERWRITING

This Issue is 100% Underwritten. The Underwriting agreement is dated June 10 2017. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amt Underwritten (₹ in lakhs)	% of the Total Issue Size Underwritten
Aryaman Financial Services Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 6216 6999 Fax No.: +91 – 22 – 2263 0434 Email: ipo@afsl.co.in	11,88,000	1,425.60	94.29%
Aryaman Capital Markets Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 6216 6999 Fax No.: +91 – 22 – 2263 0434 Email: aryacapm@gmail.com	72,000	86.40	5.71%
Total	12,60,000	1,512.00	100.00%

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, 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 (based on certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above – mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

WITHDRAWAL OF THE ISSUE

Our Company and the Selling Shareholders, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published,

within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company and the Selling Shareholders withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

MARKET MAKER



ARYAMAN CAPITAL MARKETS LIMITED

60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.),
Fort, Mumbai – 400 001

Tel. No.: +91 – 22 – 6216 6999

Fax No.: +91 – 22 – 2263 0434

Email: aryacapm@gmail.com

Contact Person: Mr. Harshad Dhanawade

SEBI Registration No.: INZ000004739

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager, Aryaman Financial Services Limited have entered into an agreement dated June 10, 2017 with Aryaman Capital Markets Limited (“ACML”), a Market Maker registered with SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE in order to fulfil the obligations of Market Making and ACML has given its consent for inclusion of its name in the Prospectus as Market Maker.

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 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.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. The shares being offered for sale by the selling shareholders will be traded in continuous trading session from the time and day the company gets listed on SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE and Market Maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
7. 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 or 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.

8. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
9. The Market Maker shall have the right to terminate said arrangement by giving a 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 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time.

The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

10. **Risk containment measures and monitoring for Market Maker:** SME Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** SME 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 he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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.

CAPITAL STRUCTURE

The share capital of the Company as on the date of this Prospectus is set forth below:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A	Authorised Share Capital		
	50,00,000 Equity Shares of face value of ₹ 10 each	500.00	-
B	Issued, Subscribed and Paid-up Share Capital before the Issue		
	36,71,500 Equity Shares of face value of ₹ 10 each	367.15	-
C	Present Issue in terms of this Prospectus⁽¹⁾		
	Issue of 12,60,000 Equity Shares of ₹ 10 each at a price of ₹ 120 per equity Share	126.00	1,512.00
	Consisting of:		
	Fresh Issue of 9,70,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 120 per share	97.00	1,164.00
	Offer for Sale of 2,90,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 120 per share	29.00	348.00
	Which comprises:		
	72,000 Equity Shares of ₹ 10 each at a price of ₹ 120 per Equity Share reserved as Market Maker Portion	7.20	86.40
	Net Issue to Public of 11,88,000 Equity Shares of ₹ 10 each at a price of ₹ 120 per Equity Share to the Public	118.80	1,425.60
	Of which⁽²⁾:		
	5,94,000 Equity Shares of ₹ 10 each at a price of ₹ 120 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	59.40	712.80
	5,94,000 Equity Shares of ₹ 10 each at a price of ₹ 120 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	59.40	712.80
D	Equity Share Capital after the Issue		
	46,41,500 Equity Shares of ₹ 10 each	464.15	
E	Securities Premium Account		
	Before the Issue (as on date of this Prospectus)	13.98	
	After the Issue	1,080.98	

⁽¹⁾ The present Issue has been authorized pursuant to a resolution of our Board dated June 01, 2017 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on June 08, 2017.

⁽²⁾ The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated May 29, 2017. The No. of Equity Shares offered by each Selling Shareholders are as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1	Mr. Tekulapalli Sanjay Reddy	2,40,000
2	Mr. Anil Kumar Pallala	50,000
	Total	2,90,000

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue 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

Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

⁽²⁾ Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

Our Company has no outstanding convertible instruments as on the date of this Prospectus.

Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

1. The initial authorised share capital of ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each was increased to ₹ 30,00,000 divided into 3,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on October 17, 2013.
2. Increase in authorised capital from ₹ 30,00,000 divided into 3,00,000 shares of ₹ 10 each to ₹ 50,00,000 divided into 5,00,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on June 18, 2015.
3. Increase in authorised capital from ₹ 50,00,000 divided into 5,00,000 equity shares of ₹ 10 each to ₹ 55,00,000 divided into 5,50,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on May 12, 2016.
4. Increase in authorised capital from ₹ 55,00,000 divided into 5,50,000 equity shares of ₹ 10 each to ₹ 5,00,00,000 divided into 50,00,000 equity shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on May 15, 2017.

NOTES TO THE CAPITAL STRUCTURE

1) Share Capital History of our Company:

a) Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. The following is the Equity Share Capital Build-up of our Company:

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation	10,000	10	10	Subscription to MoA	Cash	10,000	1,00,000	Nil
November 07, 2013	1,20,000	10	10	Further Allotment	Cash	1,30,000	13,00,000	Nil
July 10, 2014	60,000	10	75	Further Allotment	Cash	1,90,000	19,00,000	39,00,000
August 04, 2015 ⁽¹⁾	2,28,000	10	10	Further Allotment	Cash	4,18,000	41,80,000	39,00,000
May 14, 2016	7,000	10	282	Further Allotment	Cash	4,25,000	42,50,000	58,04,000
June 18, 2016	7,000	10	282	Further Allotment	Cash	4,32,000	43,20,000	77,08,000
July 18, 2016	7,250	10	282	Further Allotment	Cash	4,39,250	43,92,500	96,80,000

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
September 12, 2016	7,100	10	282	Further Allotment	Cash	4,46,350	44,63,500	1,16,11,200
September 19, 2016	7,100	10	282	Further Allotment	Cash	4,53,450	45,34,500	1,35,42,400
October 18, 2016	7,100	10	282	Further Allotment	Cash	4,60,550	46,05,500	1,54,73,600
January 24, 2017	3,500	10	282	Further Allotment	Cash	4,64,050	46,40,500	1,64,25,600
February 03, 2017	3,500	10	282	Further Allotment	Cash	4,67,550	46,75,500	1,73,77,600
February 20, 2017	7,100	10	282	Further Allotment	Cash	4,74,650	47,46,500	1,93,08,800
March 24, 2017	30,000	10	282	Further Allotment	Cash	5,04,650	50,46,500	2,74,68,800
March 31, 2017	19,850	10	282	Further Allotment	Cash	5,24,500	52,45,000	3,28,68,000
May 24, 2017 ⁽²⁾	31,47,000	10	Nil	Bonus Allotment	Other than Cash ⁽²⁾	36,71,500	3,67,15,000	13,98,000

⁽¹⁾ Pursuant to Board Meeting held on August 04, 2015, our Company has issued 2,28,000 shares on rights basis.

⁽²⁾ Pursuant to EGM held on May 15, 2017, our Company has issued 31,47,000 Bonus Shares in the ratio of 6:1 i.e. 6 equity shares for every 1 equity share held to the shareholders, by way of capitalization of Securities Premium Account.

b) Our Company has not issued any Equity Shares for consideration other than cash except for the Equity Shares as mentioned under:

Date of Allotment	No. of Equity Shares	FV (₹)	Issue Price (₹)	Nature of Allotment	Allotted Person	Benefits Accrued to the Company
May 24, 2017	31,47,000	10	Nil	Bonus Allotment	Allotted to all the Shareholders of the Company as on the date of allotment	Expansion of capital

c) No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956.

d) No bonus shares have been issued out of Revaluation Reserves.

e) No shares have been issued at a price lower than the Issue Price within the last one year from the date of the Draft Prospectus except as mentioned below:

Date of Allotment	Name of the Allottees	Number of Shares	Face Value (₹)	Issue Price (₹)	Reasons
May 24, 2017	Mr. Tekulapalli Sanjay Reddy	14,40,000	10	Nil	Bonus Allotment ⁽¹⁾
	Mr. Anil Kumar Pallala	3,00,000			
	Mrs. Swathi Reddy	66,000			
	Mr. Ranganathasai Korrapati	6,00,000			
	Mr. Tekulapalli Mahikaansh Reddy	39,000			
	Ms. Gaurika Reddy	39,000			
	Mrs. Karyampudi Koti Sridevi	24,000			
Ektha.Com Private Limited	6,39,000				

⁽¹⁾ Pursuant to EGM held on May 15, 2017, our Company has issued 31,47,000 Bonus Shares in the ratio of 6:1 i.e. 6 equity shares for every 1 equity share held to the shareholders, by way of capitalization of Securities Premium Account.

f) Shareholding of our Promoters

Set forth below are the details of the build-up of shareholding of our Promoters:

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital	Lock in Period
Mr. Tekulapalli Sanjay Reddy									
On Incorporation	Subscription to MOA	Cash	5,000	10	10	5,000	-	-	NA
November 07, 2013	Further Allotment	Cash	9,000	10	10	1,25,000	-	-	NA
			1,11,000				3.02%		NA ⁽³⁾
May 21, 2015	Transfer	Cash	(1,000)	10	10	1,24,000	-	-	NA
August 04, 2015 ⁽¹⁾	Further Allotment	Cash	1,28,000	10	10	2,52,000	3.49%	-	NA ⁽³⁾
March 29, 2016	Transfer	Cash	1,000	10	10	2,53,000	0.03%	-	NA ⁽³⁾
March 31, 2017	Transfer (Gift)	Other than Cash	(13,000)	10	Nil	2,40,000	-	-	NA
May 24, 2017 ⁽²⁾	Bonus Allotment	Other than Cash	7,76,275	10	Nil	16,80,000	21.14%	16.72%	3 Years
			6,63,725				18.08%	14.30%	1 Year
Mr. Anil Kumar Pallala									
May 21, 2015	Transfer	Cash	1000	10	10	1000	0.03%	-	NA
August 04, 2015 ⁽¹⁾	Further Allotment	Cash	4,000	10	10	55,000	-	-	NA
			50,000				1.36%		NA ⁽⁴⁾
March 29, 2016	Transfer	Cash	(1000)	10	10	54,000	-	-	NA
March 31, 2017	Transfer (Gift)	Other than Cash	(4000)	10	Nil	50,000	-	-	NA
May 24, 2017 ⁽²⁾	Bonus Allotment	Other than Cash	1,61,725	10	Nil	3,50,000	4.40%	3.48%	3 Years
			1,38,275				3.77%	2.98%	1 Year

⁽¹⁾ Pursuant to Board Meeting held on August 04, 2015, our Company has issued 2,28,000 shares on Rights basis.

⁽²⁾ Pursuant to EGM held on May 15, 2017, our Company has issued 31,47,000 Bonus Shares in the ratio of 6:1 i.e. 6 equity shares for every 1 equity share held to the shareholders, by way of capitalization of Securities Premium Account.

⁽³⁾ Out of total holding of Mr. Tekulapalli Sanjay Reddy, shares aggregating to 2,40,000 Equity Shares are offered for Sale through this Prospectus.

⁽⁴⁾ Out of total holding of Mr. Anil Kumar Pallala, shares aggregating to 50,000 Equity Shares are offered for Sale through this Prospectus.

Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 2 of "Capital Structure" on page no. 49 of this Prospectus.
- Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

- g) None of the members of the Promoters, Promoters Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of the Draft Prospectus, except as mentioned below;

Date of Transfer	Name of Transferor	Name of Transferee	No. of Shares (F.V. ₹10)	Price (₹)	Nature of Transaction	Nature of Consideration
March 31, 2017	Mr. Tekulapalli Sanjay Reddy	Mr. Tekulapalli Mahikaansh Reddy	6,500	10	Transfer	Gift
March 31, 2017	Mr. Tekulapalli Sanjay Reddy	Ms. Gaurika Reddy	6,500	10	Transfer	Gift
March 31, 2017	Mr. Anil Kumar Pallala	Mrs. Sridevi Koti Karyampudi	4,000	10	Transfer	Gift

- h) None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of the Draft Prospectus.

2) Promoters' Contribution and other Lock-In details:

i. Details of Promoters' Contribution locked-in for 3 years

Pursuant to the Regulation 32(1) and 36(a) of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoter shall be considered as promoters' contribution ("**Promoters' Contribution**") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of Promoters	No. of Shares locked in ⁽¹⁾	As a % of Post Issue Share Capital
Mr. Tekulapalli Sanjay Reddy	7,76,275	16.72%
Mr. Anil Kumar Pallala	1,61,725	3.48%
Total	9,38,000	20.21%

⁽¹⁾For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 1(f) under "Notes to Capital Structure" on page no. 50 of this Prospectus.

We confirm that in compliance with regulation 33 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoter and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters' Contribution

constituting 20% of the post-Issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

We further confirm that our Promoters' Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds.

ii. Details of Shares locked-in for one year

- a) Pursuant to Regulation 37 of the SEBI (ICDR) Regulations, in addition to the Promoters' Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.
- b) Pursuant to Regulation 39 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.
- c) Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- d) Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

3) Pre-Issue and Post Issue Shareholding of our Promoter and Promoters' Group

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

Category of Promoters	Pre Issue		Post Issue	
	No. of Equity Shares	As a % of Pre-Issued Equity	No. of Equity Shares	As a % of Issued Equity
1. Promoter				
Mr. Tekulapalli Sanjay Reddy	16,80,000	45.76%	14,40,000	31.02%
Mr. Anil Kumar Pallala	3,50,000	9.53%	3,00,000	6.46%
2. Promoters Group (as defined by SEBI (ICDR) Regulations)				
Mrs. Swathi Reddy	77,000	2.10%	77,000	1.66%
Mr. Tekulapalli Mahikaansh Reddy	45,500	1.24%	45,500	0.98%
Ms. Gaurika Reddy	45,500	1.24%	45,500	0.98%
Mrs. Sridevi Koti Karyampudi	28,000	0.76%	28,000	0.60%
3. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Prospectus under the heading "Shareholding of the Promoter Group".	-	-	-	-
Total Promoter & Promoter Group Holding	22,26,000	60.63%	19,36,000	41.71%
Total Paid up Capital	36,71,500	100.00%	46,41,500	100.00%

4) Details of Offer for Sale

The following are the details of the Equity Shares being offered as part of the Offer for Sale:

Sr. No.	Name of Selling Shareholders	Total Number of Equity Shares currently held	Number of Equity Shares offered for the Offer for Sale
1	Mr. Tekulapalli Sanjay Reddy	16,80,000	2,40,000
2	Mr. Anil Kumar Pallala	3,50,000	50,000

For details of Build of Mr. Tekulapalli Sanjay Reddy and Mr. Anil Kumar Pallala, please see the build-up of shareholding of our Promoters under point 1(f) of the Notes to Capital Structure on page no. 50 of this Prospectus.

5) The top ten shareholders of our Company and their Shareholding is as set forth below:

a) The top ten Shareholders of our Company as on the date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Equity Issue Share Capital
1	Mr. Tekulapalli Sanjay Reddy	16,80,000	45.76%
2	Ektha.Com Private Limited	7,45,500	20.31%
3	Mr. Ranganathasai Korrapati	7,00,000	19.06%
4	Mr. Anil Kumar Pallala	3,50,000	9.53%
5	Mrs. Swathi Reddy	77,000	2.10%
6	Mr. Tekulapalli Mahikaansh Reddy	45,500	1.24%
7	Ms. Gaurika Reddy	45,500	1.24%
8	Mrs. Sridevi Koti Karyampudi	28,000	0.76%
	Total	36,71,500	100.00%

Note: There are only 8 Shareholders as on this date

b) The top ten Shareholders of our Company ten days prior to date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Equity Share Capital
1	Mr. Tekulapalli Sanjay Reddy	16,80,000	45.76%
2	Ektha.Com Private Limited	7,45,500	20.31%
3	Mr. Ranganathasai Korrapati	7,00,000	19.06%
4	Mr. Anil Kumar Pallala	3,50,000	9.53%
5	Mrs. Swathi Reddy	77,000	2.10%
6	Mr. Tekulapalli Mahikaansh Reddy	45,500	1.24%
7	Ms. Gaurika Reddy	45,500	1.24%
8	Mrs. Sridevi Koti Karyampudi	28,000	0.76%
	Total	36,71,500	100.00%

Note: There are only 8 Shareholders as on this date

c) The top ten Shareholders of our Company two years prior to date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares of then Paid-up Equity Capital
1	Mr. Tekulapalli Sanjay Reddy	2,52,000	60.29%
2	Mr. Ranganathasai Korrapati	1,00,000	23.92%
3	Mr. Anil Kumar Pallala	55,000	13.16%
4	Mrs. Swathi Reddy	11,000	2.63%
	Total	4,18,000	100.00%

Note: There are only 4 Shareholders as on this date

6) Neither the Company, nor its Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.

7) None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled “Our Management” beginning on page no. 106 of this Prospectus.

- 8) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “Issue Procedure” beginning on page no. 217 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
- 9) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 10) An over-subscription to the extent of 10% of the Fresh Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 11) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
- 12) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 13) As on date of this Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
- 14) There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- 15) Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of this Prospectus the entire pre-Issue share capital of the Company has been made fully paid up.
- 16) Except as disclosed in the Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.
- 17) We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Prospectus.
- 18) As on date of this Prospectus, there are no outstanding ESOP’s, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP’s till date.
- 19) Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
- 20) Except for the sale of Equity Shares by some of the members of our Promoters in the Issue, our Promoters, Promoter Group, Group Companies will not participate in the Issue.
- 21) The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
- 22) Our Company has Eight (8) shareholders, as on the date of this Prospectus.
- 23) Our Company has not revalued its assets and we do not have any revaluation reserves till date.
- 24) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

25) Shareholding pattern of our Company

The following is the shareholding pattern of the Company as on the date of this Prospectus

Category (I)	Category of Share-holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares Underlying Depository Receipts (VI)	Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of Underlying Outstanding Convertible securities (incl. Warrants) (X)	Share Holding as a % assuming Full convertible securities (as a % of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise encumbered (XIII)		No. of Equity shares held in De-mat form (XIV)
								No of voting Right			Total As a % of(A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
								Class-Equity	Class	Total								
(A)	Promoter & Promoter Group	6	22,26,000	-	-	22,26,000	60.63%	22,26,000	-	22,26,000	60.63%	-	60.63%	-	-	-	-	22,26,000
(B)	Public	2	14,45,500	-	-	14,45,500	39.37%	14,45,500	-	14,45,500	39.37%	-	39.37%	-	-	-	-	-
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	8	36,71,500	-	-	36,71,500	100.00%	36,71,500	-	36,71,500	100.00%	-	100.00%	-	-	-	-	22,26,000

Public Shareholders holding more than 1% of the pre-issue paid-up capital of our Company

Sr. No.	Particulars	No. of Shares	% of Shares Pre-Issue Share Capital
1	Ektha.Com Private Limited	7,45,500	20.31%
2	Mr. Ranganathasai Korrapati	7,00,000	19.07%
	Total	14,45,500	39.37%

SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue comprises of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

The Offer for Sale

Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders.

The Fresh Issue

The Objects of the Fresh Issue is to raise funds for:

- (a) Expanding our Content Portfolio;
- (b) Setting up six offices in Mumbai, Chennai, Bangalore, Delhi, Cochin & Hyderabad for PAN India presence;
- (c) General Corporate Purpose and
- (d) Issue Related Expenses.

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and our brand image among our existing and potential customers.

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by the Company through the Present Issue. Further, we confirm that the activities that we have been conducting until now are in accordance with the objects clause of our Memorandum of Association.

Fresh Issue Proceeds & Net Fresh Issue Proceeds

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

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	Gross Proceeds from the Fresh Issue	1,164.00
2	Less: Company's share of Issue related Expenses ⁽¹⁾	45.61
	Net Proceeds from the Fresh Issue	1,118.39

⁽¹⁾ Except for the Regulatory related expenses, which will be borne by our Company, all other expenses relating to the Issue as mentioned above will be borne by our Company and the Selling Shareholders in proportion to the Equity Shares contributed to the Issue. The Issue expenses are estimated expenses and subject to change.

Requirement of Funds and Means of Finance

The fund requirements described below are based on internal management estimates and our Company's current business plan and have not been appraised by any bank, financial institution.

We intend to utilise the Net Proceeds of the Fresh Issue ("Net Proceeds") of ₹ 1,118.39 lakhs for financing the objects as set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	Expanding our Content Portfolio	830.50
2	Setting up Six Offices in Mumbai, Chennai, Bangalore, Delhi, Cochin & Hyderabad for PAN India presence	245.61
3	General Corporate Purposes	42.28
	Total	1,118.39

The entire fund requirements are to be financed from the Net Fresh Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.

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 this Issue. If surplus funds are unavailable or in case of cost overruns, we expect that the shortfall will be met from internal accruals and/or entering into funding arrangements as required. Any variation in the objects of the Issue shall be undertaken in accordance with the terms of the Companies Act and the rules framed there under.

In case of delays in raising funds from the Fresh Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured / Bridge Loans and in such case the Funds raised shall be utilized towards repayment of Unsecured Loans or recouping of Internal Accruals. However, we confirm that except as mentioned below no unsecured / bridge financing has been availed as on date for the above mentioned objects, which is subject to being repaid from the Fresh Issue Proceeds.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled “Risk Factors” beginning on page no. 12 of this Prospectus.

DETAILS OF THE FUND REQUIREMENTS

1) Expanding our Content Portfolio

Valuable, creative & unique content is the core of our business. The dynamic content is important to attract and retain a clearly defined audience – and ultimately, to drive profitable customer action. Content must benefit a clearly defined audience focusing what are their wants, needs, interests, questions, concerns. Our vision is to utilize the funds raised towards growing our content library, making it more relevant & dynamic. The content, we intend to add to our portfolio could be in form of outright purchase; in-house production or syndicated method. The cost of expanding our content portfolio is estimated by the management as follows:

(₹ in lakhs)

Particulars	Cost Estimated	Basis
Audio Rights	250.00	(50 audio rights at an average cost of ₹ 5.00 lakhs each)
Movie Rights	300.00	(25 movie rights at an average cost of ₹ 12.00 lakhs each)
Short Films	50.00	(100 short films at an average cost of ₹ 0.50 lakhs each)
Web Series	120.00	(6 web series at an average cost of ₹ 20.00 lakhs each)
Short Content	10.50	(300 short content at an average cost of ₹ 0.035 lakhs each)
Content Marketing & Advertising	100.00	(Digital Marketing & Advertising to promote content that has been purchased)
Total	830.50	

(Source: Management Estimates)

2) Setting up Six Offices in Mumbai, Chennai, Bangalore, Delhi, Cochin & Hyderabad for PAN India presence

We have our registered office at Hyderabad. We operate our SPV office at Hong Kong & a sale point in Cochin through our representative. So our company has predominant presence in ‘South India’. A diversified growth strategy protects the company from region-specific economic downturns. We want to expand our operations through setting up six new offices across PAN India. The cost of setting up the offices is estimated by our management as below:

(₹ in lakhs)

Setting up six new Offices for PAN India presence							
Particulars	Mumbai	Chennai	Bangalore	Delhi	Cochin	Hyderabad (2nd office)	Total
Office Rentals and admin overheads (first six months)	18.00	15.00	14.00	5.70	6.20	6.00	64.90
Computer Systems and related equipments and software	6.74	7.24	7.24	2.26	7.24	25.39	56.11

Setting up six new Offices for PAN India presence							
Particulars	Mumbai	Chennai	Bangalore	Delhi	Cochin	Hyderabad (2nd office)	Total
Furniture and Fixtures	1.00	3.00	3.00	1.00	2.00	-	10.00
Manpower Costs (first six months)	8.10	21.30	21.30	13.50	21.30	29.10	114.60
- Editor	3.60	3.60	3.60	-	3.60	3.60	18.00
- Analyst	-	1.80	1.80	-	1.80	3.60	9.00
- Web Developers	-	-	-	-	-	4.20	4.20
- Content Writers	-	3.00	3.00	-	3.00	3.00	12.00
- Content Managers	-	3.60	3.60	-	3.60	3.60	14.40
- Social Media Managers	-	3.00	3.00	-	3.00	3.00	12.00
- DOP	-	1.80	1.80	-	1.80	1.80	7.20
- IT	-	-	-	-	-	1.80	1.80
- Sales Head	-	-	-	9.00	-	-	9.00
- Sales Managers	4.50	4.50	4.50	4.50	4.50	4.50	27.00
Grand Totals	33.84	46.54	45.54	22.46	36.74	60.49	245.61

Note: The Management estimates that after six month these SBU's/ Office Units would be able to self sustain their working capital needs hence, fund estimate for first six months are being raised through the net issue

3) General Corporate Purposes

We propose to deploy ₹ 42.28 lakhs, aggregating to 3.63% of the Net Proceeds of the Fresh Issue towards general corporate purposes, including but not restricted to for our working capital requirements, bank deposits, deposits for renting or otherwise acquiring business premises, margin money, acquiring business assets, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, starting new products or services, obtaining new or enabling accreditations and licenses, investment in business venture, strategic alignment, strategic initiatives as per the objects of the Company, expansion into new geographies, investment in securities, brand building exercises, strengthening of our marketing capabilities, implementing enterprise resource planning tools and methodology, in our operations and other project related investments and commitments and execution capabilities in order to strengthen our operations.

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

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

ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ 57.00 lakhs, which is 3.78% of the total Issue Size. The details of the Issue Expenses are tabulated below:

Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
1	Issue Management fees including fees and reimbursements of Market Making fees (1 st year), and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	37.00	64.91%	2.45%
2	Brokerage and Selling Commission, Underwriting Commission, RTAs and CDPs	7.50	13.16%	0.50%
3	Advertisement, Printing & Stationery, Marketing Expenses, etc.	5.00	8.77%	0.33%
4	Listing Fees, Market Regulatory & Other Expenses	7.50	13.16%	0.50%
	Total	57.00	100.00%	3.78%

- 1) *The SCSBs and other intermediaries will be entitled to a commission of ₹ 10 per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.*
- 2) *The SCSBs would be entitled to processing fees of ₹ 10 per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.*
- 3) *Further the SCSBs and other intermediaries will be entitled to selling commission of 0.05% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.*
- 4) *The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.*
- 5) *Except for the Listing Fees, ROC Charges & the Market Making Fees, which will be borne by our Company, all other expenses relating to the Issue as mentioned above will be borne by the Company and Selling Shareholders in proportion to the Equity Shares contributed to the Issue. The Issue expenses are estimated expenses and subject to change.*

Appraisal and Bridge Loans

The Objects of the Issue and deployment of Fresh Issue funds have not been appraised by any banks, financial institutions or agency. Further, our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Fresh Issue Proceeds.

Year wise Deployment of Funds / Schedule of Implementation

The entire net proceeds of Fresh Issue are proposed to be deployed in the Financial Year 2017 – 18, except an amount of ₹ 89.80 lakhs which could be deployed in Financial Year 2018 – 19 as per the requirement of management and respective expenses of propose new branch offices.

Monitoring of Utilization of Funds

There is no requirement for a monitoring agency as the Issue size is less than ₹ 10,000 lakhs. Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Fresh 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, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 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 Prospectus.

Interim Use of Funds

Pending utilization of the Net Fresh Issue Proceeds for the purposes described above, our Company will deposit the Net Fresh Issue Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Fresh Issue Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling

Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, our Board of Directors, our Key Management Personnel or Group Companies except in the normal course of business and in compliance with applicable law.

BASIC TERMS OF THE ISSUE

Terms of the Issue

The Equity Shares, now being issued, are subject to the terms and conditions of this Prospectus, the Application form, the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, NSE, RBI, ROC and / or other authorities as in force on the date of the Issue and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

Approval for the Issue

The present Issue has been authorized pursuant to a resolution of our Board dated June 01, 2017 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on June 08, 2017.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated May 29, 2017. The No. of Equity Shares offered by each Selling Shareholders are as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1	Mr. Tekulapalli Sanjay Reddy	2,40,000
2	Mr. Anil Kumar Pallala	50,000
	Total	2,90,000

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue 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 Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

Other Details

Face Value	The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.
Issue Price	The Equity Shares pursuant to this Prospectus are being issued at a price of ₹ 120 each.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 1,200 and in multiples of 1,200 thereafter; subject to a minimum allotment of 1,200 Equity Shares to the successful applicants.
Terms of Payment	Applications should be for a minimum of 1,200 equity shares and in multiples of 1,200 equity shares thereafter. The entire Issue Price of the equity shares of ₹ 120 per share is payable on application. In case of allotment of lesser number of equity shares than the number applied, the excess amount paid on application shall be refunded / unblocked to the applicants.
Ranking of the Equity Shares	The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank <i>pari - passu</i> in all respects including dividends with the existing Equity Shares of the Company. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.

Minimum Subscription

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Issue. In terms of Regulation 106P(1) of the ICDR Regulations, the Issue is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 106R of the ICDR Regulations, our

Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 50.

If we do not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after we become liable to pay the amount, we shall pay interest prescribed under the applicable provisions of the Companies Act, 2013.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Selling Shareholders and the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is ₹ 120 per Equity Shares and is 12 times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page nos. 12, 130 and 78 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

We believe that the following strengths help differentiate us from our competitors and enable us to compete successfully in our industry:

- ✓ Experienced & Qualified Team;
- ✓ Established brand within the niche Digital Media Publishing space;
- ✓ Diverse and growing Content Library and
- ✓ Strong Fiscal planning and global business approach.

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see “Our Business – Our Strengths” on page no. 79 of this Prospectus.

Quantitative Factors

Information presented in this chapter is derived from our Restated Financial Statements prepared in accordance with Indian GAAP. Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1) Earnings per Share (EPS)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) ⁽¹⁾	Weight (Consolidated)
2017	4.61	3
2016	1.17	2
2015	(0.17)	1
Weighted Average	2.67	

⁽¹⁾ Based on Consolidated Restated Financials of our Company

Basic and diluted EPS (Consolidated) for the six months ended September 30, 2017 was ₹ 2.62

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) ⁽¹⁾	Weight (Standalone)
2017	0.83	3
2016	0.25	2
2015	0.23	1
Weighted Average	0.54	

⁽¹⁾ Based on Standalone Restated Financials of our Company

Basic and diluted EPS (Standalone) for the six months ended September 30, 2017 was ₹ 0.66

Notes:

a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year / period}}$$

b. Basic EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year / period}}$$

c. Earnings per share calculations are in accordance with Accounting Standard 20 “Earnings per Share” prescribed by the Companies (Accounting Standard) Rules, 2006.

2) Price Earnings Ratio (P/E) in relation to the Issue price of ₹ 120 per share of ₹ 10 each

Particulars	Consolidated	Standalone
P/E ratio based on Basic & Diluted EPS as at March 31, 2017	26.03	144.57
P/E ratio based on Weighted Average EPS	44.94	222.22

3) Return on Net worth (RoNW)

Consolidated

Year ended March 31,	RoNW (%)	Weight
2017	26.16%	3
2016	25.75%	2
2015	(3.51)%	1
Weighted Average	21.08%	

Basic and diluted RoNW (Consolidated) for the six months ended September 30, 2017 was 15.01%

Standalone

Year ended March 31,	RoNW (%)	Weight
2017	6.31%	3
2016	6.87%	2
2015	4.78%	1
Weighted Average	6.24%	

Basic and diluted RoNW (Standalone) for the six months ended September 30, 2017 was 5.55%

Note: Return on Net worth has been calculated as per the following formula:

$$\text{RoNW} = \frac{\text{Net profit / loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

4) Minimum Return on Net Worth after Issue needed to maintain Pre-Issue Basic & diluted EPS for the year ended March 31, 2017 (based on Restated Financials) at the Issue Price of ₹ 120

The minimum return on increased net worth i.e. after Issue, required to maintain pre-Issue Standalone Basic / Diluted EPS of ₹ 0.83 for the F.Y. 2016-17 and Consolidated Basic / Diluted EPS of ₹ 4.61 for the F.Y. 2016-17 is **2.44%** and **12.46%** respectively.

Note:

Net worth is the sum of the share capital, the reserves and the surplus less miscellaneous expenditure not written off.

5) Net Asset Value (NAV)

Financial Year	Consolidated NAV (in ₹)	Standalone NAV (in ₹)
NAV as at September 30, 2017	17.45	11.96
NAV as at March 31, 2017	105.60	79.13
NAV after Issue	37.00	34.01
Issue Price (₹)	120.00	

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

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

6) Comparison with Industry Peers

We believe that there is no other listed company which is specifically comparable to us w.r.t our business model, size and financials.

The Company and the Selling Shareholders in consultation with the Lead Manager believes that Issue price of ₹ 120 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is 12.00 times of the face value i.e. ₹ 120 per share.

STATEMENT OF SPECIAL TAX BENEFITS

To,
The Board of Directors,
Silly Monks Entertainment Limited,
301, Ektha Pearl, 2-17-89, B P Raju Marg,
Kothaguda, Kondapur,
Hyderabad 500084.

Dear Sir,

Sub: Statement of possible Tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws

We hereby confirm that the enclosed annexure, prepared by the Management of **Silly Monks Entertainment Limited** ('the Company'), states the possible Tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives which the Company may face in the future, the Company may or may not fulfil.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his / her / its own tax consultant, with respect to the tax implications arising out of his/ her / its' participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

- The Company or its shareholders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits have been / would be met with.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws. The same shall be subject to notes annexed.

No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to **Silly Monks Entertainment Limited** 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 of intentional misconduct.

For M/s. Ramasamy Koteswara Rao & Co.,
Chartered Accountants
Firm Registration No.010396S

Mr. C. V. Koteswara Rao
Partner
Membership No.028353

Place: Hyderabad
Date: June 12, 2017.

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO SILLY MONKS ENTERTAINMENT LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India.

BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

A. SPECIAL TAX BENEFITS TO THE COMPANY

NIL

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

NIL

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We 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.

For M/s. Ramasamy Koteswara Rao & Co.,
Chartered Accountants
Firm Registration No.010396S

Mr. C. V. Koteswara Rao
Partner
Membership No.028353

Place: Hyderabad
Date: June 12, 2017.

SECTION V – ABOUT THE ISSUER COMPANY

INDUSTRY OVERVIEW

The information in this chapter has been extracted from the websites of publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Issue has independently verified the information provided in this chapter. Industry sources and publications, referred to in this chapter, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

OVERVIEW OF THE GLOBAL AND INDIAN ECONOMY

Global Scenario

The US economy bounced back strongly in Q3:2016, underpinned by robust consumer spending and continuing improvement in the labour market. GDP growth decelerated sharply in Q4:2016 due to a large slippage in net exports, even though retail sales, consumer confidence and the purchasing manufacturers' index (PMI) suggested sustained momentum. Domestic demand grew (q-o-q) at the fastest pace in almost two years. Consumer confidence reached a 16-year high in March, though retail sales had slowed down in February. The Institute for Supply Management's (ISM) index suggested manufacturing expanded at its fastest pace in three years in February.

In the Euro area, GDP growth accelerated in H2:2016. Relatively low oil prices and sustained employment gains have provided support to household incomes. Improving consumer confidence and the PMI, which rose to a six-year high in March, indicate that activity continued to expand in Q1:2017. Nonetheless, the region remains vulnerable to a number of headwinds such as the formal beginning of the Brexit process, upcoming elections in several constituent countries and tightening of financial conditions.

The Japanese economy continued to recover at a modest pace even as the momentum weakened in H2:2016. Increases in private consumption and fixed investment were moderate, although there was some uptick in exports and industrial production towards end-2016. The manufacturing PMI improved during January and February but moderated again in March 2017. In the UK, economic growth gained momentum in H2: 2016, notwithstanding the uncertainties surrounding the negotiations relating to Brexit, as exports rose substantially following the weakening of the pound. However, manufacturing growth weakened for two consecutive months in February, indicating the possibility of a slowdown in 2017.

(Source: Monetary Policy Report, issued by RBI in April, 2017)

The table below shows the real GDP growth (Q-o-Q, annualised %) :

Country	Q4-2015	Q1-2016	Q2-2016	Q3-2016	Q4-2016	(Per cent)		
						2017 (P)	2018 (P)	
Advanced Economies (AEs)								
US	0.9	0.8	1.4	3.5	2.1	2.3	2.5	
Euro area	2.0	2.0	1.2	1.6	1.6	1.6	1.6	
Japan	-1.0	1.9	2.2	1.2	1.2	0.8	0.5	
UK	2.8	0.8	2.4	2.0	2.8	1.5	1.4	
Canada	0.5	2.7	-1.2	3.8	2.6	1.9	2.0	
Korea	2.8	2.0	3.6	2.0	2.0	3.0	3.1	
Emerging Market Economies (EMEs)								
China	6.0	5.2	7.6	7.2	6.8	6.5	6.0	
Brazil	-4.8	-2.4	-1.3	-2.9	-3.6	0.2	1.5	
Russia*	-3.2	-0.4	-0.5	-0.4	0.3	1.1	1.2	
South Africa	0.5	-1.5	3.1	0.4	-0.3	0.8	1.6	
Thailand	2.5	4.3	4.2	1.7	1.7	3.3	3.1	
Malaysia	4.8	4.0	2.8	5.6	5.6	4.6	4.7	
Mexico	1.6	1.9	0.4	4.2	2.8	1.7	2.0	
Saudi Arabia*	4.3	2.0	1.5	0.9	1.2	0.4	2.3	
Memo:						2016 (E)	2017 (P)	2018 (P)
World Output						3.1	3.4	3.6
World Trade Volume						1.9	3.8	4.1

E : Estimate, P : Projection, *: y-o-y growth.

Sources: Bloomberg and IMF.

(Source: Monetary Policy Report, issued by RBI in April, 2017)

Indian Economy

Global activity is firming broadly as expected. Manufacturing and trade are picking up, confidence is improving, and international financing conditions remain benign. Global growth is projected to strengthen to 2.7 percent in 2017 and 2.9 percent in 2018-19, in line with January forecasts. In emerging market and developing economies (EMDEs), growth is predicted to recover to 4.1 percent in 2017 and reach an average of 4.6 percent in 2018-19, as obstacles to growth in commodity exporters diminish, while activity in commodity importers continues to be robust. Risks to the global outlook remain tilted to the downside. These include increased trade protectionism, elevated economic policy uncertainty, the possibility of financial market disruptions, and, over the longer term, weaker potential growth. A policy priority for EMDEs is to rebuild monetary and fiscal space that could be drawn on were such risks to materialize. Over the longer term, structural policies that support investment and trade are critical to boost productivity and potential growth.

(Source: <http://pubdocs.worldbank.org/en/216941493655495719/Global-Economic-Prospect-2017-Global-Outlook.pdf>)

Indian Scenario

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). The Government of India has forecasted that the Indian economy will grow by 7.1 per cent in FY 2016-17. As per the Economic Survey 2016-17, the Indian economy should grow between 6.75 and 7.5 per cent in FY 2017-18. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices. India's consumer confidence index stood at 136 in the fourth quarter of 2016, topping the global list of countries on the same parameter, as a result of strong consumer sentiment.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

India's gross domestic product (GDP) grew by 7 per cent year-on-year in October-December 2016 quarter, which is the strongest among G-20 countries, as per Organisation for Economic Co-operation and Development (OECD) Economic Survey of India, 2017. According to IMF World Economic Outlook Update (January 2017), Indian economy is expected to grow at 7.2 per cent during FY 2016-17 and further accelerate to 7.7 per cent during FY 2017-18.

The Union Budget, 2017-18 deferred the target for the gross fiscal deficit (GFD) to GDP ratio of 3.0 per cent to 2018-19 from 2017-18. Nevertheless, the government remained committed to the spirit of fiscal consolidation as the Centre's GFD is budgeted to decline by 0.3 percentage point to 3.2 per cent in 2017-18 through an increase in non-debt receipts, particularly tax revenues and disinvestment proceeds. This makes room for enhanced budgetary allocation for the farm and rural sectors, social and physical infrastructure, and employment generation. Future fiscal consolidation is contingent upon efficient revenue mobilisation - broadening the tax base; and incentivising digital payments.

(Source: <https://rbi.org.in/Scripts/PublicationsView.aspx?id=17454>)

India | Economic Forecasts | 2016-2020

Overview	Actual	Q2/16	Q3/16	Q4/16	Q1/17	2020	
GDP Growth Rate	1.70	1.9	1.6	1.7	1.7	1.3	percent
Unemployment Rate	4.90	4.7	5	4.8	4.8	4.6	percent
Inflation Rate	5.76	5.05	4.87	4.64	5.1	3.8	percent
Interest Rate	6.50	6.5	6.5	6.5	6.5	4.75	percent
Balance of Trade	-6272.90	-19200	-19000	-7764	-7826	-10115	USD Million
Government Debt to GDP	67.20	67.87	68.01	68.15	68.69	77.11	percent

(Source: www.ibef.org/economy/indian-economy-overview)

Digital Media Publishing Industry Global and Indian Economy

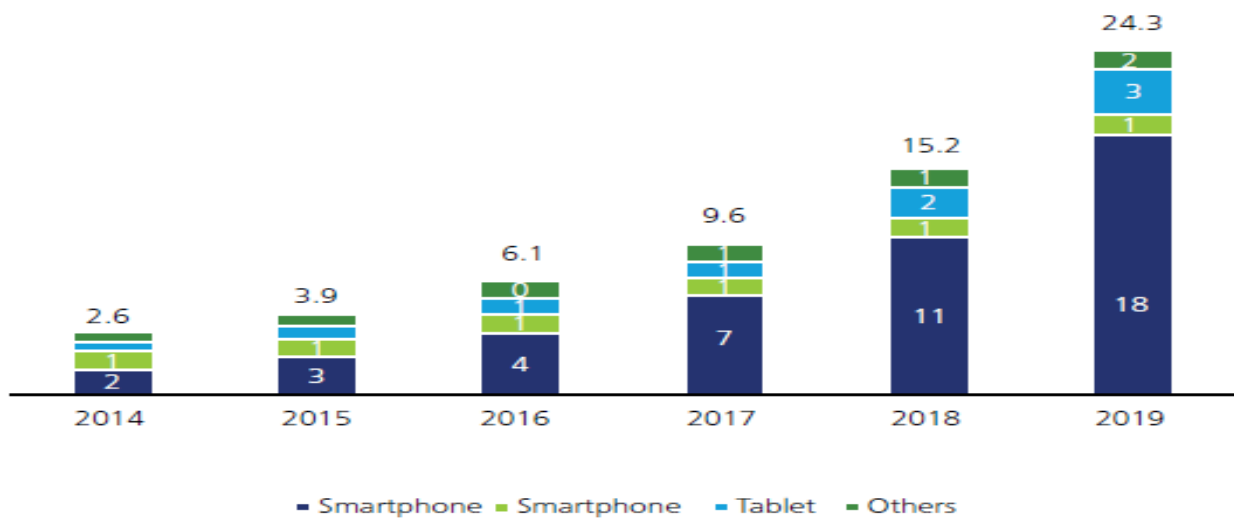
Global Trends: Transition to On-Demand Content

Media consumption across the globe is increasingly happening in digital formats. The increase in the number of devices capable of supporting digital media along with increasing internet access speed, has provided consumers with an option

to access the media content of his choice be it information, entertainment or social activity anytime, anywhere. Media consumption in the US has shown tremendous increase and has seen a significant jump from traditional media to new (digital) media. The rise of digital media players such as Netflix, Hulu, Amazon, Apple TV, Roku, and Boxee, etc. are challenging the traditionally maintained supremacy of the television as the main entertainment hub.

Mobile devices driving the digital consumption Online media consumption has shown tremendous growth over the past few years. Among the digital devices, mobile devices have taken over as the preferred medium of consuming online media. The smartphone market has seen an unprecedented growth in the last 5 years. Smartphone devices across the globe grew at a CAGR of 17% as compared to 9.5% growth in all mobile devices. Smartphones crossed 2 billion mark in 2014 and are expected to reach 4.6 billion by 2019. This increase in the number of mobile devices is making it easier for consumers to access music and video content on the go. In 2014, the smartphone mobile data traffic alone stood at 1.73 EB per month (69% of global mobile data traffic), which is expected to grow 10-fold from 2014 to 2019, a compound annual growth rate (CAGR) of 60%. Tablet mobile data traffic will grow 20-fold from 2014 to 2019 (CAGR of 83%) to reach 3.2 EB per month.

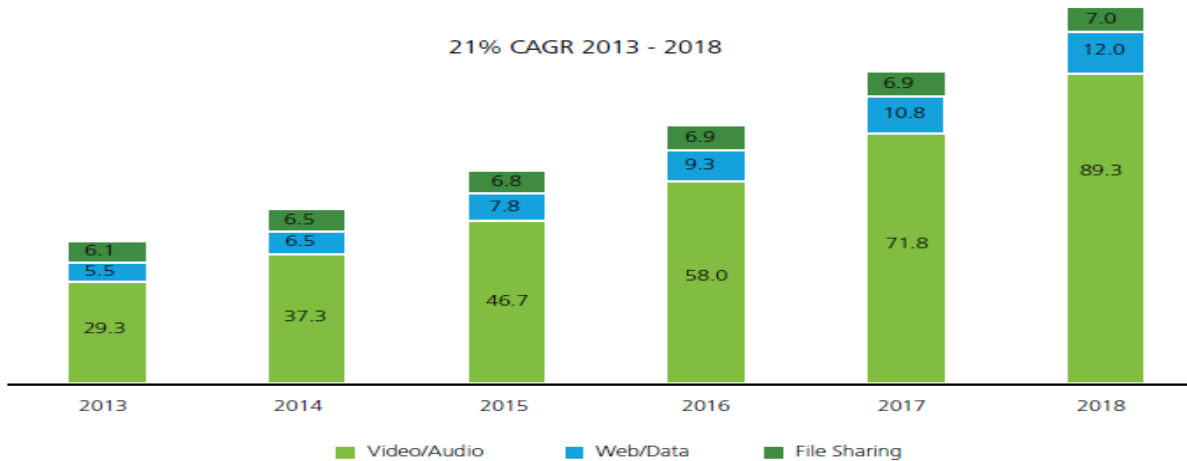
Figure 1: Global Monthly Mobile Data Consumption (Exabyte)



The internet has been and continues to be a disruptive force impacting distribution and consumption channels for media. With better networks, coverage, and advanced technologies (3G, 4G / LTE) the data consumption across the globe has risen. Audio & Video drive the global digital media consumption Most of this data growth is attributed to different digital media especially the entertainment services like video, audio etc.

Globally, video and audio traffic has dominated the internet data consumption for some years now. The devices used to access digital content have evolved in the last few years that have increased the array of platforms on which a user can stream audio and video content. Netflix share of internet traffic in North America increased further and accounted for 34% of data flowing to consumers during the peak times in first half of 2014. 2 Over-the-top (OTT) service providers like YouTube and Subscription-based digital content providers like Spotify have also acted as a catalyst in the growth of audio/video data streaming. The global audio and video traffic combined is expected to reach 82% of all internet traffic by 2018.

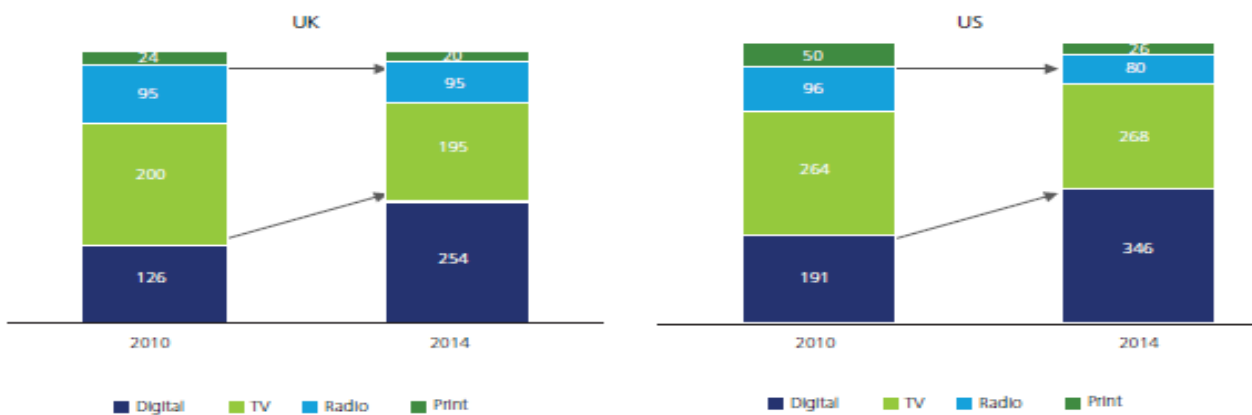
Figure 2 : Video and Audio will generate 89% of Consumer Internet Data Traffic by 2018 (Exabytes per month)



Source: CISCO VNI report, 2014

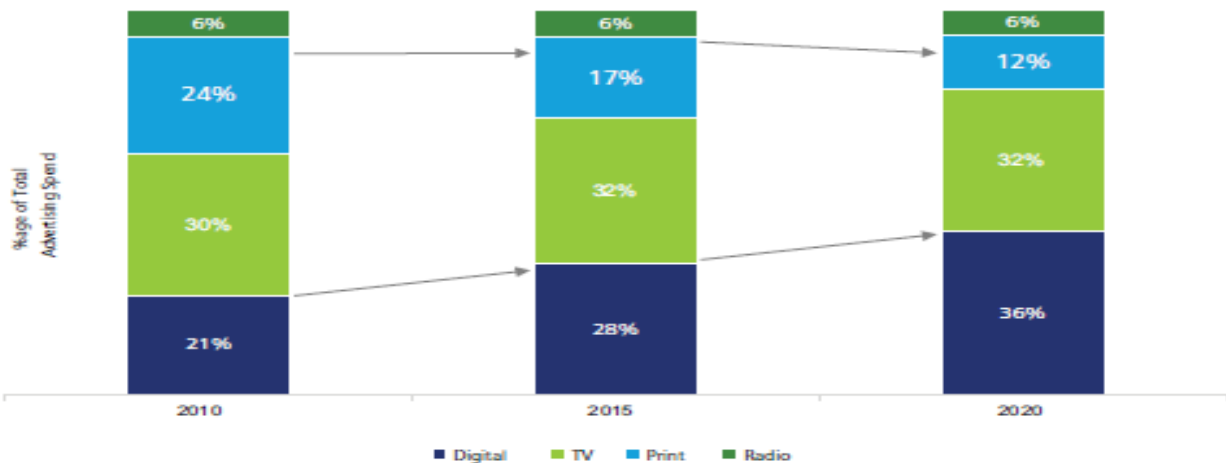
Marketers are shifting their advertising spends towards digital media. There is a marked shift in consumer preferences towards digital media consumption as compared to traditional forms of media which include TV, print press, and radio. People are spending more time each day on digital rather than traditional forms of media. Data from the US and the UK have shown that in last 4 years, there has been a significant increase in the time that people spend on digital media. The increasing popularity of digital media has provided for a paradigm shift in the global advertising spends. Marketers are following the changing trend and increasingly allocating their budget to digital mediums. Spending on digital media as a percentage of total advertising spend is expected to increase from 21% in 2010 to 28% in 2015. It is further expected to reach 36% by 2020. This increase is mainly coming by cannibalizing traditional advertising mediums like print.

Figure 3 Actual time spent in minutes per day for an average adult (Minutes per day)



Source: eMarketer

Figure 4 : Change in global advertising media spend



Source: Deloitte Analysis

Digital Media Landscape in India

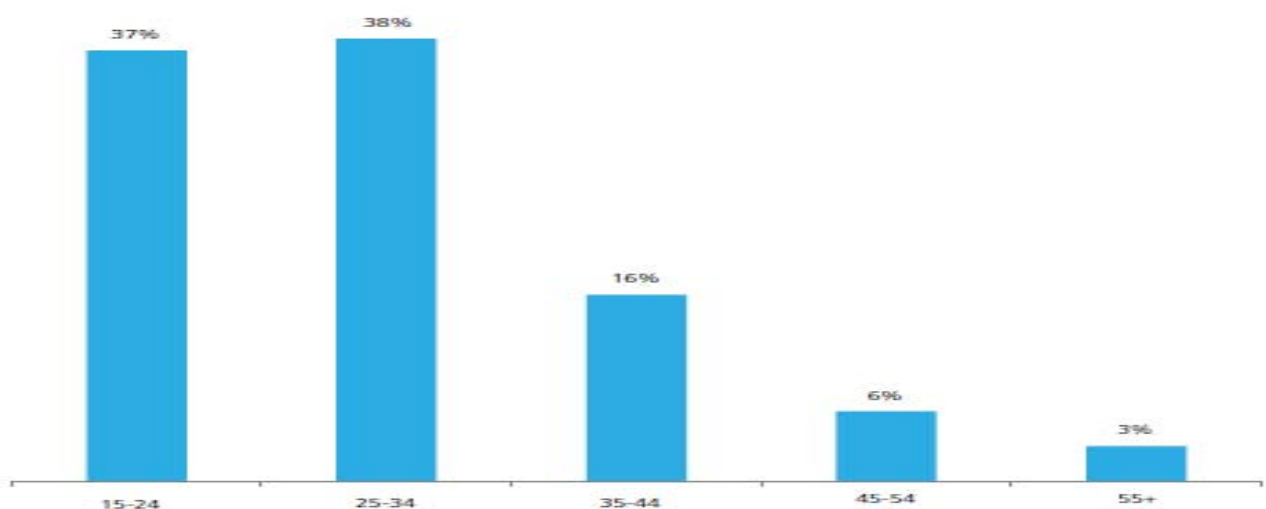
In line with global trends, the Indian consumer is increasingly consuming the content on digital platforms. This trend is observed for all type of content including news (text), music (audio), or video. Increasing internet penetration and mobile device proliferation and convenience of consuming the content anytime, anywhere are the key drivers for this trend.

Rapidly increasing internet users

India added 43 million internet users (20.5% growth) from October 2013 to September 2014 and total internet users crossed 254 million in September 2014. Out of these, 235 million users accessed internet through mobile devices. The growth in internet users was seen both in rural and urban parts of India. Internet users in rural India is expected to reach 138 million by June 2015, while 216 million internet users are expected to be in urban India by then. With improved networks, better access to internet, multimedia service-capable mobile devices and application development ecosystem, more and more media consumption would happen on digital platforms.

India has around 300,000 app developers and is already the second largest Android developer community in the world after the US. While the internet user base in India is growing at a rapid rate; most of these users (75%) belongs to the age group of less than 35 years. More than half of the app users in India are aged between 18 and 24 years and a further 29% between 25 and 35. 45% of these users reside in the top 4 metros.

Figure 5: Indian internet users - age wise distribution

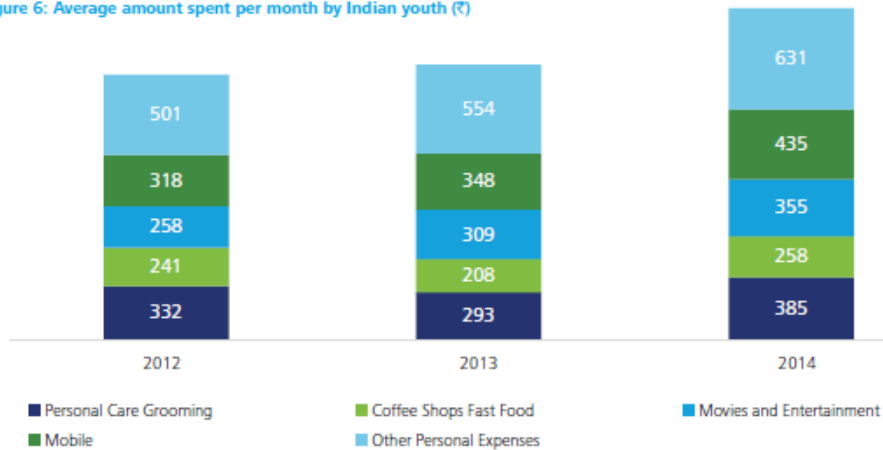


Source: vserv.com

Higher spend on entertainment services by youth

On an average, an internet connected user in India spends 14% of his or her time and 17% of his or her monthly spending on entertainment. Combined spend by an internet user on Mobile and Entertainment increased by 34% in two years from 2012 to 2014.

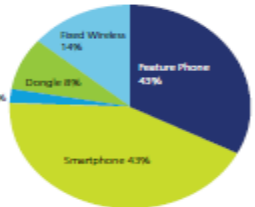
Figure 6: Average amount spent per month by Indian youth (₹)



Source: Hindustan Times Report 9

In terms of media consumption, an average mobile web user in India consumes about 6.2 hours of media daily which includes 102 minutes of mobile media and 79 minutes of online (desktop) media consumption. Social media and entertainment (Music & Video) are the two activities on which the Indian mobile internet users spend their time the most followed by games, general search, and emails. Out of the total time spent on digital media by youths, about 21% of the time is spent on audio and video entertainment. Spending per month by users on digital media especially entertainment is expected to grow by 2.5 times by 2020. A similar trend is expected for the time spent on consuming the digital media services. Mobile Devices Driving Digital Media Consumption Internet traffic originating from mobile devices in India has already surpassed the desktop internet traffic. Most of the users are now accessing internet via mobile devices. In rural India mobile internet users are set to grow at a rate of 33% from October 2014 to reach 49 million by March 2015 and 53 million by June 2015. In urban India, this number is expected to reach 143 million by March 2015 and 160 million by June 2015. The following table summarizes the current internet user base split as per device usage and application preferences:

Figure 7: Indian Internet users by device type

Device Type and Total Subscribers	Technology	Applications	Data Consumption per month
700 million* Feature phone	2G	<ul style="list-style-type: none"> E-mail Social networking apps (e.g. Facebook, WhatsApp) Web browser apps 	 <p>Total Data Consumption: 95 Petabytes per month</p>
164 million* Smartphone	2G/3G	<ul style="list-style-type: none"> All of above Mobile audio / video streaming/ Shopping apps 	
2 million Tablet - cellular	3G	<ul style="list-style-type: none"> All of above Mobile audio / video streaming/ gaming Shopping apps Reading apps 	
10 million Dongle	EVDO/3G/4G	<ul style="list-style-type: none"> E-mail Audio /video streaming Lifestyle/social media websites 	
18.7 million	Wi-Fi/Wired	<ul style="list-style-type: none"> All of above Mobile audio /video streaming/ gaming Shopping apps 	

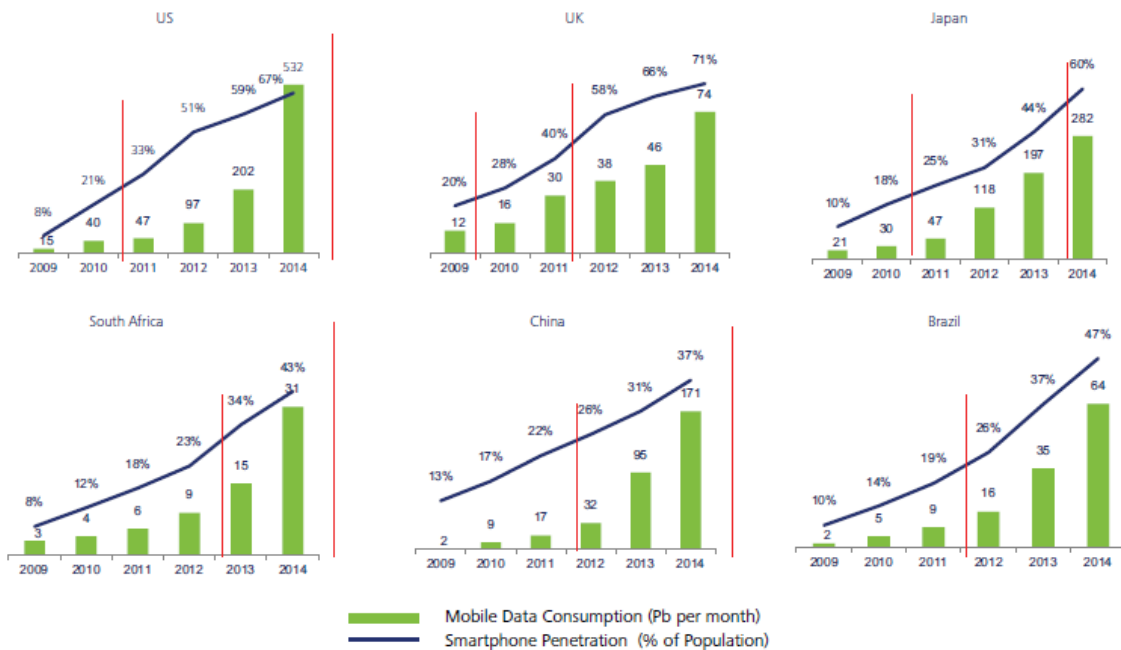
* Not all subscribers are data users

Source: Deloitte Analysis

Current smartphone penetration in India stands at 13.4% up from 10% in 2014. As per the study done by Deloitte across 25 countries, at 25-35% smartphone penetration data growth gains further impetus and more than doubles as compared to previous period.

This is mostly driven by the data hungry applications and on-demand services. India is likely to follow the global trend and point of 30% smartphone penetration will see tremendous data growth with even more adoption of data hungry applications / services on mobile devices.

Figure 8: Study performed across 20-25 markets particularly emerging markets



Source: Deloitte Research

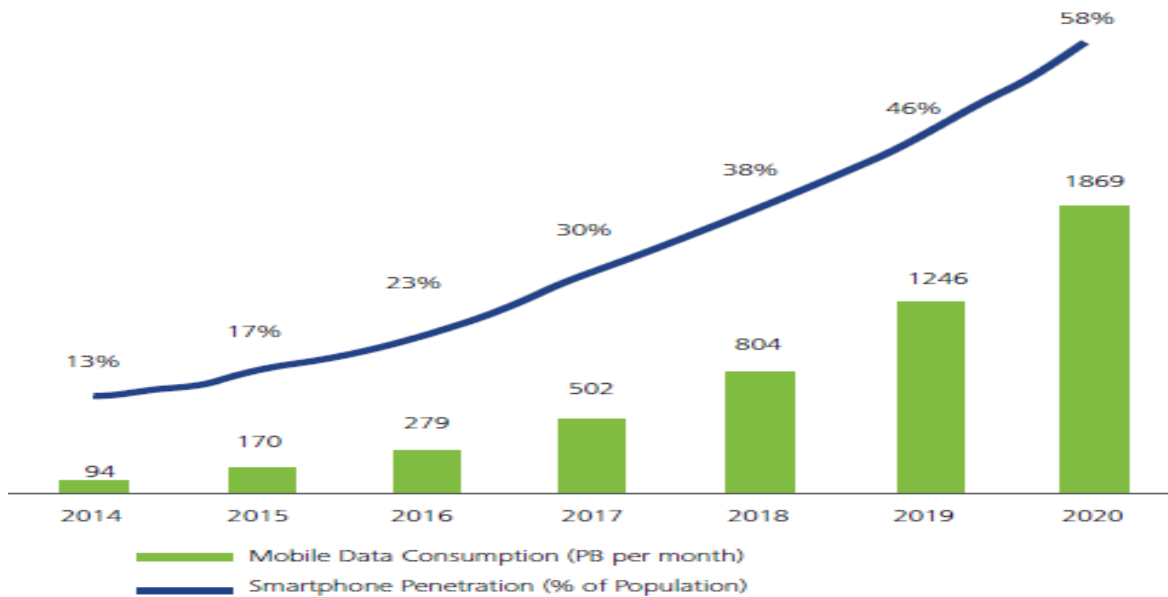
Smartphone shipments exceeded forecasts in 2014 leading to the availability of increased potential mobile data users. Average smartphone price in India in 2014 stood at \$135 and about 84 million smartphone units were sold in 2014. The average Smartphone price is expected to fall over the next few years to \$100 while the sales volume is expected to rise to more than 350 units per year by 2020. However, 5-10% extra fall in the prices may increase the sales and penetration more than expected thereby contributing to even higher data growth.

Rising data consumption with smartphone penetration:

While the proliferation on mobile devices would enable the digital media consumption, data prices, and anywhere connectivity would play equally important role in shaping the digital media consumption habits among Indian users. Average data price per MB on mobile networks has fallen significantly over the past few years; however, mobile data tariffs are likely to mirror the trends in 2G market where voice tariffs in India are stabilizing after long period of sharp falls.

Average data consumption per user in 2014 was 688 MB per user for 3G and 216 MB per user for 2G. On an average, a 3G user consumed about 3x data payloads as compared to 2G counterparts. Further, with high smartphone usage and lower data tariffs, India has already started experiencing S-curve data growth and this trend is expected to continue in the near future.

Figure 9: Projected smartphone penetration and mobile data consumption (in PB per month) for India



Source: Deloitte Analysis

With more subscribers using faster access technologies, data would consequently grow faster. With faster technology, there is an increase expected in adoption of data hungry applications especially entertainment services like On-demand music and video streaming and download. In 2014, about 47% of mobile data traffic was contributed by streaming / downloading audio and video services. As data networks improve in India, it is expected that users would start using higher levels of data. The contribution from on-demand entertainment services is estimated to grow to more than 74% by 2020.

(Digital Media: Rise of On-demand Content, Deloitte)

India Media and Entertainment 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.

Market Dynamics

The Indian media & entertainment sector is expected to grow at a Compound Annual Growth Rate (CAGR) of 14.3 per cent to touch ₹ 2.26 trillion (US\$ 33.9 billion) by 2020, while revenues from advertising is expected to grow at 15.9 per cent to ₹ 99,400 crore (US\$ 14.91 billion). Over FY 2015-20, radio will likely grow at a CAGR of 16.9 per cent, while digital advertising will grow at 33.5 per cent. The largest segment, India's television industry, is expected to grow at a CAGR of 15 per cent, while print media is expected to grow at a CAGR of 8.6 per cent.

India is one of the highest spending and fastest growing advertising market globally. The country's expenditure on advertising is estimated at 15.5 per cent in 2016, and is expected to grow by 11.2 per cent in 2017, based on various media events like T20 Cricket World Cup, the Indian Premier League (IPL) and State elections. Television segment, which continues to hold highest share of spending, is expected to grow by 12.3 per cent in 2016 and 11 per cent in 2017, led by increased spending by packaged consumer goods brands and e-commerce companies.

The Foreign Direct Investment (FDI) inflows in the Information and Broadcasting (I&B) sector (including Print Media) in the period April 2000 – December 2016 stood at US\$ 6.3 billion, as per data released by Department of Industrial Policy and Promotion (DIPP).

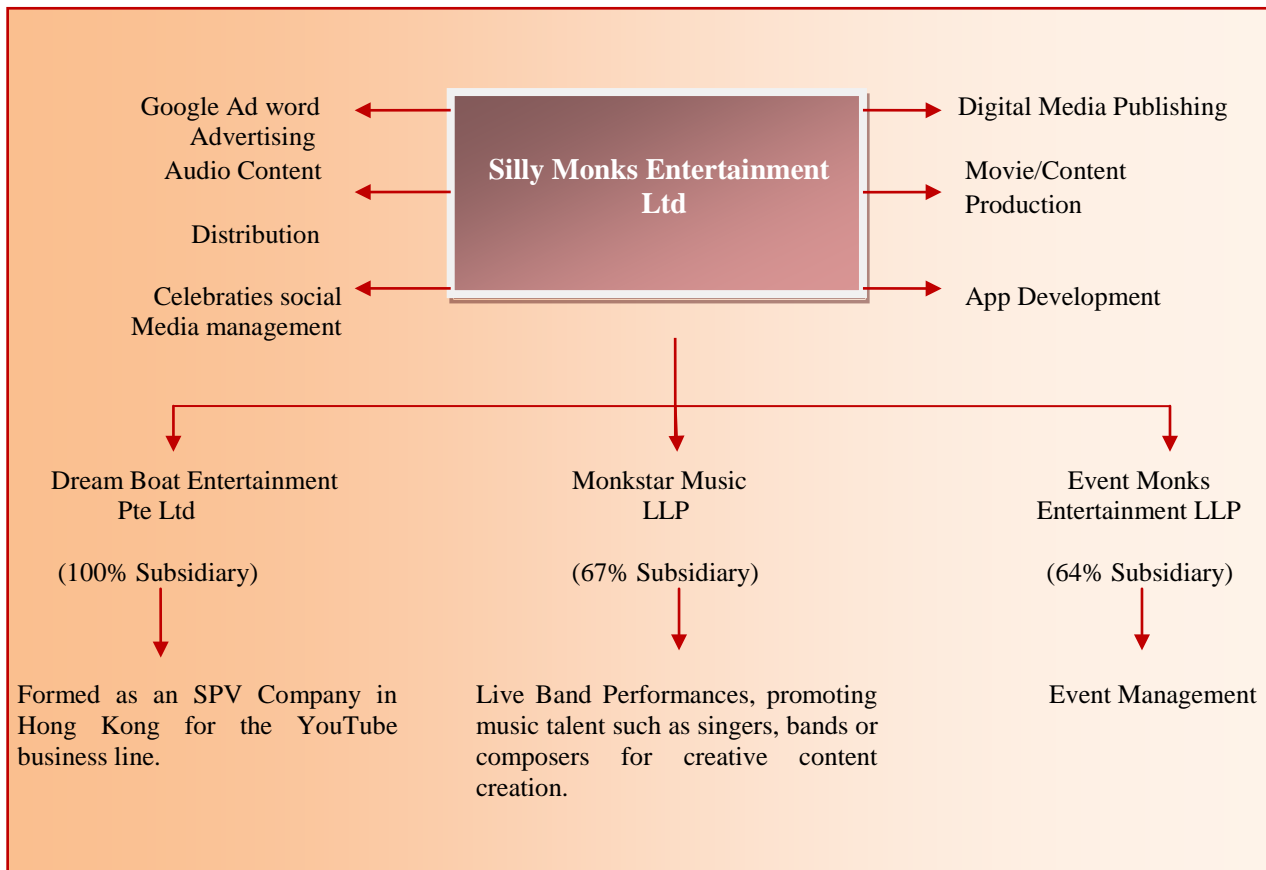
(<https://www.ibef.org/industry/media-entertainment-india.aspx>)

OUR BUSINESS

OVERVIEW

We are a 'South India' based entertainment & media startup with a focus of being a recognized & fast growing player in areas such as digital media publishing, movie/content production, celebrities social media management, App development, Audio content Distribution, Google Ad word and online / digital Advertising, event management, and live band performances.

Our business lines / model are as are as illustrated below:



Our main focus currently is Digital Media Publishing. We publish our content on various platforms such as YouTube, Facebook, Amazon, Vuclip etc. The contents that are being published over these platforms are either created by us i.e. by our in-house production or acquired through outright purchase or through syndicated method. In case of content which is bought by us, we own the copy rights of the content through an agreement with assignor and hence the publishing revenue is fully accrued to us. When the content is through syndication, we share the revenue with the content partner.

We have been growing our focus in movie production; wherein we have co-produced Telugu Movies named Oohalu Gusagusalade' 'Dikkulu Choodaku Ramayya', & Tungabhadra with Vaaraahi Chalana Chitram. We are also planning to venture into the Hindi Film industry through our co produced venture 'The Great Indian Escape' with KIK Butt Entertainment.

Our company's consolidated revenues have increased at a CAGR of 91.42% from ₹ 327.98 lakhs in FY 2014-15 to ₹ 1,201.82 lakhs in FY 2016-17; EBITDA has increased at a CAGR of 209.51% from ₹ 19.69 lakhs in FY 2014-15 to ₹ 188.66 lakhs in FY 2016-17.

Apart from our promoters Mr. Tekulapalli Sanjay Reddy & Mr. Anil Kumar Pallala, our startup has been funded by well renowned personalities such as Mr. Ranganathasai Korrapati who is a film producer and distributor known for his works predominantly in Telugu cinema & Mr. Sreenivasa Reddy Musani who is chairman and Managing Director of

Hyderabad-based Ektha Group which operates in Information Technology, Engineering, Business Process, Data Processing, Multimedia & Real Estate. Our vision is to be the first media start up to get listed on SME Exchange Platform in India and to utilize the funds raised towards fast expansion of our business operation across pan India & for growing our content library. For further details of our fund utilization please refer to “*Objects of the Issue*” beginning on page no. 58 of this Prospectus.

Our Strengths

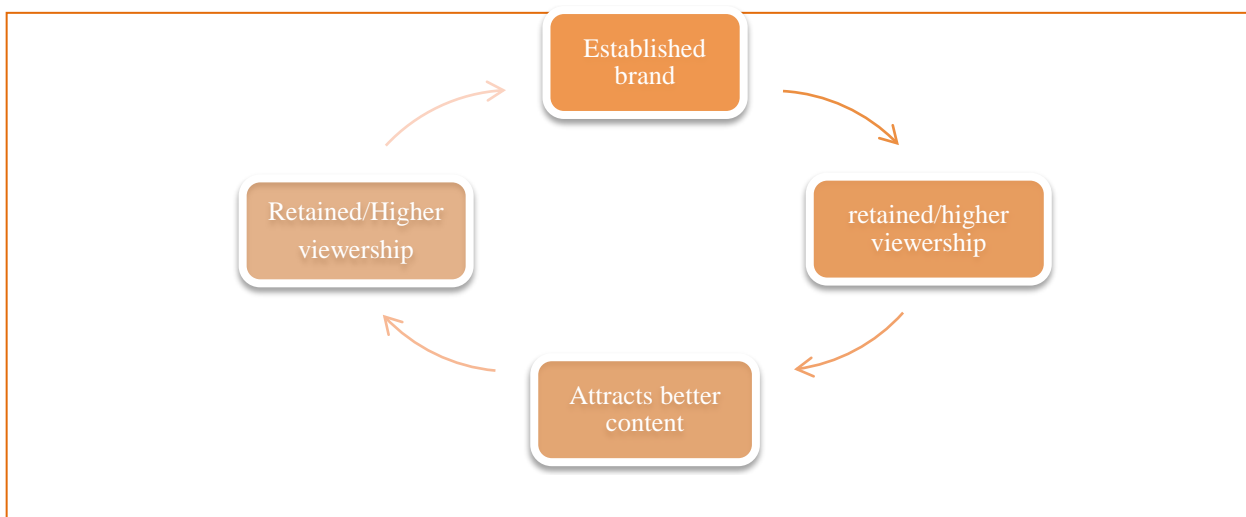
Following are our major strengths:

1. Experienced & Qualified Team:

Our senior management team is experienced in this industry and in the application of marketing and distribution initiatives in this sector. The Promoter and the senior management team of our Company have significant industry experience and have been instrumental in the consistent growth of our Company’s performance. Our Managing Director & founder Mr. Tekulapalli Sanjay Reddy has a vast experience in TV production house, selling of ad inventory & sponsorships over platforms, brand management. Our Director Mr. Anil Kumar Pallala holds an extensive experience as his career graph depicts many roles such as audio engineer, live sound mixing engineer & music producer. Further our promoter directors are supported by a team of well qualified and experienced professionals. We believe that our management team's experience and their understanding of the Digital Media business will enable us to continue to take advantage of both current and future opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition. 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. 106 of this Prospectus.

2. Established brand within the niche Digital Media Publishing space:

Branding is one of the most important aspects of any business. Brand strategy is what, where, when, how and to whom you plan on communicating and delivering on your brand messages, where you advertise is a part of your brand strategy. Distribution channels are also a part of the brand strategy. Through our focus on quality content we believe that we have become a well known brand name in the business of Digital Media Marketing. In India, there are around 8 well known Multi Channel Networks for YouTube & we are one of them. As on December 13, 2017, we have 972 channels under our network and the “Silly Monks Multi Channel Network (MCN)” along with its affiliates has delivered approximately 376 Million+ views in the month of November, 2017. The benefit of branding is depicted as below:



As our YouTube Multi Channel Network becomes more popular and attracts more & more viewers this would make us a stronger brand in this space and hence continue to attract better content and hence again continue to retain / attract viewership making this a healthy cycle which would provide us with a competitive edge against newer players / entrants in the future.

3. Diverse and growing Content Library:

In the business of Digital Media Publishing, a strategic marketing approach is important which is focused on creating and distributing valuable, relevant, and consistent content to attract and retain a clearly defined audience and ultimately, to drive profitable customer action. Secondly, your content must benefit a clearly defined audience focusing what are the wants, needs, interests, questions, concerns of the defined audience. Silly Monks has developed a vast & diversified content library of its own. Some content has been created by our in-house team, some content has been bought by us & some content has been syndicated one. Our major focus is on bringing the innovation in our content & making it audience focused. Our library has content which is meant for audience of different age group, which is in different languages & it is growing continuously.

4. Strong Fiscal planning and global business approach:

We have applied a global approach to our business. We have our wholly owned subsidiary Dream Boat Entertainment Pte. Ltd. (DBEPL) located at Hong Kong. DBEPL has entered into an agreement with Google Ireland Limited (YouTube) for content hosting services & the revenue generated from YouTube is realized by the SPV & further shared with our company. Hong Kong is a major domicile for offshore companies in the Asian Pacific Region who wish to enter into business arrangements with digital media giants such as Google (which operates YouTube) etc. Hence having a SPV at Hong Kong would help our company improve our business relations as well as our post tax profits on a consolidated basis.

Our Strategies

Our overall strategy is structured around our Content and its successful exploitation to ensure that it can be monetized through diversified platforms on a worldwide basis. Our strategy is designed to address predictability, scalability and sustainability, ultimately resulting in profitability.

The key elements of our strategy are as follows:

1. Scaling up Content driven by return on investment & moving up in the value chain:

We are emphasizing on monetizing our content in an effective manner through scaling up our content which is driven by return on investment. Since we are into the business of digital media, the performance of the content can be measured on real time basis which help us to analyze the output of the content. Once the performance has been measured, we scale up the content depending upon its popularity & performance. We then promote the similar content so to enhance the monetization. Also, we make an upward movement in the value chain i.e. if the top performing content is procured by syndication method, we move upward in the value chain by creating the similar content (movement from content procurer to content creator).

2. PAN India presence & Strategic Sales:

We aim to expand our operation across PAN India through funds raised from IPO. PAN India presence will enable us to attract more content providers across India. We will identify local talents & promote them over the platforms. PAN India presence will help us to develop a vast & diversified content library of our own, due to which we will have the ability to slice and dice the content and package it in different ways that are more suited for the media platforms i.e. content for children, teenagers etc.

3. Enhancing monetization of Content through existing and emerging media platforms:

Business should be capable of generating income from a number of sources ensuring that if a source fails, the cash flows will not be affected substantially. The same approach can be used for monetizing video. There is no single “best” approach. Each audience and subject requires a slightly different method, but with time and testing, one can figure out the best method(s). Along with an attractive/innovative content, selection of the right platform to deploy the content is also important. In the business of Digital Media Publishing, Distribution Platform has a significant importance. Further Silly Monks has a strong relationship with various players in the industry, the said relationship is either established formally through an agreement specially with platform providers or through our existing networking of experienced team. We have entered agreements with key industry players such as Google Inc (YouTube), Yahoo, Vuclip, Amazon, Saavn etc.

We also keep constant track on new emerging media platforms to deploy our content as an effective & efficient media platform with an effective content result into enhanced monetization. The monetization of the content has to be smart & we have expertise in it.

4. Single strategy for other business:

Our subsidiaries Event Monks Entertainment LLP & Monkstar Music LLP are in the business of Event Management & Live Band Performances respectively. We are moving towards becoming a Multi Media Hub. We ensure the synergic benefits of our other business lines through monetizing their content by deploying it on our existing & emerging platforms.

DETAILS OF OUR BUSINESS

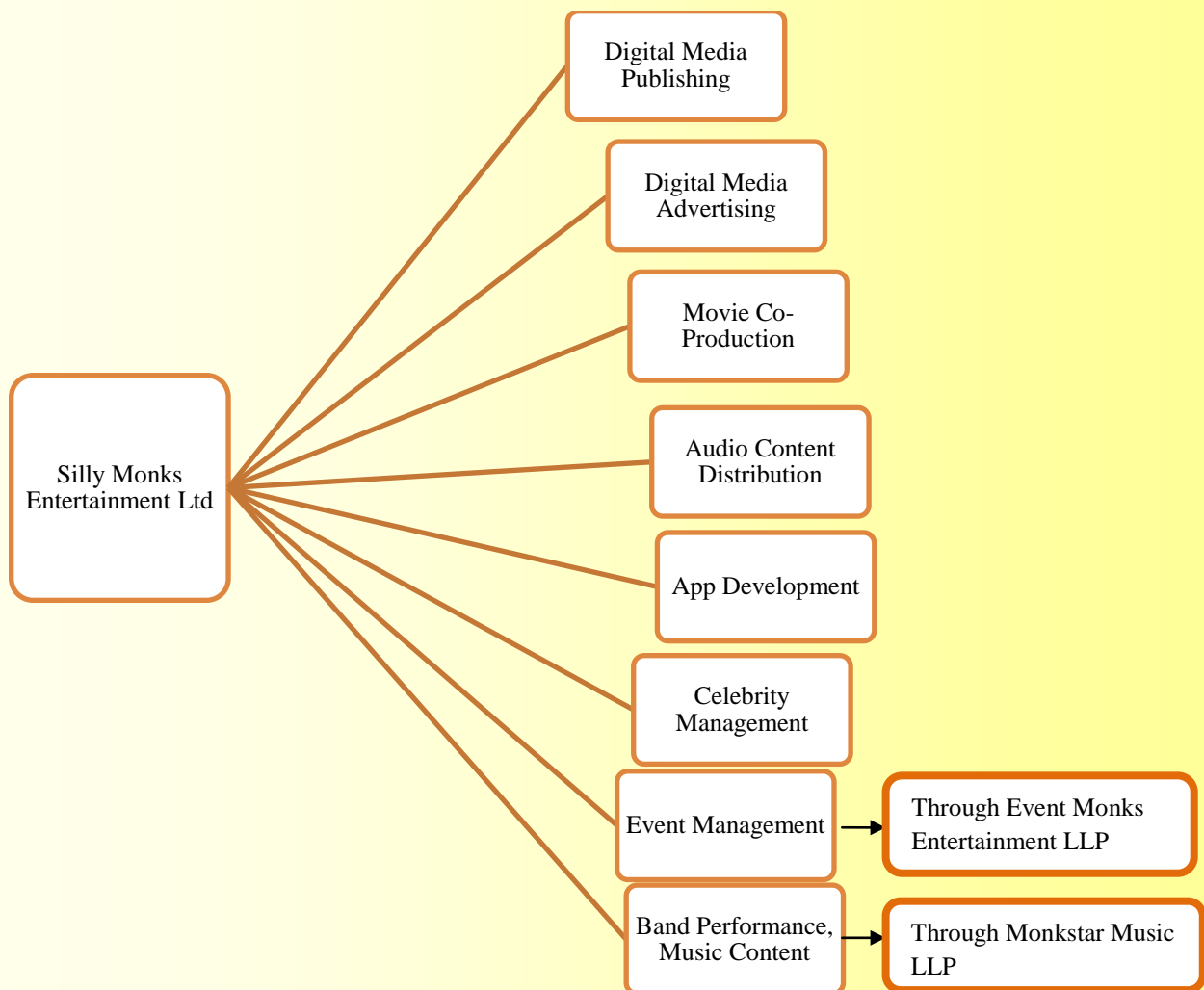
Location

We have a virtual presence all over the world through our various platforms. Our Registered Office is located at 301, 'Ektha Pearls', Plot No. 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad 500084.

Our wholly owned foreign subsidiary i.e. Dream Boat Entertainment Pte. Ltd. is located at Flat A, 15/F, Hiller Commercial Bldg, 65-67 Bonham Strand East, Sheung Wan HK.

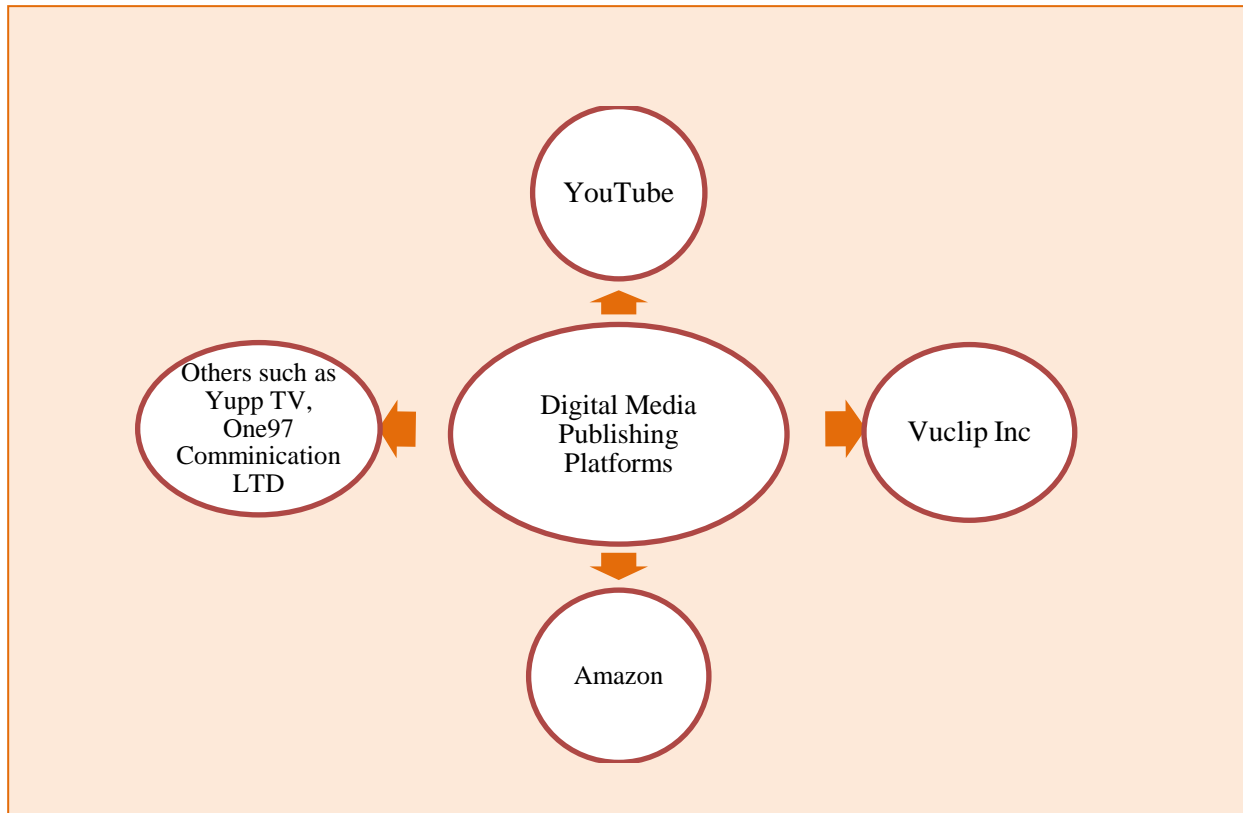
Our Products & Services

Our products and services can be summarised as illustrated below:



Digital Media Publishing

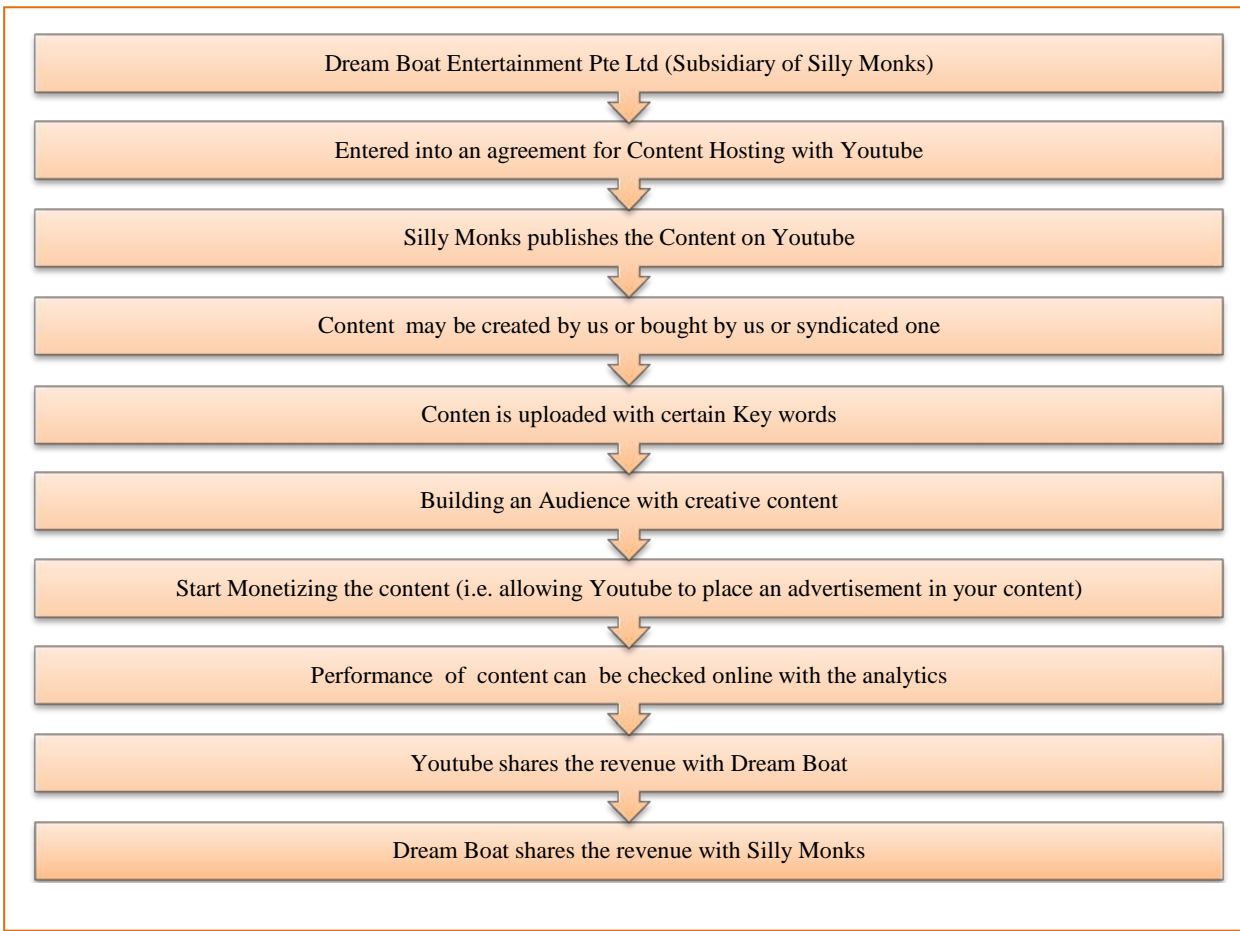
Our major focus is on Digital Media Publishing. Content which is being published over various platforms is music video, a short film, web series or a full bollywood movie. Income from content publishing on YouTube constitute major portion of Digital Media Publishing.



YouTube:

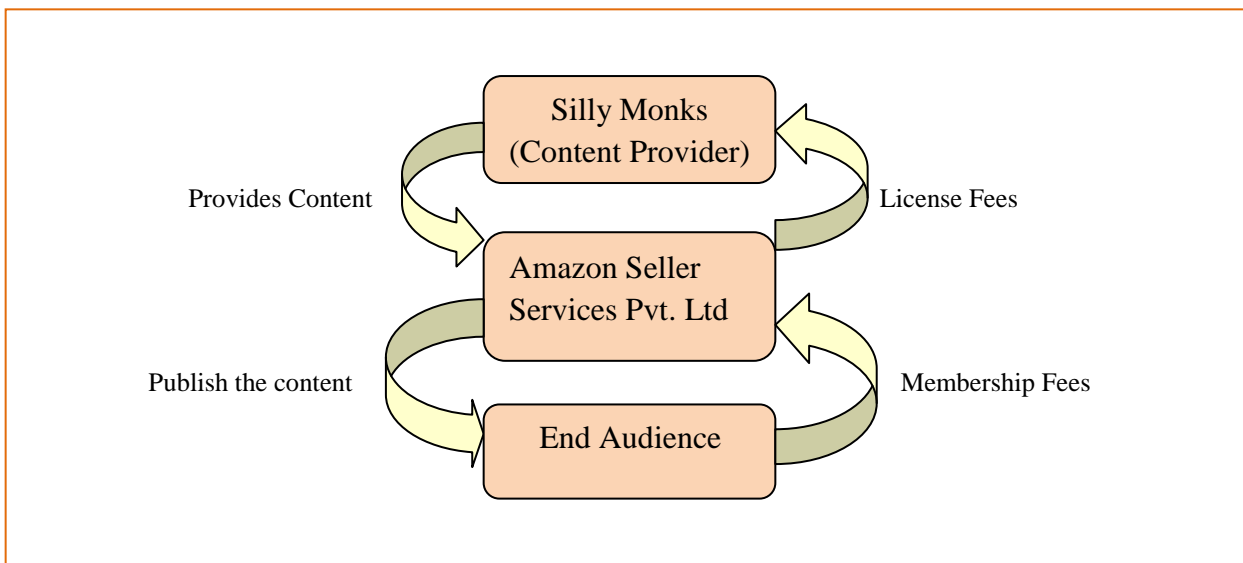
YouTube income is generated through monetization of content. Monetization of content means enabling YouTube to place an advertisement in the content. When content is being added by Silly Monks, it is added on our Multi Channel Network (MCN). MCNs are organizations that work with individual/groups of content creators. We bring together the advantages of a ‘studio’ to help indigenou, but popular, You Tubers. We help clients (channels) on YouTube in issues like product promotion, programming, funding, exposure to increase views and subscribers, monetization of content, digital rights and much more in lieu of an agreed revenue share generated by the creators. This amount varies contractually.

Our Multi Channel Network contains certain key words which help the audience to reach to our channel leading to more subscribers & higher viewership. The content is added with the key words attached to it. Silly Monks plays a key role with our in-house expert team to create the content or help our YouTube content partner to make the content more attractive, leading to effective monetization of content. Silly Monks also has a studio with Multi Camera Setup & in-house post production facility. Since Dream Boat Entertainment Pte. Ltd. our wholly own subsidiary has entered into a Multi channel network agreement with YouTube, revenue generated through monetization is being shared to Dream boat by YouTube. The same revenue is then shared by dream boat to Silly monks. In other words, Dream Boat acts as a Special Purpose Entity for silly monks with regards to YouTube income.



Amazon:

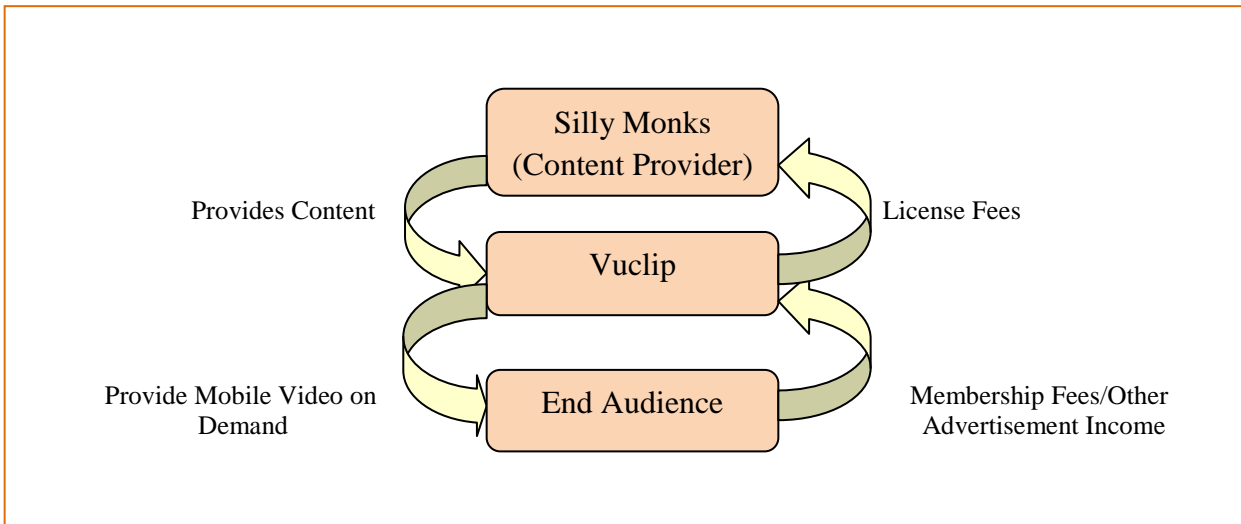
As explained earlier, Content can be a short film, a complete feature film or a music right. Silly Monks has entered in Digital Video License Agreement with Amazon Seller Services Pvt. Ltd to provide the content. The same content is then published by Amazon or its Affiliates through digital video service operated by them. Revenue is generated by Amazon or its Affiliates from end viewer through membership Fees & the same is being shared by them with silly monks in the form of License Fees.



Mobile (Vuclip):

Mobile is another platform for our digital media publishing. With the increase in number of smart phone users in India, this is one of the rapidly growing platforms for Digital Media Publishing. We have entered into an alliance with Vuclip Inc, Vuclip Pte Ltd, Idea Cellular Ltd for Content License & Distribution, through which we provide content to Vuclip & the same is being published through their mobile app.

Silly Monks earns the revenue in the form of License Fees from Vuclip which was agreed in the agreement between two & when content is being published by Vuclip, the end user subscribes for the service by paying subscription fees. This is the revenue source to Vuclip.



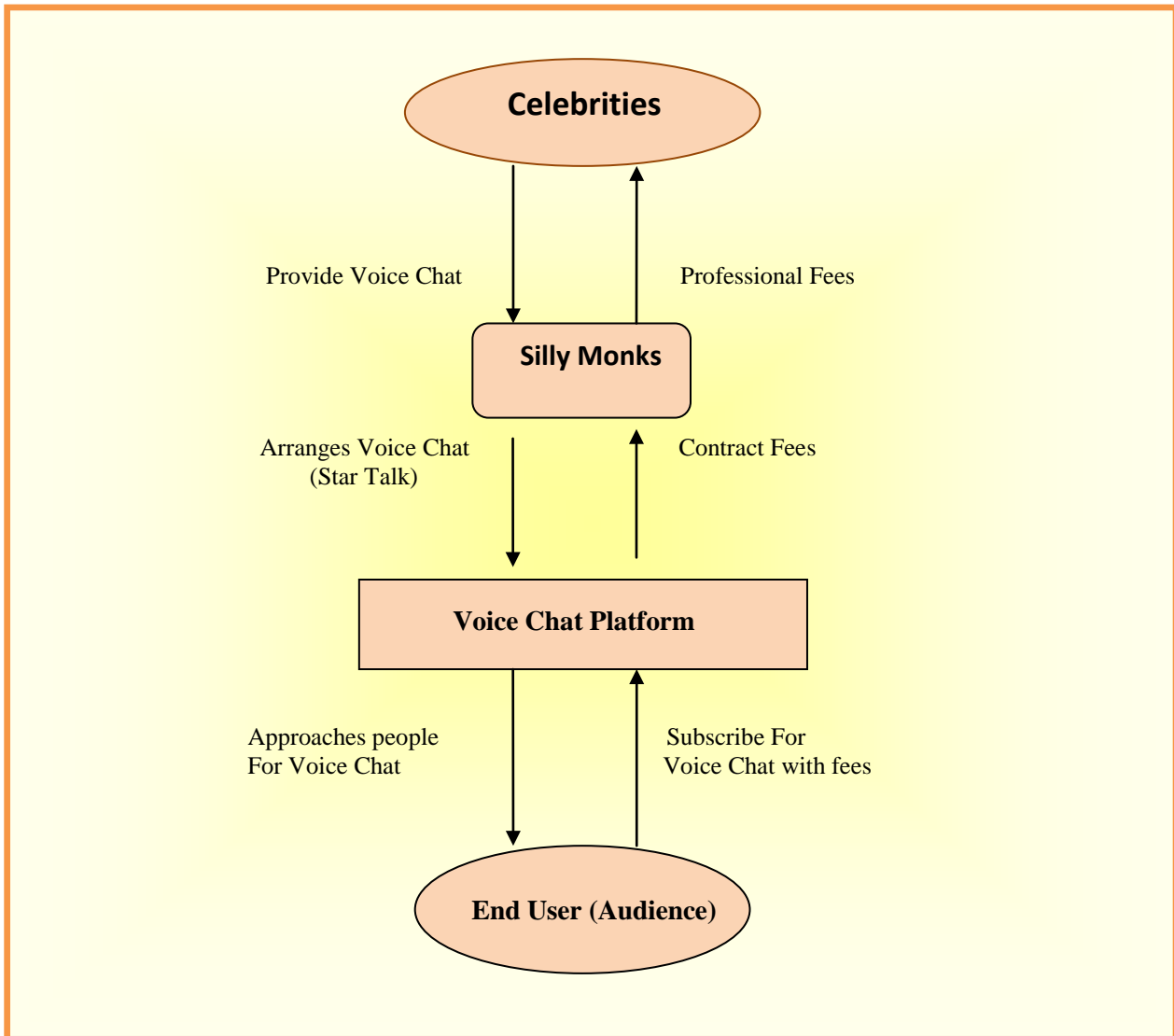
Celebrity Social Media Management:

Facebook:

Facebook is one of the top social networking sites, quickly gaining importance in terms of total users and traffic. Facebook presents a unique marketing opportunity for businesses through the creation of Facebook Business Pages. As more people explore social media, social networking sites have become some of the key online sources they use to learn more about products, organizations, artists and world events. We manage pages of celebrities over social media. Income can be generated through Facebook by setting up an arrangement for a monthly retainer. Income from facebook is directly proportionate to number of shares or number of likes.

Voice Chat:

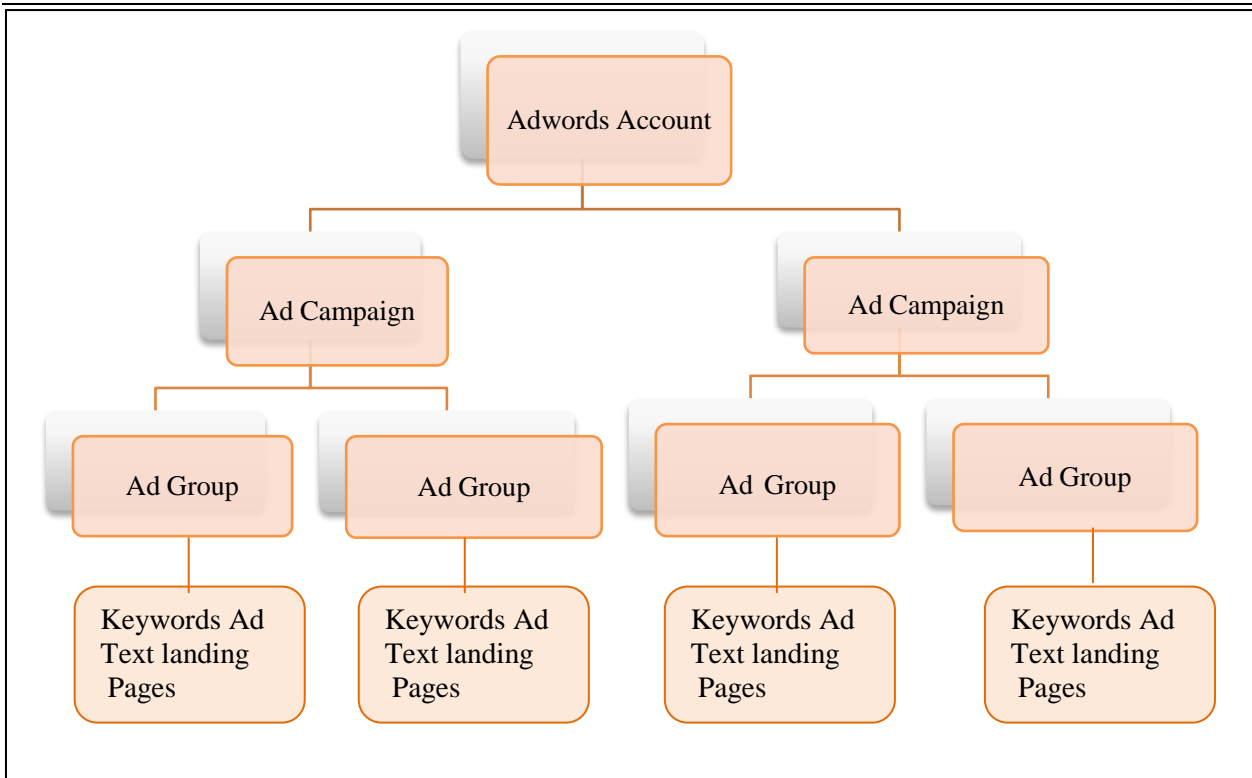
An entertaining voice and video based chat service that allows you to get up close and personal with your stars. Dial a number from your mobile and you're in for an experience to remember. Silly Monks arranges Voice Chat i.e. Star Talks for platforms such as One97 Communication Ltd. We have entered into an agreement with One 97 Communication Ltd for Star Talks. In this process, we act as an intermediary between celebrities & Voice Chat Platforms. Voice Chat Platforms provides the superstar talks services to end user through various mobile networks such as Idea, Vodafone etc. Silly Monks arranges the desired celebrities in consideration of contract fees.



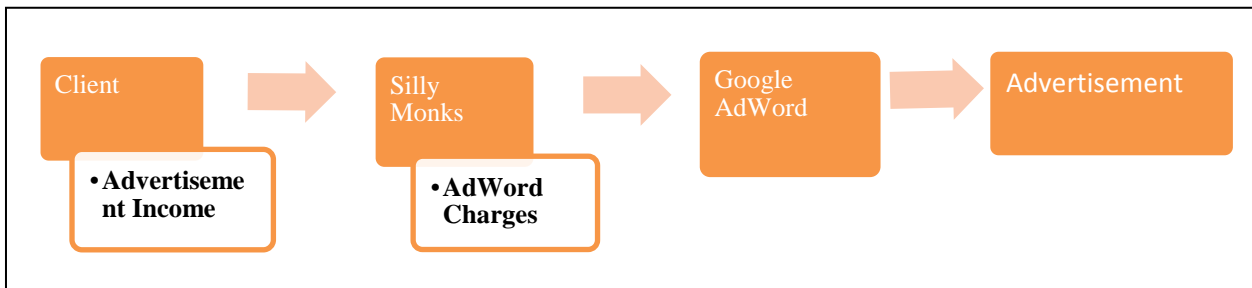
Digital Media Advertising (Google AdWords):

Online advertising with Google AdWords is one of the most effective ways to reach new customers and grow your business. Google AdWords is the online advertising platform owned and operated by Google. AdWords is also the largest and most widely used online advertising network in the world, and millions of businesses advertise online using AdWords to reach new customers and grow their business. Advertisers who choose to use Google AdWords can target users across two main networks – the search network, and the Display network.

Google AdWords is Google's advertising system in which advertisers bid on certain keywords in order for their clickable ads to appear in Google's search results. Since advertisers have to pay for these clicks, this is how Google makes money from search. Businesses can advertise on Google by opening a Google AdWords account. The ideal AdWords account is structured into individual campaigns, each of which will have its own ad groups. In turn, each ad group will have its own keywords, unique ad text, and landing pages. The figure below illustrates how an account should be set up for optimal performance:

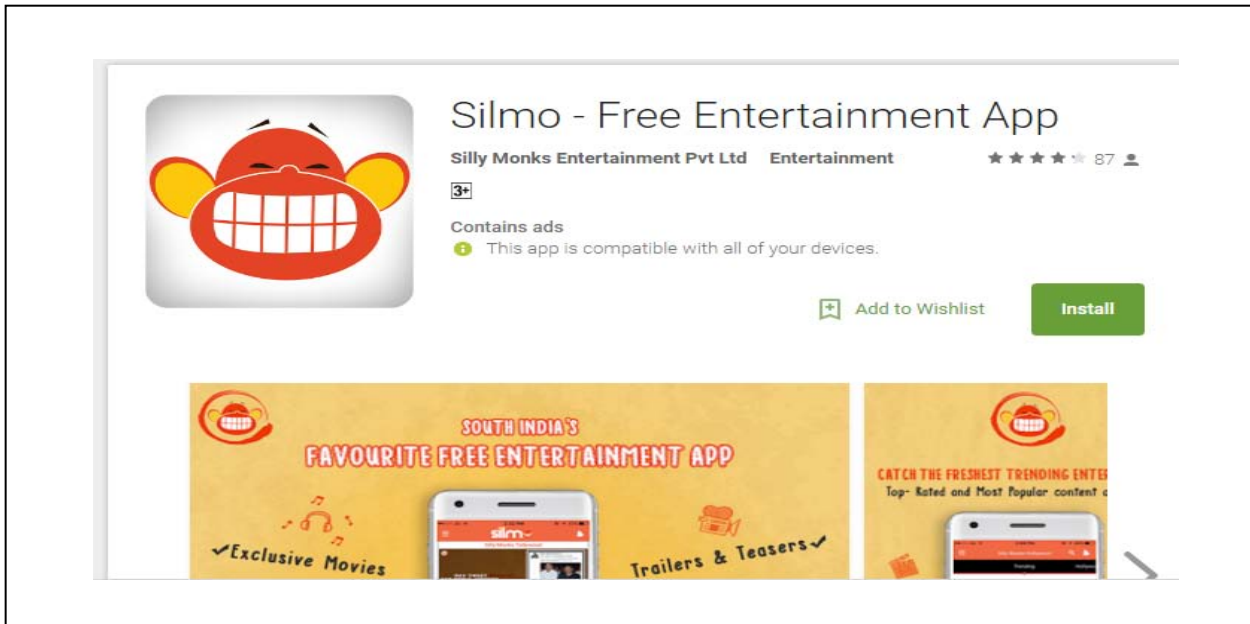


Silly Monks acts as an intermediary between advertiser & Google AdWords. Silly Monks has entered into an agreement with Google for Google Adword Advertisement. Through Google AdWord digital advertisement is done for clients as per their requirements.



Mobile App Development:

It is crystal clear that the demand of mobile apps has escalated in all businesses. To cope with that, we become your accelerator to design and develop brilliant mobile applications. Silly Monks has its own in-house Mobile Application Developer Team. Our team of mobile app developers is creative and knowledgeable to accomplish your individual demands as well as your business needs. With advanced tools and technology our mobile apps developers are able to create highly customized mobile applications for consumer needs and enterprises. We have developed our own app- ‘Silmo’ which is an android as well as iOS application.



The Silmo App is our one-stop destination for South Indian entertainment combined with the latest updates and scoops from Hollywood and Bollywood. Silmo is a streaming app that lets you enjoy the latest in the world of entertainment on-the-go. One can enjoy exclusive movies and short films, original series, latest teasers & trailers and the most recent news from Tollywood, Kollywood, Mollywood, Bollywood and Hollywood.

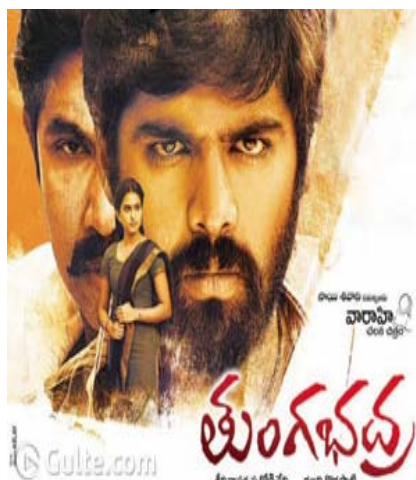
Audio Content Deployment:



Silly Monks has an alliance with music apps such as 'Saavn' for publishing audio content, wherein we provide the audio content to Saavn, which is then published through Saavn. We do not own any audio rights but we have entered into an agreement with the content providers such as Zed entertainment, My3 Devotional etc.

Movie Co Production:

We have co-produced Telugu Movie named 'Oohalu Gusagusalade' 'Dikkulu Choodaku Ramayya', & 'Tungabhadra' with Vaaraahi Chalana Chitram. We are also entering Hindi Film industry through our co-produced venture 'Great Indian Escape' with KIK Butt Entertainment soon.



Our Client Base

Logically speaking, our clients are viewers of our multichannel network & our other content publishing platforms or movies. However, we reach to our end viewers through platform providers such as Youtube, Vuclip Inc, Amazon Prime, Yupp TV, Vaaraahi Chalana Chitram, Spuul etc. We believe that our current capabilities and plans for the future ensure that we are well positioned to attract and develop new platform provider's relationships.

The following table illustrates the concentration of our revenues among our top customers on a consolidated basis.

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Revenue	600.47	1,177.41	467.84	242.74
% of Total Revenue	91.08%	97.97%	94.99%	74.26%

HUMAN RESOURCES

Our Group believes that our ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. As of November 30, 2017, our Group has 43 employees (including those under payroll which is 14 employees & 29 on contractual employment with the Company and our subsidiaries as well as our trainees).

EXPORT AND EXPORT OBLIGATIONS

Our Export Revenue for the last 3 financial years are as mentioned below:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Export Revenue	58.46	242.05	155.73	74.09
% of Total Sales	30.15%	80.70%	77.38%	41.95%

PROPERTIES / LAND DETAILS

Our company does not own any property or land. Our head office is located as Hyderabad which is a leased premise, details of which are as follows:

Premises Leased	Name of Licensor	Amount of Rent & Security Deposit	Purpose
301, 'Ektha Pearls', Plot No. 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad 500084. Admeasuring net carpet area of 5667 sq. ft. (59% of the parking of 3rd floor is earmarked to Lessee)	Reddeppagari Madhavi Relationship with Promoter: N.A.	<ul style="list-style-type: none"> ➤ From Sept 01, 2016 to May 31, 2017- Rent of ₹ 2,50,000 Per Month (Plus Service Tax). ➤ From 10th Month to 33rd Month- Rent Of ₹ 2,75,000 Per Month (Plus Service Tax). ➤ From 34th Month to 57th Month Rent Of ₹ 3,00,000 Per Month (Plus Service Tax). <p>Refundable Security Deposit- ₹ 15,00,000 Paid by cheque # 000802 dated September 01, 2016.</p>	Registered Office

We operate our SPV office at Hong Kong on a sharing basis with local associate. We also have a sale point in Cochin through our representative. However; our company does not bear any rental charges for these facilities and the same are built into our business understandings with local associate.





INSURANCE

We have insured our vehicle, details of which are given below:

Sr. No.	Name of the Insurance Company	Details of Assets /Goods covered under the policy	Policy No.	Validity Period	Sum Insured	Premium p.a.
1.	HDFC ERGO General Insurance Company Ltd.	AUDI Q5-2.0 TFSI QUATTRO	23112005842972 04 000	From Sep 23, 2017 To Sep 22, 2018	₹ 17,10,000	₹ 46,945
2.	ICICI Lombard General Insurance Company Ltd.	RANGE ROVER EVOQUE DYNAMIC SD45	3001/127221576/00/B00	Feb 15, 2017 to Feb 14, 2018	₹ 45,25,230	₹ 79,328

INTELLECTUAL PROPERTY

We have applied for following IP's:

Sr. No.	Particulars of Mark	Mark Type	Applicant	Date of Filing	Application Number	Class
1.		Word	Silly Monks Entertainment Pvt. Ltd	December 27, 2013	2650549	41
2.		Device	Silly Monks Entertainment Pvt. Ltd	December 27, 2013	2650550	41
3.		Device	Silly Monks Entertainment Pvt. Ltd	December 27, 2013	2650551	41
4.		Device	Event Monks Entertainment LLP	May 01, 2015	2954370	41

Further, we (through our business agreement) have intellectual property rights of 2,608 Movies, 17 Short Films and 3 Web Series on outright basis. We also have rights of movies and short movies through syndication methods.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to the Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations 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 substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

A. INDUSTRY RELATED LAWS

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

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

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

A film will not be certified for public exhibition if, in the opinion of the CBFC, the film or any part of it is against the interests of the sovereignty, integrity or security of India, friendly relations with foreign states, public order, decency or morality, or involves defamation or contempt of court or is likely to incite the commission of any offence. Any applicant, if aggrieved by any order of the CBFC either refusing to grant a certificate or granting a certificate that restricts exhibition to certain persons only, may appeal to the Film Certification Appellate Tribunal constituted by the Central Government under the Cinematograph Act. A certificate granted or an order refusing to grant a certificate in respect of any film is published in the Official Gazette of India and is valid for 10 years from the date of grant. Films certified for public exhibition may be re - examined by the CBFC if any complaint is received in respect of the same. Pursuant to grant of a certificate, film advertisements must indicate that the film has been certified for public exhibition. The Central Government may issue directions to licensees of cinemas generally or to any licensee in particular for the purpose of regulating the exhibition of films, so that scientific films, films intended for educational purposes, films dealing with news and current events, documentary films or indigenous films secure an adequate opportunity of being exhibited. The Central Government, acting through local authorities, may order suspension of exhibition of a film, if it is of the opinion that any film being publicly exhibited is likely to cause a breach of peace. Failure to comply with the Cinematograph Act may attract imprisonment and/or monetary fines. Separately, the Cable Television Networks Rules, 1994, require that no film or film song, promo, trailer, of film music video , album or trailer, whether produced in India or abroad, shall be carried through cable services unless it has been certified by the CBFC as suitable for unrestricted public exhibition in India.

B. LAWS REGULATING LABOUR AND EMPLOYMENT

(i) Payment of Bonus Act, 1965

Pursuant to the Payment of Bonus Act, 1965, as amended (the “Bonus Act”), an employee in a factory or in any establishment where twenty or more persons are employed on any day during an accounting year, who has worked for

at least 30 working days in a year is eligible to be paid a bonus. Contravention of the provisions of the Bonus Act by a company is punishable by imprisonment for up to six months or a fine of up to ₹ 1,000 or both, against persons in charge of, and responsible to the company for, the conduct of the business of the company at the time of contravention.

(ii) The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 (“**ESI Act**”) provides for certain benefits to employees in case of Sickness, Maternity and Employment Injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the Rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Act contains an enabling provision under which Appropriate Government is empowered to extend the provision of the ESI Act, 1948 to other classes of establishments:

- Industrial
- Commercial
- Agricultural or otherwise

The Act applies to all factories (including Government factories but excluding seasonal factories) employing ten or more persons and carrying on a manufacturing process with the aid of power or employing 20 or more persons and carrying on a manufacturing process without the aid of power and such other establishments as the Government may specify. Shops employing 20 or more persons. Every employee (including casual and temporary employees), whether employed directly or through a contractor, who is in receipt of wages up to ₹ 7,500 p.m. is entitled to be insured under the E.S.I. Act.

(iii) The Employees Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 (“**EPF Act**”) was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

All establishments employing 20 or more persons (5(or) more for Cinema Theaters) are brought under preview of the Employee provident fund act from the very first date of setup are subjected to fulfillment of other conditions. The provisions of the Act are applicable on its own force independently. If the establishments don't have the prescribed number of employees and are willing to obtain the benefits of this act, then they can register voluntarily with regional Provident Fund office.

(iv) Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972, as amended (the “**Gratuity Act**”), an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement or resignation, superannuation or death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent on an employee having completed five years of continuous service. An employee in a factory is said to be in ‘continuous service’ for a certain period notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee. The employee is also deemed to be in continuous service if the employee has worked (in an establishment that works for at least six days in a week) for at least 240 days in a period of 12 months or 120 days in a period of six months immediately preceding the date of reckoning.

(v) The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 (“MSMED Act”) inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed ₹ 25,00,000 (Rupees Twenty Five Lakhs Only); (ii) a small enterprise, where the investment in plant and machinery is more than ₹ 25,00,000 (Rupees Twenty Five Lakh Only) but does not exceed ₹ 5,00,00,000 (Rupees Five Crores Only); or (iii) a medium enterprise, where the investment in plant and machinery is more than ₹ 5,00,00,000 (Rupees Five Crores Only) but does not exceed ₹ 10,00,00,000 (Rupees Ten Crores Only). In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as: (i) a micro enterprise, where the investment in equipment does not exceed ₹ 10,00,000 (Rupees Ten Lakhs Only); (ii) a small enterprise, where the investment in equipment is more than ₹ 10,00,000 (Rupees Ten Lakhs Only) but does not exceed ₹ 2,00,00,000 (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than ₹ 2,00,00,000 (Rupees Two Crores Only) but does not exceed ₹ 5,00,00,000 (Rupees Five Crores Only). The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

C. INTELLECTUAL PROPERTY LEGISLATIONS

(I) INTELLECTUAL PROPERTY:

The Trademarks Act, 1999, The Patents Act 1970 and the Copyright Act, 1957 inter alia govern the law in relation to intellectual property, including patents, copyrights, trademarks, service marks, brand names, trade names and research works.

“Intellectual Property Rights” or “IPR” means all trade secrets, patents and patent applications, trade marks (whether registered or unregistered and including any goodwill acquired in such trade marks), services marks, trade names, internet domain names, copyrights, moral rights, database rights, design rights, rights in know-how, rights in Confidential Information, rights in inventions (whether patentable or not) including, but not limited to, any and all renewals or extensions thereof, and all other proprietary rights (whether registered or unregistered, and any application for the foregoing), and all other equivalent or similar rights which may subsist anywhere in the world, including, but not limited to, any and all renewals or extensions thereof.

COPYRIGHT

Copyright related to electronic media like the Broadcaster’s Moral rights, Performers Rights. Neighboring Rights over intellectual property are the specific rights coming under the copyright laws.

Copyright protection in India is available for any literary, dramatic, musical, sound recording and artistic work. The Copyright Act 1957 provides for registration of such works. Although an author’s copyright in a work is recognized even without registration, it is advisable to get the same registered since it furnishes prima facie evidence of copyright in a court of law. Infringement of copyright entitles the owner to remedies of injunction, damages and accounts.

Copyright in a literary, dramatic, musical or artistic work (other than a photograph) published within the lifetime of the author subsists for fifty years from the lifetime of the author. An Amendment Bill is on the anvil to extend the term in favour of performers (at present twenty five years) to fifty years (in order to bring it in accord with the TRIPS Agreement). The amendment also aims to bring original works relating to satellite broadcasting, computer software and digital technology under copyright protection.

For the purposes of this Act, "copyright" means the exclusive right subject to the provisions of this Act, to do or authorize the doing of any of the following acts in respect of a work or any substantial part thereof, namely:-

(a) in the case of a literary, dramatic or musical work, not being a computer programme, - (i) to reproduce the work in any material form including the storing of it in any medium by electronic means; (ii) to issue copies of the work to the

public not being copies already in circulation; (iii) to perform the work in public, or communicate it to the public; (iv) to make any cinematograph film or sound recording in respect of the work; (v) to make any translation of the work; (vi) to make any adaptation of the work; (vii) to do, in relation to a translation or an adaptation of the work, any of the acts specified in relation to the work in sub-clauses (i) to (vi);

(b) in the case of a computer programme,- (i) to do any of the acts specified in clause (a); 51A (ii) to sell or give on commercial rental or offer for sale or for commercial rental any copy of the computer programme: Provided that such commercial rental does not apply in respect of computer programmes where the programme itself is not the essential object of the rental.”

(c) in the case of an artistic work,- (i) to reproduce the work in any material form including depiction in three dimensions of a two dimensional work or in two dimensions of a three dimensional work; (ii) to communicate the work to the public; (iii) to issue copies of the work to the public not being copies already in circulation; (iv) to include the work in any cinematograph film; (v) to make any adaptation of the work; (vi) to do in relation to an adaptation of the work any of the acts specified in relation to the work in sub-clauses (i) to (iv);

(d) In the case of cinematograph film, - (i) to make a copy of the film, including a photograph of any image forming part thereof; (ii) to sell or give on hire, or offer for sale or hire, any copy of the film, regardless of whether such copy has been sold or given on hire on earlier occasions; (iii) to communicate the film to the public; (e) In the case of sound recording, - (i) to make any other sound recording embodying it; (ii) to sell or give on hire, or offer for sale or hire, any copy of the sound recording regardless of whether such copy has been sold or given on hire on earlier occasions; (iii) to communicate the sound recording to the public.

Explanation: For the purposes of this section, a copy which has been sold once shall be deemed to be a copy already in circulation.

TRADEMARK

A Trade Mark is any representation, which might be a word, phrase, symbol, design, sound, smell, and color, adopted and used by a company to identify its products or services, and to distinguish them from products and services of others. Trademark registration is one of the strongest ways to protect one’s trademark. Registration makes it a lot easier to protect the trademark against would-be infringers and could end up saving a lot of time and money, in proving that, one is the legitimate owner of the trademark. Registering and maintaining registration of the Trademarks grants many advantages like protection against infringement of trademark, exclusive use of the mark and the right to prevent others from using, applying the said trade mark without proper authority.

D. Tax Related Legislations

(i) Income Tax Act 1951

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, and Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

(ii) The Customs Act, 1962 and the Customs Tariff Act, 1975

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962.

(iii) Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, defined therein. Service tax was introduced in 1994 and only three services were made taxable during that time. After which the law continuously updated and more and more services were brought under the ambit of service tax. Analysis of the term “service” is very important to understand in order to decide taxability on any transaction under entertainment sector. Thus, for easy reference, the term “service” is defined as under: “service” means any activity carried out by a person for another for consideration, and includes a declared service, but shall not include— (a) an

activity which constitutes merely,— (i) a transfer of title in goods or immovable property, by way of sale, gift or in any other manner; or (ii) such transfer, delivery or supply of any goods which is deemed to be a sale within the meaning of clause (29A) of article 366 of the Constitution; or (iii) a transaction in money or actionable claim; (b) a provision of service by an employee to the employer in the course of or in relation to his employment;(c) fees taken in any Court or tribunal established under any law for the time being in force.

The service of advertisement agency was made taxable w.e.f. 01.11.1996 vide Notification 6/96 dated 31.10.1996. Accordingly, advertisement services provided by any person being an advertising agency to any other person is taxable under the ambit of service tax. Further, the service of selling of time slots or space for advertisement was made taxable w.e.f. 01.05.2006 vide notification 15/2006 dated 24.04.2006 wherein service tax is levied on any person who executes the transaction for sale of space or time slots for advertisements with any other person. Further, the said transaction excludes sale of space or time slots for advertisement in print media and sale of time slots by a broadcasting agency or organization. Thus, till 01.07.2012 service tax on entertainment sector was being governed by the above mentioned categories. As mentioned supra, the regime of service tax underwent a dynamic change post- 01.07.2012 with the venting off of the concept of category based taxation and the introduction of negative list based taxation.

(iv) Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority. The Telangana Tax on Professions, Trades, Callings and Employments Act, 1987 is applicable to the Company.

(v) Goods and Service Tax (GST)

GST is one indirect tax, on the supply of goods and services, right from the manufacturer to the consumer. Credits of input taxes paid at each stage will be available in the subsequent stage of value addition, which makes GST essentially a tax only on value addition at each stage. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages.

GST proposes to abolish the varying levels of taxation between States, and consider as a single whole organism when it comes to taxes on goods and services instead of as a segmented creature. All the sundry taxes will be clubbed into just 2 levels – Central GST and State GST. The consumer who buys the product will have to pay only the GST charged by the last dealer in the supply chain, as everyone else would have the opportunity to set-off the taxes paid at the previous stages.

GST will also prevent the multiple taxation occurring on certain goods, and ensure transparency with regards to the rate of taxation and the total amount that goes to the government as taxes on a product.

In the current scheme of affairs, consumers pay a service tax ranging between 14.5-15% for all broadcast services like Television (Cable + DTH), films as well as digital content. Apart from this an entertainment tax ranging between 8-12% is further levied increasing the average tax to as much as 25%. Once GST comes into play, consumers will have to pay a single tax the likely rate for which will be anywhere between 18-20%. Hence the overall rate of tax on consumers will reduce significantly. Film producers are expected to pay exorbitant amounts of money as service tax for processes like theatrical rights, satellite rights etc. Once GST comes to play, all taxes will come under one umbrella making it much simpler for film producers.

The Goods and Service Tax would come into effect from 1st July 2017 which would bound together all other taxes such as Central Excise Duty, Service Tax, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Entertainment Tax, Entry Tax, Purchase Tax, Advertisement taxes etc

E. OTHER LEGISLATIONS

(i) 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 T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- **Sale:** The transfer of ownership in property for a price, paid or promised to be paid.
- **Mortgage:** The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognizes several forms of mortgages over a property.
- **Charges:** Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- **Leases:** The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- **Leave and License:** The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

(ii) The Indian Stamp Act, 1899

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“Stamp Act”) which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in the state. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act.

Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from state to state.

(iii) Telangana Shops and Establishment Act, 1988

According to the Notification published in an Extraordinary Issue of the Telangana Gazette, dated 01.02.2016, Government of Telangana have decided to adapt the Andhra Pradesh Shops and Establishments Act, 1988 as amended from time to time with necessary modification, so as to facilitate its application to the State of Telangana. Further, in the Andhra Pradesh Shops and Establishment Act, 1988, for the words “Andhra Pradesh” (occurring otherwise than in a citation or description or title of other laws including the Rules as the case may be), the word “Telangana” has been substituted.

The Telangana Shops and Establishments Act, 1988 was enacted to consolidate and amend the law relating to the regulation of conditions of work and employment in shops, commercial establishments and other establishments and for matters connected therewith. In the implementation of the said Act and in the changed conditions in labour relations, it is found necessary to provide for some more measures for safeguarding the interests of the employees.

(iv) The Indian Contract Act, 1872

The Indian Contract Act, 1872 (“**Contract Act**”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

(v) The Specific Relief Act, 1963

The Specific Relief Act is complimentary to the provisions of the Contract Act and the T.P. Act, as the Act applies both to movable property and immovable property. The 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.

(vi) Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)

In India, the main legislation concerning foreign trade is the 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 authorized 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 authorized to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import (“**EXIM**”) 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.

(vii) 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.

(viii) The Companies Act, 1956

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act, 1956 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. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act, 1956 plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

(ix) The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. Barring a few sections, the entire enactment has been notified by the Ministry of Corporate Affairs from time to time by specifying the effective dates from which the notified provisions along with the rules made thereunder shall come into force. Although substantial changes have been incorporated in the new Act, several key provisions remain unchanged. The new Act can help deal with the complexities that the current procedures face that were contemplated under the old Act. The New Act has incorporated various provisions to tackle the problems actually faced in the due process and certain rules were also incorporated under the new Act. One salient feature of the New Companies Act, 2013 is that from a statute which was a substantive cum procedural law in the earlier avatar, in the current form it has been made more rule based making it vulnerable to frequent amendments.

(x) Foreign Exchange Management Act, 1999

The Foreign Exchange Management Act, 1999 was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. It extends to the whole of India. The Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention committed there under outside India by any person to whom this Act is applied. Broadly, the objectives of FEMA are to facilitate external trade and payments and to promote the orderly development and maintenance of foreign exchange market. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA. The rules, regulations and norms pertaining to several sections of the Act are laid down by the Reserve Bank of India, in consultation with the Central Government. Section 7 of Foreign Exchange Management Act, 1999 deals with export of goods and services. Section 7 (3) lays down that every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services. Section 8 casts the responsibility on the person's resident in India who have any amount of foreign exchange due or accrued in their favour to get the same realised and repatriated to India within the specific period and the manner specified by RBI.

The Reserve Bank of India made 'Foreign Exchange (Export of Goods & Services) Regulations, 2015 by virtue of the powers conferred by Section 7(3)(1)(a) and Section 47 (2) of the Foreign Exchange Management Act, 1999 and in supersession of its Notification No. FEMA.23/2000-RB, dated 03.05.2000 as amended from time to time, which came into effect from 12.01.2016. The Regulations dealt with the exports, the declaration to be filed, the realization of export value etc. The Regulation 2(iv) defines the term 'export' as including the taking or sending out of goods by land, sea or air, on consignment or by way of sale, lease, hire purchase or under any other arrangement by whatever name called and in the case of software, also includes transmission through any electronic media.

The Export of Goods and Services Regulations 2015 clarify that in case for the export of services where no Form has been prescribed, the exporter may be permitted to export such services without furnishing any declarations, provided the exporter realizes the full value of the services exported within the prescribed time and the payments for the services are made in the specified manner. Further in relation to project exports, in cases where a guarantee is required to be given prior to post award approval, the same will be required to be issued by an authorised dealer bank/ Indian resident being an exporting company, for the performance of a project outside India or for availing credit facilities, whether fund – based/non – fund based from a bank or a financial institution outside India, in connection with the execution of such project, provided that the contract/letter of award stipulates such requirements. The changes proposed by the Export of Goods and Services Regulations 2015 are to ease the processes for export of goods and services and clarify compliances to be followed in case of export of services.

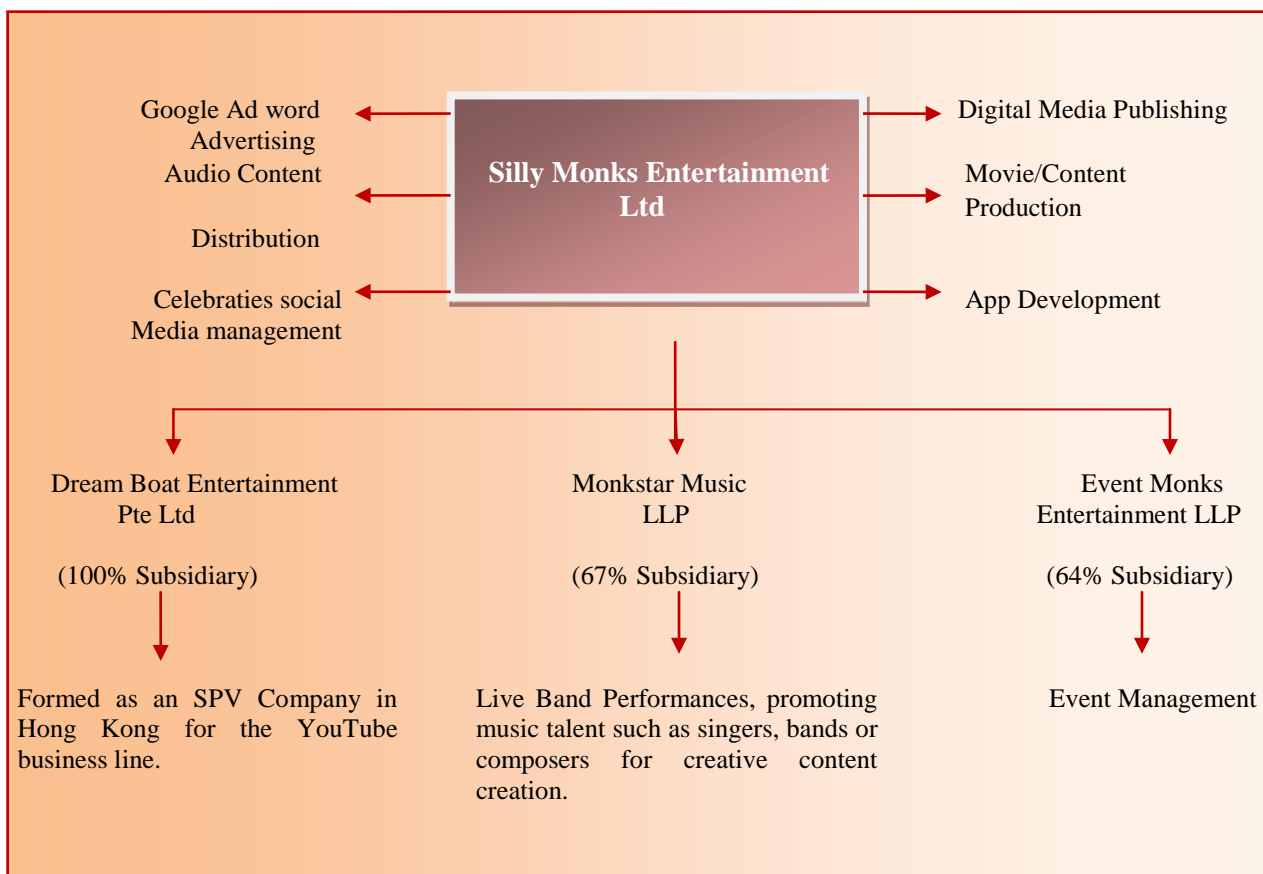
Direct investments by residents in Joint Venture (JV) and Wholly Owned Subsidiary (WOS) abroad are being allowed, in terms of clause (a) of sub-section (3) of section 6 of the Foreign Exchange Management Act, 1999, (42 of 1999) read with Notification No. FEMA.120/RB-2004 dated July 7, 2004, (GSR 757 (E) dated November 19, 2004), viz. Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004. These Regulations are amended from time to time to incorporate the changes in the regulatory framework and published through amendment notifications.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as Silly Monks Entertainment Private Limited on September 20, 2013 under the Companies Act, 1956 with the Registrar of Companies, Hyderabad bearing Registration No. 090132. The status of our Company was changed to a public limited company and the name of our Company was changed to Silly Monks Entertainment Limited by a special resolution passed on May 15, 2017. A fresh Certificate of Incorporation consequent upon conversion was issued on May 24, 2017 by the Registrar of Companies, Hyderabad. The Company's Corporate Identity Number is U92120TG2013PLC090132.

We are a 'South India' based entertainment & media startup with a focus of being a recognized & fast growing player in areas such as digital media publishing, movie/content production, celebrities social media management, App development, Audio content Distribution, Google Ad word and online / digital Advertising, event management, and live band performances.

Our business lines / model are as are as illustrated below:



Our main focus currently is Digital Media Publishing. We publish our content on various platforms such as YouTube, Facebook, Amazon, Vuclip etc. The contents that are being published over these platforms are either created by us i.e. by our in-house production or acquired through outright purchase or through syndicated method. In case of content which is bought by us, we own the copy rights of the content through an agreement with assignor and hence the publishing revenue is fully accrued to us. When the content is through syndication, we share the revenue with the content partner.

We have been growing our focus in movie production; wherein we have co-produced Telugu Movies named Oohalu Gusagusalade' 'Dikkulu Choodaku Ramayya', & Tungabhadra with Vaaraahi Chalana Chitram. We are also planning to venture into the Hindi Film industry through our co produced venture 'The Great Indian Escape' with KIK Butt Entertainment.

Apart from our promoters Mr. Tekulapalli Sanjay Reddy & Mr. Anil Kumar Pallala, our startup has been funded by well renowned personalities such as Mr. Ranganathasai Korrapati who is a film producer and distributor known for his

works predominantly in Telugu cinema & Mr. Sreenivasa Reddy Musani who is chairman and Managing Director of Hyderabad-based Ektha Group which operates in Information Technology, Engineering, Business Process, Data Processing, Multimedia & Real Estate. Our vision is to be the first media start up to get listed on SME Exchange Platform in India and to utilize the funds raised towards fast expansion of our business operation across pan India & for growing our content library. For further details of our fund utilization please refer to “*Objects of the Issue*” beginning on page no. 58 of this Prospectus

Our Company has Eight (8) shareholders, as on the date of filing of this Prospectus.

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Month & Year	Event
September 2013	Incorporated under Companies Act, 1956 as Silly Monks Entertainment Pvt. Ltd
September 2013	Started our first office with 1,020 sq. ft. office at G-2, Namitha Nest, 1-89/A/16, Kavuri Hills, Madhapur, Hyderabad – 500 081
September 2013	On boarded 1 st Celebrity – ‘Nandamuri Balakrishna’ to manage his Facebook, Twitter, YouTube Channel.
October 2013	Signed up an agreement with Arka Media (Producers of Baahubali) to monetize its Audio-Video exclusively on Internet & Mobile worldwide
November 2013	Signed up an agreement with VuClip for content deployment
December 2013	Signed an agreement with Google Adwords for SME Partnership
December 2013	Moved to a 2,970 sq. ft. Office at Flat No 1 & 2, First Floor, Ektha Serene, Plot No 103 & 104, HIG – B, Gachibowli Housing Board Colony, Gaichibowli, Hyderabad - 500 084
December 2013	Generated USD 100 revenue from YouTube
June 2014	Generated USD 10,000 revenue from YouTube
June 2014	Co-Produced for ‘Oohalu Gusagusa Laade’ movie with Vaaraahi Chalana Chitram
July 2014	Received angel Investment from Vaaraahi Chalana Chitram
September 2014	Generated USD 20,000 revenue from YouTube
October 2014	Co-Produced for ‘Dikkulu Choodaku Ramayya’ movie with Vaaraahi Chalana Chitram
November 2014	Received Startup of the Year Award from Silicon India Magazine
December 2014	Recorded 20 Million views a Month on YouTube
December 2014	Started Event Vertical (Event Monks Entertainment LLP) with 33.00% stake
December 2014	Generated USD 47,000 revenue from YouTube
March 2015	Acquired 100% shares of Dream Boat Entertainment Pte Ltd, making it our wholly owned subsidiary
April 2015	Started Music Vertical (Monkstar Music LLP) with 67.00% stake, making it our subsidiary
April 2015	Got Promoted from YouTube Premium Partner to Enterprise Partner (MCN)
September 2015	Acquired 1 st Audio Rights (Guntur Talkies Movie songs)
September 2015	Signed up as an Advertising Network Partner with Yahoo
December 2015	Recorded 50 Million views a Month on YouTube MCN
December 2015	Generated USD 61,000 revenue from YouTube
March 2016	Signed a deal to supply of content with Yupp TV
July 2016	Started Cochin sale point through our representative
August 2016	Moved into a 5,667 sq. ft. office at 301, Ektha Pearl, 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad- 500 084
October 2016	Signed a deal to supply of content with Saavn Music App
October 2016	Generated USD 1,20,000 revenue from YouTube
November 2016	Signed a deal for content deployment with Amazon Prime Video
November 2016	Signed a deal for content deployment with Gaana Music App
December 2016	Signed a deal for content deployment with Spuul, Singapore
December 2016	Recorded 200 Million views a Month on YouTube MCN
April 2017	Recorded 275 Million views a Month on YouTube MCN
April 2017	Launched Silmo OTT App
April 2017	Received ‘Business Excellence Startup Award 2017 - Startup Category’
May 2017	Launched our own Studio for content creators
October 2017	Silly Monks MCN network on YouTube achieved 1 billion minutes watch time for the first time since inception

MAIN OBJECTS

The main object of our Company is as follows:

1. To acts as a Producers, Distributors, Exhibitors and Exploiters, Traders, Exporters, Importers, hirers, dealers, distributors and advisors of Television Films and Serials, Video Films, ad- films, raw films, 3-D films, animation films and the like, Motion Pictures, Feature Films, Documentaries, Advertisement Films, Cinematographic films, Cultural and Historical Films, Films of places of Tourist interest, Films on Science & Technology and also of video cassettes, apparatus, recorders, machinery and equipment pertaining to or required for the film developing, printing, processing, editing, sound recording, re-recording, transferring, dubbing of sound, video taping, and other related devices.
2. To carry on in India or abroad the business of advertising & publicity agents and contractors for advertising on any radio station, internet, broadcasting center, television center, video cassettes, audio cassettes, hoardings, electronic display mode, newspapers, magazines, mobile phones or any other present or future display devices and to carry on business of syndication, publication, printing and distribution of multimedia , 3-D characters, paintings, comics, cartoons and to prepare, produce, buy, sell, import and export all kinds of advertising materials such as slides, pamphlets, calendars, other commercial advertising materials, and to acts as agents, brokers, vendors, sponsors or managers of all sorts of advertising and publicity business, sale of commercial slots and spaces on television or any media.
3. To arrange to produce, secure, procure, acquire, retain, purchases, publish, dispose off and distribute advertisement films, TV serials, feature films and programmes of educational, cultural, devotional, industrial, health entertainment, family welfare, tourism, Government and of other interest on any platform including mobile and internet and to start, takeover, operate, run, maintain, export, import, terrestrial television channels, satellite television channels, cable television network, and to run, operate and maintain studios, facilities for the production and relay of programs for own channels or for other television channels and to produce necessary software.
4. To undertake and carry on the business of content aggregation, integration & distribution, digital sales, and to acts as distributors, exporters, importers of lifestyle products, hybrid & native Apps and to undertake market and product related research, brand endorsements, marketing and promotions, of films, social media management, innovative brand integration and to develop, market and sell e-books.
5. To carry on the business of letting or subletting the use of cinema hall, theatres, picture, places, studios, laboratories, multiplex, lodges, hotels, restaurants or other machinery, apparatus, building or structure of the company for the purpose of exhibitions, display of films, dramatic or theatrical performances, concerts or other entertainment, of amusements or objects allied to or of similar kinds as of the company and to provide for the production, directions, exhibitions, representation display, whether by mechanical means or otherwise of plays, open air or other theatrical performances.

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

Date of Change of Registered Office	Changed From	Changed to
On Incorporation	G-2, Namitha Nest, 1-89/A/16, Kavuri Hills, Madhapur, Hyderabad - 500081	
January 02, 2014	G-2, Namitha Nest, 1-89/A/16, Kavuri Hills, Madhapur, Hyderabad - 500081	Flat No. 1 & 2, First Floor, Ektha Serene, Plot No. 103 & 104, HIG-B, Gachibowli Housing Board Cly, Hyderabad – 500084
October 01, 2016	Flat No. 1 & 2, First Floor, Ektha Serene, Plot No. 103 & 104, HIG-B, Gachibowli Housing Board Cly, Hyderabad - 500084	301, Ektha Pearl, 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad - 500084

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Dates on which some of the main clauses of the Memorandum of Association of our Company have been changed citing the details of amendment as under:

Date	Nature of Amendment
October 17, 2013	The initial authorised share capital of ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each was increased to ₹ 30,00,000 divided into 3,00,000 Equity Shares of ₹ 10 each
June 18, 2015	Increase in authorised capital from ₹ 30,00,000 divided into 3,00,000 shares of ₹ 10 each to ₹ 50,00,000 divided into 5,00,000 equity shares of ₹ 10 each
May 12, 2016	Increase in authorised capital from ₹ 50,00,000 divided into 5,00,000 equity shares of ₹ 10 each to ₹ 55,00,000 divided into 5,50,000 equity shares of ₹ 10 each
May 15, 2017	Increase in authorised capital from ₹ 55,00,000 divided into 5,50,000 equity shares of ₹ 10 each to ₹ 5,00,00,000 divided into 50,00,000 equity shares of ₹ 10 each
May 24, 2017	Clause I of the Memorandum of Association was altered by inserting the name “Silly Monks Entertainment Limited” in place of “Silly Monks Entertainment Private Limited”.

SUBSIDIARIES

As on the date of this Prospectus, we have three (3) subsidiary companies.

I. MONKSTAR MUSIC LLP (MML)

Monkstar Music LLP was incorporated under the Limited Liability Partnership Act, 2008 and a Certificate of Incorporation was issued by the Registrar of Companies, Hyderabad on April 22, 2015 having LLP Identification Number AAD-8082, having registered office at 301, Ektha Pearl, 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad 500 084. The main objects of MML are:

- To carry on the business of acquiring & creating Music, developing, promoting, marketing, organizing and managing artists and talent and celebrity management national as well as international 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 and to promote, produce, organize and manage international and local music events, create and market music or experiential festivals, to provide complete technical and infrastructure support, including staging, lighting and sound for concerts, venue, on stage & back stage management, to do creative integration of sponsor banding & innovative sponsor entitlements of events, have coverage of live music events, television specials & music videos, merchandising, procurement of governmental permission & licenses for events, travel management, freight logistics & hospitality.
- To carry on in India or abroad the business of advertising & publicity agents and contractors for advertising on any radio station, internet, broadcasting center, television center, video cassettes, audio cassettes, hoardings, electronic display mode, newspapers, magazines, mobile phones or any other present or future display devices and to carry on business of syndication, publication, printing and distribution of multimedia ,3-D characters, paintings, comics, cartoons and to prepare, produce, buy, sell, import and export all kinds of advertising materials such as slides, pamphlets, calendars, other commercial advertising materials, and to acts as agents, brokers, vendors, sponsors or managers of all sorts of advertising and publicity business, sale of commercial slots and spaces on television or any media
- To arrange to produce, secure, procure, acquire, retain, purchases, publish, dispose off and distribute advertisement films, TV serials, feature films and programs of educational, cultural, devotional, industrial, health entertainment, family welfare, tourism, Government and of other interest on any platform including mobile and internet and to start, takeover, operate, run, maintain, export, import, terrestrial television channels, satellite television channels, cable television network, and to run, operate and maintain studios, facilities for the production and relay of programs for own channels or for other television channels and to produce necessary software.
- To undertake and carry on the business in India and abroad connected with events for corporate, companies or individuals, social events e.g. summer camp for children, engagement, marriage and other social events, game

shows, fun events and to acts as distributors, exporters, importers of lifestyle products, hybrid & native Apps and to undertake market and product related research, brand endorsements, marketing and promotions, of films, social media management, innovative brand integration and to develop, market and sell e-books.

- To carry on the business of letting or subletting the use of cinema hall, theatres, picture, places, studios, laboratories, multiplex, lodges, hotels, restaurants or other machinery, apparatus, building or structure of the company for the purpose of exhibitions, display of films, dramatic or theatrical performances, concerts or other entertainment, of amusements or objects allied to or of similar kinds as of the company and to provide for the production, directions, exhibitions, representation display, whether by mechanical means or otherwise of plays, open air or other theatrical performances.

Designated Partners

- Mr. Tekulapalli Sanjay Reddy
- Mr. Anil Kumar Pallala
- Silly Monks Entertainment Limited (*Mr. Anil Kumar Pallala is Nominee Partner*)

Capital Contribution of Partners

Name of Partners	Amount (₹)	Percentage (%)
Mr. Tekulapalli Sanjay Reddy	1,00,000	20.00%
Mr. Anil Kumar Pallala	65,000	13.00%
Silly Monks Entertainment Limited	3,35,000	67.00%
TOTAL	5,00,000	100.00%

Financial Information

The summary of audited financials of Monkstar Music LLP is as follows:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31		
		2017	2016	2015*
Partners Fixed Capital	5.00	5.00	5.00	NA
Current Account	8.43	5.18	(3.55)	NA
Income including other income	20.88	8.11	8.62	NA
Profit/ (Loss) after tax	1.81	1.74	(5.36)	NA

*The Monkstar Music LLP was incorporated in 2015.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the company.

II. EVENT MONKS ENTERTAINMENT LLP (EMEL)

Event Monks Entertainment LLP was incorporated under the Limited Liability Partnership Act, 2008 and a Certificate of Incorporation was issued by the Registrar of Companies, Hyderabad on January 28, 2015 having LLP Identification Number AAD-2703, having registered office at 301, Ektha Pearl, 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad 500 084. The main objects of EMEL are:

- To carry on the business of developing, promoting, marketing, organizing and managing artists and talent and celebrity management national as well as international 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 and to promote, produce, organize and manage international and local music events, create and market music or experiential festivals, to provide complete technical and infrastructure support, including staging, lighting and sound for concerts, venue, on stage & back stage management, to do creative integration of sponsor banding & innovative sponsor entitlements of events, have coverage of live music events, television specials & music videos,

merchandising, procurement of governmental permission & licenses for events, travel management, freight logistics & hospitality.

- To carry on in India or abroad the business of advertising & publicity agents and contractors for advertising on any radio station, internet, broadcasting center, television center, video cassettes, audio cassettes, hoardings, electronic display mode, newspapers, magazines, mobile phones or any other present or future display devices and to carry on business of syndication, publication, printing and distribution of multimedia, 3-D characters, paintings, comics, cartoons and to prepare, produce, buy, sell, import and export all kinds of advertising materials such as slides, pamphlets, calendars, other commercial advertising materials, and to act as agents, brokers, vendors, sponsors or managers of all sorts of advertising and publicity business, sale of commercial slots and spaces on television or any media.
- To arrange to produce, secure, procure, acquire, retain, purchase, publish, dispose off and distribute advertisement films, TV serials, feature films and programmes of educational, cultural, devotional, industrial, health entertainment, family welfare, tourism, Government and of other interest on any platform including mobile and internet and to start, takeover, operate, run, maintain, export, import, terrestrial television channels, satellite television channels, cable television network, and to run, operate and maintain studios, facilities for the production and relay of programs for own channels or for other television channels and to produce necessary software.
- To undertake and carry on the business in India and abroad connected with events for corporate, companies or individuals, social events e.g. summer camp for children, engagement, marriage and other social events, game shows, fun events and to act as distributors, exporters, importers of lifestyle products, hybrid & native Apps and to undertake market and product related research, brand endorsements, marketing and promotions, of films, social media management, innovative brand integration and to develop, market and sell e-books.
- To carry on the business of letting or subletting the use of cinema hall, theatres, picture, places, studios, laboratories, multiplex, lodges, hotels, restaurants or other machinery, apparatus, building or structure of the company for the purpose of exhibitions, display of films, dramatic or theatrical performances, concerts or other entertainment, of amusements or objects allied to or of similar kinds as of the company and to provide for the production, directions, exhibitions, representation display, whether by mechanical means or otherwise of plays, open air or other theatrical performances.

Designated Partners

- Mr. Tekulapalli Sanjay Reddy
- Mr. Anupam Raj Madarapu
- Silly Monks Entertainment Limited (*Mr. Anil Kumar Pallala is Nominee Partner*)

Capital Contribution of Partners

Name of Partners	Amount (₹)	Percentage (%)
Mr. Tekulapalli Sanjay Reddy	10,000	10.00%
Mr. Anupam Raj Madarapu	26,000	26.00%
Silly Monks Entertainment Limited	64,000	64.00%
TOTAL	1,00,000	100.00%

Financial Information

The summary of audited financials of Event Monks Entertainment LLP is as follows:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31		
		2017	2016	2015
Partners Fixed Capital	1.00	1.00	1.00	1.00
Current Account	22.56	8.32	0.92	(5.40)
Income including other income	13.97	9.51	1.05	2.82
Profit/ (Loss) after tax	0.46	0.91	(2.02)	(5.40)

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the company

III. DREAM BOAT ENTERTAINMENT PTE LTD (DBEPL)

“DBEPL” is incorporated as a Dream Boat Entertainment Pte Ltd in Hong Kong under the applicable business registration regulations of Hong Kong having certificate no. 63087950-000-03-17-1, having registered office at Flat A, 15/F, Hillier Commercial Building, 65-67 Bonham, Strand East, Sheung Wan, Hong Kong. The main business activity is digital media publishing.

DBEPL was originally incorporated by Mr. Tekulapalli Sanjay Reddy and Mrs. Swathi Reddy in March 28, 2014. On March 12, 2015, all the shares were acquire by our Company and making it our wholly subsidiary company

Capital Structure:

Issued and Paid-up Capital of DBEPL is HKD 10,000

Shareholding Pattern

The entire share capital of DBEPL is held by our Company

Financial Information

The summary of audited financials of DBEPL is as follows:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31		
		2017	2016	2015
Equity Capital	0.80	0.80	0.78	0.78
Reserves and Surplus	213.32	143.29	25.78	(5.36)
Income including other income	469.39	1,076.18	390.74	163.38
Profit/ (Loss) after tax	70.27	116.84	31.11	(4.90)

THE AMOUNT OF ACCUMULATED PROFIT/ (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY

There is no accumulated profit/ (losses) not accounted for by our Company.

HOLDING COMPANY

As on the date of this Prospectus, there is no Holding Company of our Company.

JOINT VENTURES

As on the date of this Prospectus, there are no joint ventures of our Company.

SHAREHOLDERS' AGREEMENT

There are no Shareholders' Agreements existing as on the date of this Prospectus.

ACQUISITION OF BUSINESS / UNDERTAKINGS

Our Company has acquired Dream Boat Entertainment Pte Ltd in the year 2015 and making it our wholly owned subsidiary company. Further, our Company has increased its stake in Event Monks Entertainment LLP from 33.00% to 67.00% during the period from 2015 to 2017 and making it our subsidiary. Other than these acquisitions, our Company has not acquired any other business or undertaken any mergers, amalgamation and revaluation of assets in the last five years.

FINANCIAL PARTNERS

We do not have any financial partners as on the date of this Prospectus.

STRATEGIC PARTNERS

We do not have any strategic partners as on the date of this Prospectus.

OTHER AGREEMENTS

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

There are no injunctions / restraining orders that have been passed against the company.

OUR MANAGEMENT

Board of Directors:

Our Company has five (5) Directors consisting of two (2) Executive Director, two (1) Non-Executive Director and two (2) Non-Executive Independent Directors. The following table sets forth the details of our Board of Directors as on the date of this Prospectus:

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<p>Mr. Tekulapalli Sanjay Reddy <i>Chairman & Managing Director</i></p> <p>Address: Villa 1, Ektha Highland Park, Sy No 338, Puppalguda Near Continental Hospital, Nanakramguda, Gachi bowli, K. V. Rangareddy Hyderabad 500 032.</p> <p>Date of appointment as Director: September 20, 2013</p> <p>Date of appointment as Chairman and Managing Director: April 01, 2017</p> <p>Term: Appointed as Chairman and Managing Director for a period of Three years i.e. till March 31, 2020.</p> <p>Occupation: Business</p> <p>DIN: 00297272</p>	Indian	49 Years	<ul style="list-style-type: none"> • Silly Monks Media LLP • Event Monks Entertainment LLP • Monkstar Music LLP • Dream Boat Entertainment Private Limited⁽¹⁾ <p>Foreign Companies:</p> <ul style="list-style-type: none"> • Dream Boat Entertainment Pte Limited
<p>Mr. Anil Kumar Pallala <i>Whole Time Director</i></p> <p>Address: Flat No. 706, PNR High Nest, 7th Floor, Hyder Nagar, Kukatpally, KPHB Colony Hyderabad – 500 072</p> <p>Date of appointment as Director: September 01, 2014</p> <p>Date of appointment as Whole Time Director: April 01, 2017</p> <p>Term: Appointed as Whole Time Director for a period of Three years i.e. till March 31, 2020.</p> <p>Occupation: Business</p> <p>DIN: 02416775</p>	Indian	35 Years	<ul style="list-style-type: none"> • Event Monks Entertainment LLP • Monkstar Music LLP
<p>Mrs. Swathi Reddy <i>Non-Executive Director</i></p> <p>Address: Villa 1, Ektha Highland Park, Sy No 338, Puppalguda near Continental Hospital, Nanakramguda, Gachi bowli, K. V. Rangareddy Hyderabad 500 032.</p> <p>Date of Appointment as Director: September 20, 2013</p>	Indian	46 Years	<ul style="list-style-type: none"> • Dream Boat Entertainment Private Limited⁽¹⁾ <p>Foreign Companies:</p> <ul style="list-style-type: none"> • Dream Boat Entertainment Pte Limited

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<p>Date of Appointment as Non-Executive Director: March 31, 2017</p> <p>Term: Liable to retire by rotation</p> <p>Occupation: Service</p> <p>DIN: 00297360</p>			
<p>Mr. Venkata Kama Dixitulu Dixitula <i>Non Executive Independent Director</i></p> <p>Address: 4-12-542 Plot No 23A, High Court Colony, Vanasthalipuram, Hayathnagar, Vanastalipuram, K.V. Rangareddy - 500 070.</p> <p>Date of Appointment as Additional Director: December 22, 2017</p> <p>Term: Up to next Annual General Meeting</p> <p>Occupation: Freelancer</p> <p>DIN: 08032281</p>	Indian	54 Years	• Nil
<p>Mr. Prasada Rao Kalluri <i>Non Executive Independent Director</i></p> <p>Address: LIG 259, 2nd Floor, Bharath Inilayam, Phase-7, KPHB Colony, Kukatpally, Hyderabad - 500072</p> <p>Date of Appointment as Additional Director: March 31, 2017</p> <p>Date of Appointment as Non-Executive Independent Director: May 15, 2017</p> <p>Term: Appointed as Non-Executive Independent Director for a period of Five years i.e. till May 14, 2022.</p> <p>Occupation: Service</p> <p>DIN: 07780628</p>	Indian	29 Years	• Wilmer Paper LLP

⁽¹⁾ Pursuant to EGM held on May 16, 2017 and form upload to RoC dated June 14, 2017, Dream Boat Entertainment Private Limited has applied for striking off the name to the RoC, due to non operation of business for last two financial years

For further details on their qualification, experience etc., please see their respective biographies under the heading “*Brief Biographies*” below:

Notes:

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.
- There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.

- None of the Directors is or was a director of any listed company during the last five years preceding the date of the Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such company.
- None of the Directors is categorized as a wilful defaulter, as defined under SEBI (ICDR) Regulations.

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Tekulapalli Sanjay Reddy

Mr. Tekulapalli Sanjay Reddy, aged 49 years is Chairman & Managing Director of our Company. He is one of the founding promoters of our Company. He has completed his Bachelor degree of Commerce from Osmania University and also completed his Master of Business Administration (MBA) from University of Poona. Mr. Tekulapalli Sanjay Reddy has 26 years of post qualification experience in sales, distribution and programming in Media, Internet and entertainment Industries. He is into TV/Film production, Digital content creation, Distribution & Management. Tekulapalli Sanjay Reddy has successfully dabbled in all spheres of the entertainment industry, other than selling print/air time space & managing the television business, also stepped on to the big screen by becoming producer.

Mr. Anil Kumar Pallala

Mr. Anil Kumar Pallala, aged 35 years is the Whole-time Director of our Company. He has completed his diploma in Audio Engineering from Sae International Technology College. He has 15 years of experience of working in the media industry. He also worked with BIG 92.7 FM as Music Producer. He also has a good knowledge of technical and business angle of the film.

Mrs. Swathi Reddy

Mrs. Swathi Reddy, aged 46 years is the Non-Executive Director of our Company. She is one of the founding promoters of our Company. She has completed her Bachelor of Commerce and Master of Business Administration (MBA) from the Osmania University of Hyderabad. She has more than two decades of work experience in marketing sector. Currently she is working with power generation industry as Vice President – Corporate Communication.

Mr. Venkata Kama Dixitulu Dixitula

Mr. Venkata Kama Dixitulu Dixitula, aged 54 years is the Non-Executive Independent Director of Our Company. He is a Associate Member of the Institute of Company Secretaries of India and Master of Commerce and Bachelor of Commerce from Andhra University, Visakhapatnam. He has more than three decade of experience in Banking Sector. He worked as Chief Manager in Bank of Baroda. He worked with various branches and department especially in credit operations of the bank. Currently, he is working as an independent financial consultant and advisory to body corporate.

Mr. Prasada Rao Kalluri

Mr. Prasada Rao Kalluri, aged 29 years is the Non-Executive Independent Director of Our Company. He completed his Bachelor of Science and also completed Master of Business Administration (MBA) from Acharya Nagarjuna University. He is also associate member of the Institute of Company Secretaries of India. He has three years of working experience in the field of secretarial and compliance. Currently he is working as a Company Secretary in Asian Institute of Gastroenterology Private Limited.

RELATIONSHIP BETWEEN DIRECTORS

Except as stated below, none of the Directors of the Company are related to each other:

Mr. Tekulapalli Sanjay Reddy is the husband of Mrs. Swathi Reddy.

Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held on May 15, 2017 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deem fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed ₹ 50 crores.

REMUNERATION OF EXECUTIVE DIRECTORS

Mr. Tekulapalli Sanjay Reddy, Chairman & Managing Director

The compensation package payable to him as resolved in the shareholders meeting held on May 15, 2017 is stated hereunder:

Basic Salary: The total remuneration paid to Mr. Tekulapalli Sanjay Reddy, Chairman and Managing Director, shall not exceed a sum of ₹ 1.56 lakhs per month.

Salary, allowances and Perquisites: In addition to the basic salary mention above, Mr. Tekulapalli Sanjay Reddy shall be entitled to the following benefits, perquisites and allowances:

(₹ in lakhs)

Sr. No	Allowances	Amount in ₹ (Per Month)
1	House Rent Allowance (HRA)	0.86
2	Conveyance Allowances (CA)	0.02
3	Petrol Allowances (PA)	0.12
4	Medical Allowances (MA)	0.01
5	Phone Allowances (PA)	0.03
6	Bonus	2.40
TOTAL		3.44

Commission: Nil

Remuneration paid to Mr. Tekulapalli Sanjay Reddy for FY 2016-17 was ₹ 36.00 lakhs

Mr. Anil Kumar Pallala, Whole Time Director

The compensation package payable to him as resolved in the shareholders meeting held on May 15, 2017 is stated hereunder:

Basic Salary: The total remuneration paid to Mr. Anil Kumar Pallala, Whole-time Director, shall not exceed a sum of ₹ 0.85 lakhs per month.

Salary, allowances and Perquisites: In addition to the basic salary mention above, Mr. Anil Kumar Pallala shall be entitled to the following benefits, perquisites and allowances:

(₹ in lakhs)

Sr. No	Allowances	Amount in ₹ (Per Month)
1	House Rent Allowance (HRA)	0.47
2	Conveyance Allowances (CA)	0.02
3	Petrol Allowances (PA)	0.12
4	Medical Allowances (MA)	0.01
5	Phone Allowances (PA)	0.03
6	Bonus	1.00
TOTAL		1.65

Commission: Nil

Remuneration paid to Mr. Anil Kumar Pallala for FY 2016-17 was ₹ 21.00 lakhs.

Compensation to the Non-Executive Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on June 12, 2017 the Non-Executive Directors will be paid ₹ 10,000 for attending every Board Meeting of the Company & ₹ 5,000 will be paid for every committee meeting of the Company attended by them..

Remuneration paid to our Non-Executive Directors in Fiscal 2017: Nil

Shareholding of Directors

The following table sets forth the shareholding of our Directors as on the date of this Prospectus:

Name of Directors	No. of Equity Shares held	% of Pre-Issue Paid Up Capital
Mr. Tekulapalli Sanjay Reddy	16,80,000	45.76%
Mr. Anil Kumar Pallala	3,50,000	9.53%
Mrs. Swathi Reddy	77,000	2.10%
Mr. Venkata Kama Dixitulu Dixitula	-	-
Mr. Prasada Rao Kalluri	-	-
Total Holding of Directors	21,07,000	57.39%
Total Paid up Capital	36,71,500	100.00%

Interest of the Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoter, pursuant to this issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this chapter titled “*Our Management*” and the chapter titled “*Annexure XXIV- Statement of Related Party Transactions*” beginning on page nos. 106 and 170 of this Prospectus respectively, our Directors do not have any other interest in our business.

Except as disclosed in “*Properties*” within the section titled “*Our Business*” on page no. 88 of this Prospectus, our Directors have no interest in any property acquired by our Company within two years of the date of this Prospectus. Further, except as disclosed in “*Properties*” within the section titled “*Our Business*” on page no. 88 of this Prospectus, our Company has not taken any property on lease from our Promoter within two years of the date of this Prospectus.

Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

Sr. No.	Name of Director	Date of Change	Reason for change
1	Mr. Karunakaran Sinu Muriyamangalam	March 29, 2016	Resignation
2	Mr. Srineevasa Reddy	March 31, 2017	Appointment as Additional Director
3	Mr. Rajesh Katragadda	March 31, 2017	Appointment as Additional Director
4	Mr. Prasada Rao kalluri	March 31, 2017	Appointment as Additional Director
5	Mrs. Swathi Reddy	March 31, 2017	Change in Designation as Non-Executive Director
6	Mr. Tekulapalli Sanjay Reddy	April 01, 2017	Change in Designation as Chairman & Managing Director

Sr. No.	Name of Director	Date of Change	Reason for change
7	Mr. Anil Kumar Pallala	April 01, 2017	Change in Designation as Whole Time Director
8	Mr. Srineevasa Reddy	May 15, 2017	Regularization as Non-Executive Director
9	Mr. Rajesh Katragadda	May 15, 2017	Regularization as Non-Executive Independent Director
10	Mr. Prasada Rao Kalluri	May 15, 2017	Regularization as Non-Executive Independent Director
11	Mr. Sreenivasa Reddy	December 22, 2017	Resignation
11	Mr. Rajesh Katragadda	December 22, 2017	Resignation
13	Mr. Venkata Kama Dixitulu Dixitula	December 22, 2017	Appointment as Additional Director

Corporate Governance

The provisions of the SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, 2015, the SEBI Regulations and the Companies Act, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, 2015. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has five (5) Directors. In compliance with the requirements of the Companies Act we have two (2) Executive Director, one (1) Non-Executive Director and two (2) Non-Executive Independent Directors on our Board. Our Chairman is an Executive Director and we have a woman director on our Board.

Committees of our Board

We have constituted the following committees of our Board of Directors for compliance with Corporate Governance requirements:

1. Audit Committee
2. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee

1. Audit Committee

The Audit Committee of our Board was constituted by our Directors by a board resolution dated December 22, 2017 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Venkata Kama Dixitulu Dixitula	Non Executive Independent Director	Chairman
Mr. Prasada Rao Kalluri	Non Executive Independent Director	Member
Mr. Tekulapalli Sanjay Reddy	Managing Director	Member

The scope of Audit Committee shall include but shall not be restricted to the following:

- a) Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- f) 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) 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.
- n) Discussion with internal auditors any significant findings and follow up there on.
- o) 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.
- p) 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.
- q) 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.
- r) To review the functioning of the Whistle Blower mechanism.
- s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Company Secretary of the Company acts as the Secretary to the Committee.

Meeting of Audit Committee

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present.

2. Stakeholder's Relationship Committee

The Shareholder and Investor Grievance Committee of our Board were constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated December 22, 2017. The Shareholder and Investor Grievance Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Venkata Kama Dixitulu Dixitula	Non Executive Independent Director	Chairman
Mr. Prasada Rao Kalluri	Non Executive Independent Director	Member
Mr. Tekulapalli Sanjay Reddy	Managing Director	Member

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- a) Allotment and listing of our shares in future
- b) Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- c) Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- d) Reference to statutory and regulatory authorities regarding investor grievances;
- e) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- f) And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Company Secretary of our Company acts as the Secretary to the Committee.

Quorum and Meetings

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater.

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated December 22, 2017.

The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Venkata Kama Dixitulu Dixitula	Non Executive Independent Director	Chairman
Mr. Prasada Rao Kalluri	Non Executive Independent Director	Member
Mrs. Swathi Reddy	Non Executive Director	Member

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity
- d) 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 their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Quorum and Meetings

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

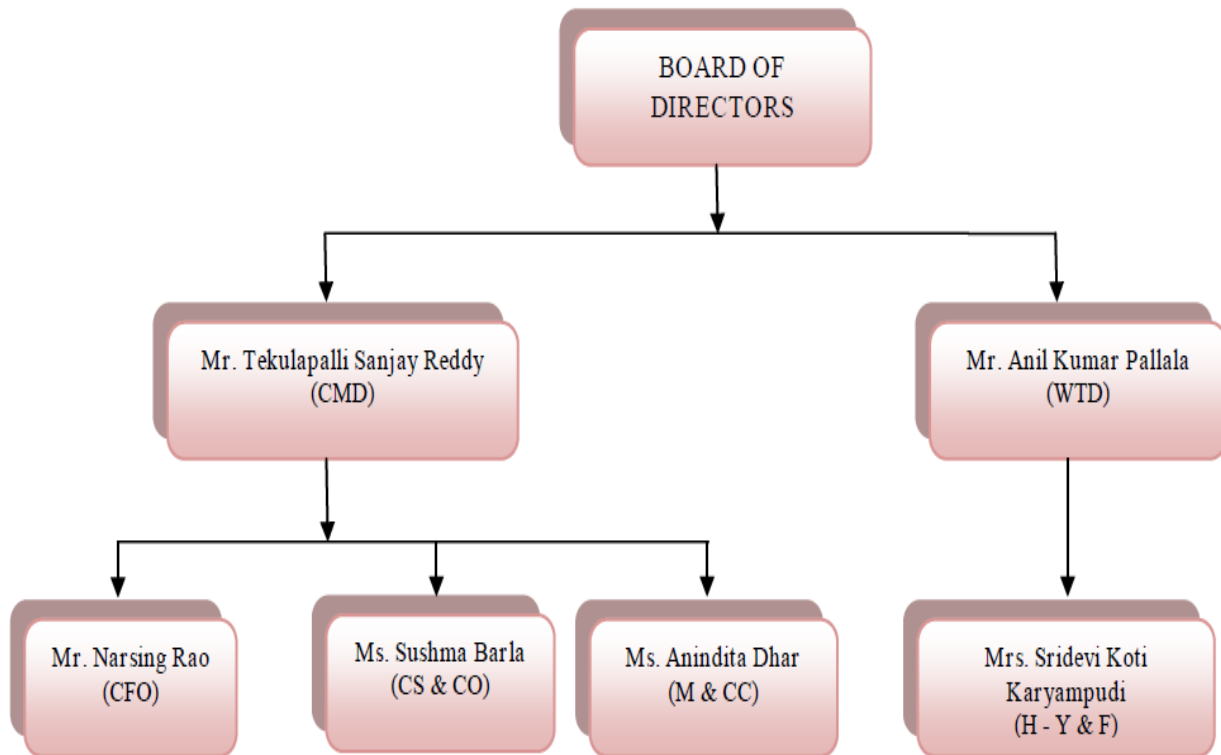
The Company Secretary of our Company acts as the Secretary to the Committee.

Policy on Disclosures & Internal procedure for prevention of Insider Trading

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public offer.

Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

Management Organization Structure



Terms & Abbreviations

- CMD - Chairman and Managing Director
- WTD - Whole Time Director
- CFO - Chief Financial Officer
- CS & CO - Company Secretary and Compliance Officer
- M & CC - Marketing & Corporate Communications
- H - Y & F - Head - Youtube & Facebook

Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Appointment	Compensation for Last Fiscal (₹ in lakhs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Ms. Anindita Dhar	Head of Marketing & Corporate Communications	October 20, 2017	N.A.	<ul style="list-style-type: none"> • B. Sc • DBM 	<ul style="list-style-type: none"> • Bennett Coleman and Co. Ltd. • Aptech Ltd. • Bennett Coleman and Co. Ltd. • Argus Infrastructure Ltd. • Jindal Stainless • Wizertech Informatics Pvt. Ltd. • Netzrepte Technologies Pvt. Ltd. 	17 Years
Ms. Sushma Barla	Company Secretary & Compliance Officer	17/04/2017 ⁽¹⁾	N. A.	<ul style="list-style-type: none"> • B. Com • CS 	<ul style="list-style-type: none"> • Mr. Karra SVS Sastry (Practicing Company Secretary) • P S Rao & Associates (Company Secretaries) 	2 Years (including internship)
Mr. Narsing Rao	Chief Financial Officer	01/10/2013 ⁽²⁾	4.03	<ul style="list-style-type: none"> • MBA • B.Com 	<ul style="list-style-type: none"> • Whacked Out Media Private Limited • Ori Plast Limited • P. Suryanarayana & Co. (Chartered Accountants) 	10 years
Mrs. Sridevi Koti Karyampudi	Head – Youtube & Facebook	01/10/2013	8.94	<ul style="list-style-type: none"> • B.P.T 	<ul style="list-style-type: none"> • Whackedout Media Private Limited • BIG 92.7 FM 	10 years

⁽¹⁾ Ms. Sushma Barla was initially appointed as compliance officer on April 17, 2017 and after her designation was changed to Company Secretary and Compliance Officer on May 24, 2017

⁽²⁾ Mr. Narsing Rao was initially appointed as Assistant Manger Finance & Accounts and his designation was changed to Chief Financial Officer from April 01, 2017.

Other Notes –

The aforementioned KMP are on the payrolls of our Company as permanent employees.

Also, they are related parties as per the Accounting Standard 18. For details, please see the chapter titled “Financial Statements- Annexure XXIV – Statement of Related Party Transactions” on page no. 170 of this Prospectus.

Relationship amongst the Key Managerial Personnel

None of the aforementioned KMP’s are related to each other, Also, none of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

Shareholding of Key Managerial Personnel

None of our KMP's holds any shares of our Company as on the date of this Prospectus except as mentioned below:

- Mrs. Sridevi Koti Karyampudi holds 28,000 shares of our Company.

Interest of Key Managerial Personnel

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to / in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

Bonus or Profit Sharing Plan for the Key Managerial Personnel during the last three years

Our Company does not have fixed bonus / profit sharing plan for any of the employees or key managerial personnel.

Loans taken by Key Management Personnel

None of our Key Managerial Personnel have taken any loan from our Company.

Employee Share Purchase and Employee Stock Option Scheme

Presently, we do not have ESOP / ESPS scheme for employees.

Payment or Benefit to our Officers

Except for the payment of salaries and yearly bonus, if any, we do not provide any other benefits to our employees.

Changes in the Key Managerial Personnel in the three years preceding the date of filing this Prospectus

Except as disclosed below, there has been no change in KMPs in past three years from the date of this Prospectus:

Name of Employee	Designation & Functional Area	Date of Appointment	Date of Resignation
Ms. Myneni Nagasri	Head Mobile VAS	August 11, 2016	N.A. ⁽¹⁾
Ms. Sushma Barla	Company Secretary & Compliance Officer	April 17, 2017	-
Ms. Anindita Dhar	Head of Marketing & Corporate Communications	October 20, 2017	-



⁽¹⁾ Our Company is still having this designation and employee. However Company has decided to remove this designation from the KMPs list

OUR PROMOTERS, PROMOTER GROUP

OUR PROMOTERS

Mr. Tekulapalli Sanjay Reddy and Mr. Anil Kumar Pallala are the Promoters of our Company.

The details of our Promoters are provided below:

	Mr. Tekulapalli Sanjay Reddy
	PAN: AAJPR7472C
	Passport No.: G7053727
	Driver's License No.: 593311985
	Voter's ID No.: TDZ0139634
	Name of Bank & Branch: ICICI Bank, Nanakramguda, Hyderabad
	Bank A/c No.: 180401513560
	Mr. Anil Kumar Pallala
	PAN: ARKPP3975A
	Passport No.: M2632906
	Driver's License No.: 1091/2004
	Voter's ID No.: AAP0161257
	Name of Bank & Branch: ICICI Bank, Madhapur, Kondapur, Hyderabad
	Bank A/c No.: 004001612472

For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past, please see the chapter titled "Our Management" beginning on page no. 106 of this Prospectus and "Our Promoters and Promoter Group" on page no. 119 of this Prospectus.

For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure –Notes to Capital Structure" on page no. 50 of this Prospectus.

Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters have confirmed that they have not been identified as wilful defaulters.

No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Interests of Promoters

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by their relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled "Capital Structure", "Financial Information" and "Our Management" beginning on page nos. 49, 130 and 106 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

For Further details on the related party transaction, to the extent of which our Company is involved, please see “Annexure XXIV - Statement of Related Party Transaction” on page no. 170 of this Prospectus.

Common Pursuits of Promoters and Group Companies

Our Subsidiary Companies have been authorised by its respective Memorandum of Associations to undertake activities which are similar to ours and are currently engaged in businesses similar to ours. Following are the Subsidiary Companies, whose main objects are similar to ours and this may result in potential conflicts of interest with our Company in the future –

- Dream Boat Entertainment Pte Limited
- Monkstar Music LLP
- Event Monks Entertainment LLP

Our Company has not adopted any measures for mitigating such conflict situations. However, it is being proposed to acquire substantial stake in this company and make it our subsidiary in the near future.

Companies with which the Promoter has disassociated in the last three years

Except as mentioned below, our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of the Draft Prospectus:

Sr. No.	Name of the Promoter	Name of the Company	Remarks/ Reason
1	Mr. Tekulapalli Sanjay Reddy	Stonecraft Developers Private Limited	Resignation
2	Mr. Tekulapalli Sanjay Reddy	Dream Boat Entertainment Private Limited ⁽¹⁾	Striking Off

⁽¹⁾ Pursuant to EGM held on May 16, 2017 and form upload to RoC dated June 14, 2017, Dream Boat Entertainment Private Limited has applied for striking off the name to the RoC, due to non operation of business for last two financial years

Payment of Amounts or Benefits to the Promoters or Promoter Group during the last two years

Except as stated in “Annexure XXIV – Statement of Related Party Transactions” on page no. 170 of this Prospectus, there has been no payment of benefits to our Promoters during the two years preceding the date of the Draft Prospectus.

Interest of Promoters in the Promotion of our Company

Our Company is currently promoted by the promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest of Promoters in the Property of our Company

Our Promoters have confirmed that they do not have any interest in any property acquired by our Company within two years preceding the date of the Draft Prospectus or proposed to be acquired by our Company as on the date of this Prospectus For details, please the chapter “Our Business” on page no. 78 of this Prospectus.

Further, other than as mentioned in the chapter titled “Our Business”, our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Our promoters may be interested in rent being paid by our company to certain relatives who own these premises being occupied by the company. For further details please see “Our Business” and “Financial Information” beginning on page no. 78 and 130 of this Prospectus.

Interest of Promoters in our Company other than as Promoters

Other than as Promoters, our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. For details please see chapters titled “Our Management” and “Capital Structure” beginning on page nos. 106 and 49 respectively of this Prospectus.

Except as mentioned in this section and the chapters titled “*Capital Structure*”, “*Our Business*”, “*History and Certain Corporate matters*” and “*Annexure XXIV – Statement of Related Party Transactions*” on page nos. 49, 78, 98 and 170 of this Prospectus, respectively, our Promoters do not have any interest in our Company other than as promoters.

Related Party Transactions

Except as stated in the “*Annexure XXIV – Statement of Related Party Transactions*” on page no. 170 of this Prospectus, our Company has not entered into related party transactions with our Promoters or our Group Companies.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please see the chapter titled “*Capital Structure – Notes to Capital Structure*” beginning on page no. 50 of this Prospectus.

Other Confirmations

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the “*Annexure XXIV – Statement of Related Party Transactions*” on page no. 170 of this Prospectus.

Outstanding Litigation

There is no outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigations and Material Developments*” beginning on page nos. 12 and 189 of this Prospectus.

OUR PROMOTER GROUP

Apart from our Promoters, as per Regulation 2(1)(zb) of the SEBI (ICDR) Regulation, 2009, the following individuals and entities shall form part of our Promoter Group:

A. Natural Persons who are Part of the Promoter Group

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Mr. Tekulapalli Sanjay Reddy	T. Narsimha Reddy	Father
	Subhadra Reddy	Mother
	Swathi Reddy	Wife
	T. Pramod Reddy T. Arjun Reddy	Brother(s)
	T. Mahikaansh Reddy	Son(s)
	Gaurika Reddy	Daughter(s)
	G. Renuka Reddy	Wife's Mother
	G. Shashank Reddy	Wife's Brother(s)
Mr. Anil Kumar Pallala	Pallala Nagraja	Father
	Pallala Umadevi	Mother
	Sridevi Koti Karyampudi	Wife
	Pallala Arunkumar Surya Ashok Pallala	Brother(s)
	Meenakshi Pallala	Daughter(s)
	Venkateswarlu Karyampudi	Wife's Father
	Indira Karyampudi	Wife's Mother
	Vanamalika	Wife's Sister(s)

Our Excluded Promoter Group

In accordance with the definition of the term Promoter Group as defined in the SEBI Regulations, the Promoter Group of our Individual Promoter namely Mr. Tekulapalli Sanjay Reddy consists of inter alia his father in law G. Sudhakar Reddy. However, information regarding G. Sudhakar Reddy and the companies in which he holds more than 10% shares is not available/disclosed in the Prospectus as such our Individual Promoter has disassociated himself from such person.

B. Companies / Corporate Entities forming part of the Promoter Group

As per Regulation 2(1)(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following Companies / Trusts / Partnership firms / HUFs or Sole Proprietorships shall form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity/Company
1	Event Monks Entertainment LLP
2	Monkstar Music LLP
3	Silly Monks Media LLP
4	Dream Boat Entertainment Private Limited ⁽¹⁾

⁽²⁾ Pursuant to EGM held on May 16, 2017 and form upload to RoC dated June 14, 2017, Dream Boat Entertainment Private Limited has applied for striking off the name to the RoC, due to non operation of business for last two financial years

OUR GROUP COMPANIES

The definition of ‘Group Companies’ was amended pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2015, to include companies covered under applicable accounting standards and such other companies as are considered material by the Board.

Pursuant to a Board resolution dated June 12, 2017, the Board formulated a policy with respect to companies which it considered material to be identified as group companies. Our Board has approved that other than the current holding (including ultimate holding company) and subsidiaries of the Company, all companies which are identified as related parties in accordance with Accounting Standards 18 as per the Restated Financial Statements are identified as group entities. Accordingly, In addition to our Promoter Group, as specified under the section “*Our Promoter and Promoter Group*” on page no. 119 of this Prospectus, the following companies have been identified as a Group Company.

1. Dream Boat Entertainment Private Limited⁽¹⁾ (“DBEPL”); and
2. Ektha.Com Private Limited (“E.CPL”); and

⁽¹⁾ Pursuant to EGM held on May 16, 2017 and form upload to RoC dated June 14, 2017, Dream Boat Entertainment Private Limited has applied for striking off the name to the RoC, due to non operation of business for last two financial years

Further, our Board has approved that other than E.CPL and DBEPL, there are no companies which are considered material by the Board to be identified as a group company.

FINANCIAL INFORMATION OF GROUP ENTITIES

As per Schedule VIII (IX) (C) (2) of the SEBI (ICDR) Regulations 2009, the financial information of our group companies on the basis of Turnover, are given below:

1. DREAM BOAT ENTERTAINMENT PRIVATE LIMITED⁽¹⁾ (“DBEPL”)

Incorporation	DBEPL was incorporated under the Companies Act, 1956 on October 01, 2002 in the state of Delhi
CIN	U74899DL2002PTC117194
Registered & Corporate Office	S-307, GK1 New Delhi, Delhi – 110048
Nature of Business	<p>1. To carry on the business as producers, exhibitors, distributors, importers, exporters, manufacturers, buyers, sellers, and otherwise dealers in. T.V. Software, Radio programming and content, Print Magazines/dailies and tabloids, comics and other reading material, Internet/World Wide Web, Merchandize and other forms of Entertainment and market through internet, T.V. channel and satellite, production of feature films, T.V. serials, AD Films, corporate films, documentaries, event management, post production and music studio.</p> <p>2. To carry on the business in the fields of audio and visual media, fashion shows, cine films, audio and visual programmes, film making jingles, still and other photography, adspots, copy writing, scripting, image hosting blue prints, animation films, designing of poster, blimps, slogan writing, creative writing, music videos, publishing books, newsletters, related to features documents. To carryon activities such as to produce and direct motion pictures, T.V. Films, corporate film, documentaries, advertisement film, serials and allied educational, commercial, political, environmental and ecological films, other programme plays on all subjects, topical news and cartoons of commercial, political, social, historical, economic, and cultural interests, live programme, publication and printing and other kind of films to purchase, sell, or rent pre and post production facilities, import, export and deal in cinefilm, other kinds of films all over India and elsewhere in the world and to do the business of production of medical programmes, serials, shows, live programmes, feature films, publications, their marketing and distribution to do business as studio owner, theatre owner, to run and maintain studio, theatres, film producing centre and including event management and movie fashions, fashion shows and trans light.</p>

	<p>3. To produce, reproduce, syndicate, T.V. Software, Radio programming and content, Print Magazines/dailies and tabloids, comics and other reading material, Internet World Wide Web, Merchandize and other forms of Entertainment.</p> <p>4. To acquire and build entertainment and show/theme parks, cinema hall theatre and other entertainment, venues and avenues close to real life and non life entertainment avenues.</p> <p>5. To carry on India or abroad T.V. Software, Radio programming and content, Print Magazines/dailies and tabloids, comics and other reading material, Internet World Wide Web, merchandise and other forms of Entertainment. To carry on in India or abroad the business of advertising and publicity agents, consultant and contractor and for this purpose to purchase, sell, sponsor, charter, manage, acquire, undertake, held, provide and promote, publicity or advertising time space or opportunity on any radio station, broadcasting, centre, television centre, music video and music audios video cassettes, audio cassettes, hoarding, neon signs, electronic display board, cinema cable network, newspapers, magazines, souvenirs and all other present and future medias or display devices including electronic media through internet.</p> <p>6. To carry on the business of advertising agency for providing to advertiser a complete range of advertising services on all mass media such as hoardings, news papers, magazines, radio television and film and to organize and conduct fashion shows, trade fairs and exhibitions.</p> <p>7. To carry on the business of designing and producing, publishing of banners, magazine, catalog and brochures, in connection with the business of the company as referred to in sub- clauses (1) to (5) above.</p>
Registrar of Companies	4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019.

⁽¹⁾ Pursuant to EGM held on May 16, 2017 and form upload to RoC dated June 14, 2017, Dream Boat Entertainment Private Limited has applied for striking off the name to the RoC, due to non operation of business for last two financial years

Board of Directors

- Mr. Tekulapalli Sanjay Reddy
- Mrs. Swathi Reddy

Interest of our Promoters

Our Promoter and Promoter group hold directly and indirectly 99.99% Equity Shares of this company.

Capital Structure

Particulars	No. of Equity Shares of ₹ 10 each
Authorised Capital	1,00,000
Issued, Subscribed and Paid-up Capital	1,00,000

Shareholding Pattern:

Particulars	No. of Shares	% of Total Shares
Our Promoter and Promoter Group	99,994	99.99%
Others	6	0.01%
Total	1,00,000	100.00%

Financial Information:

The brief financial details of DBEPL derived from its Audited Financial Statements, for Fiscals 2016, 2015 and 2014 are set forth below:

(₹ in lakhs)

Sr. No.	Particulars	As at March 31		
		2016	2015	2014
1	Equity Share Capital	1.00	1.00	1.00
2	Reserves and Surplus	(9.28)	(8.91)	(8.53)
3	Share Application Pending Allotment	-	-	-
4	Net Worth	(8.28)	(7.91)	(7.53)
5	Income including Other Income	0.00	0.00	0.04
6	Profit/ (Loss) After Tax	(0.38)	(0.37)	(1.50)
7	Earnings Per Share	(3.79)	(3.74)	(14.97)
8	Net Asset Value per Share	(82.85)	(79.06)	(75.32)

Other disclosures:

- The equity shares of DBEPL are not listed on any stock exchange.
- Pursuant to EGM held on May 16, 2017 and form upload to RoC dated June 14, 2017, DBEPL has applied for striking off the name to the RoC, due to non operation of business for last two financial years
- DBEPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

There are no defaults in meeting any statutory/ bank/ institutional dues. No proceedings have been initialled for economic offences against the Company.

2. EKTHA.COM PRIVATE LIMITED (E.CPL)

Incorporation	E.CPL was incorporated under the Companies Act, 1956 on March 05, 2004 in the state of Telangana.
CIN	U72200TG2004PTC042819
Registered Office	Plot No.2&3 Suite 7&8 4th Floor Ektha Towers, White Fields, Kondapur, Hyderabad,Telangana- 500084
Nature of Business	<ul style="list-style-type: none"> • To buy, sell, manufacture, export, import, mediate in any of these situations either using information technology or / and human man power as resources through e-commerce. • To undertake the designing and development of softwares, system applications or purchase or otherwise accept the same, for own use or sale in India or export abroad and also to design and develop such system and application software for or on behalf of manufacturers, owner and users of computer system and digital / electronic equipment in India or in any other country. • To undertake and execute feasibility studies for setting up of all kinds of computer systems and digital / electronic equipment and the selection acquisition and installation thereof whether for the company or its customers or users and purchase, buy, acquire on lease or hire purchase, sell, dispose of, lease out or otherwise deal with computer hardware. • To establish, promote, run, maintain cyber cafes and to take or give franchises for the same for providing, selling or otherwise dealing with information through systems or application software or through internet and other such facilities. • To establish, set up and run data processing centres, hardware and software training centers provide consultancy and other services related the above.
Registrar of Companies	2 nd Floor, Corporate Bhawan,GSI Post, Tattiannaram, Nagole, Bandlaguda, Hyderabad - 500 068

Interest of our Promoter / Promoter Group

Our promoter, promoter group do not have any interest in this group company.

Board of Directors:

- Mr. Sreenivasa Reddy
- Mrs. Neeraja Wudaru

Capital Structure

Particulars	No. of Equity Shares of ₹ 10 each
Authorised Capital	2,50,000
Issued, Subscribed and Paid-up Capital	2,50,000

Shareholding Pattern:

Sr. No.	Particulars	No. of shares held	% of Total Shares
1	Mr. Sreenivasa Reddy	2,00,000	80.00%
2	Mrs. Neeraja Wudaru	50,000	20.00%
	Total	2,50,000	100.00%

Financial Performance:

The brief financial details of E.CPL derived from its Audited Financial Statements, for Fiscals 2016, 2015 and 2014 are set forth below:

(₹ in lakhs)

Sr. No.	Particulars	As at March 31		
		2017	2016	2015
1	Equity Share Capital	25.00	25.00	25.00
2	Reserves and Surplus	236.41	379.52	438.62
3	Share Application Pending Allotment	-	-	-
4	Net Worth	261.41	404.52	463.62
5	Income including Other Income	54.28	514.69	512.31
6	Profit/ (Loss) After Tax	(107.25)	(59.11)	(64.02)
7	Earnings Per Share	(42.90)	(23.64)	(25.61)
8	Net Asset Value per Share	104.56	161.81	185.45

Other disclosures:

- The equity shares of E.CPL are not listed on any stock exchange;
- E.CPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, E.CPL has made a loss in the immediately preceding year, but does not have a negative net-worth in the immediately preceding year.
- No application has been made to RoC for striking off the name of E.CPL;
- E.CPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

There are no defaults in meeting any statutory /bank/institutional dues. No proceedings have been initialled for economic offences against the Company.

NATURE AND EXTENT OF THE INTEREST OF THE GROUP COMPANIES IN OUR COMPANY

In the promotion of our Company

Our Group Company does not have any interest in the promotion of our Company.

In the properties acquired by our Company

None of the Group Companies have any interest in the properties acquired by our Company within the two years of the date of filing the Draft Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery

Our Group Company has no interest in our Company in relation to transactions for acquisition of land, construction of building and supply of machinery except as mentioned in this Prospectus.

Payment of amount or benefits to our Group Companies during the last two years

Except as disclosed in the section “*Financial Information – Annexure XXIV – Statement of Related Party Transactions*” beginning on page no. 170 of this Prospectus, no amount or benefits were paid or were intended to be paid to our Group Company since the incorporation of our Company.

Common pursuits between the Group Company and our Company

Our Subsidiary Companies have been authorised by its respective Memorandum of Associations to undertake activities which are similar to ours and are currently engaged in businesses similar to ours. Following are the Subsidiary Companies, whose main objects are similar to ours and this may result in potential conflicts of interest with our Company in the future –

- Dream Boat Entertainment Pte Limited
- Monkstar Music LLP
- Event Monks Entertainment LLP

Our Company has not adopted any measures for mitigating such conflict situations. However, it is being proposed to acquire substantial stake in this company and make it our subsidiary in the near future.

Related business transactions within the Group Companies and its significance on the financial performance of our Company

For details, please see the chapter titled “*Financial Statements- Annexure XXIV – Statement of Related Party Transactions*” on page no. 170 of this Prospectus.

Sale/purchase between Group Companies (exceeding 10% in aggregate of the total sales or purchases of our Company)

For details, please see the chapter titled “*Financial Statements- Annexure XXIV - Statement of Related Party Transactions*” on page no. 170 of this Prospectus.

Business interest of Group Companies in our Company

For details, please see the chapter titled “*Financial Statements- Annexure XXIV - Statement of Related Party Transactions*” on page no. 170 of this Prospectus.

Defunct Group Companies

Expect Dream Boat Entertainment Private Limited has applied for striking off the name to the RoC dated June 14, 2017, due to non operation of business for last two financial years, no other Group Company had made any application to the Registrar of Companies for striking off the name during the five years preceding the date of the Draft Prospectus.

Outstanding Litigations

For details relating to the material legal proceedings involving our Group Company, see the chapter titled “*Outstanding Litigations and Material Developments*” on page no. 189 of this Prospectus.

Other Confirmations

Our Group Company has further confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there have been no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them except as stated under chapters “*Risk Factors*”, “*Our Group Companies*” and “*Outstanding Litigations and Material Developments*” on page nos. 12, 123 and 189 of this Prospectus, respectively. Additionally, our Group Company has not been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities except as stated under chapters “*Risk Factors*”, “*Our Group Companies*” and “*Outstanding Litigations and Material Developments*” on page nos. 12, 123 and 189 of this Prospectus, respectively.

CURRENCY, UNITS OF PRESENTATION AND EXCHANGE RATES

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

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

DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

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

SECTION VI – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

REPORT OF THE INDEPENDENT AUDITORS ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Board of Directors,
Silly Monks Entertainment Limited,
301, Ektha Pearl, 2-17-89, B P Raju Marg,
Kothaguda, Kondapur,
Hyderabad 500084.

1. We have examined the Restated consolidated Financial Statements and Other Financial Information of Silly Monks Entertainment Limited (the 'Company') for the period ended September 30, 2017 and each of the three Financial Years ended March 31, 2015, 2016, 2017 based on the Audited Financial Statements reviewed by us annexed to this report. The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offer ("IPO") of the Company in accordance with the requirements of:
 - i. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (hereinafter referred to as the "Act");
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI'); as amended to date.
2. We have examined such Restated Financial Statements taking into consideration
 - i. The Guidance Note (Revised) on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India.
 - ii. The applicable regulations of SEBI (ICDR) Regulations, 2009, as amended, and as per schedule VIII (Part A) (2) (IX).
3. These Restated Consolidated Financial Statements have been compiled by the Management from the audited Financial Statements for the period ended September 30, 2017 and for years ended as at March 31, 2017, 2016 & 2015, which have been approved by Board of directors at their meetings held on December 15, 2017
4. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Silly Monks Entertainment Limited, we, M/s. Ramasamy Koteswara Rao & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
5. Based on our examination, we further report that:
 - i. The Restated Statement of Consolidated Assets and Liabilities of the Company as at September 30, 2017 and as at March 31, 2017, 2016 & 2015 examined by us, as set out in **Annexure I** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the Statement of Significant Accounting Policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.
 - ii. The Restated Statement of Profit and Loss of the Company for the period ended September 30, 2017 and for the years ended on March 31, 2017, 2016 & 2015 examined by us, as set out in **Annexure II** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the Statement of Significant Accounting Policies in **Annexure IV** and the Statement of Adjustments to the Audited Financial Statements in **Annexure V**.
 - iii. The Restated Statement of Cash Flows of the Company for the period ended September 30, 2017 and for the years ended March 31, 2017, 2016 & 2015 examined by us, as set out in **Annexure III** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and

more fully described in the statement of significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.

- iv. The Restated Financial Statements have been made after incorporating adjustments for :
 - a) The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period / years.
 - b) Prior period and other material amounts in the respective financial years to which they relate, Which are stated in the Notes to Accounts as set out in **Annexure V**.
6. Such Financial statements do not require any corrective adjustments on account of:
- i. Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (11) of section 143 of the Companies Act, 2013, on Financial Statements of the Company as at September 30, 2017 and for the years ended March 31, 2017, 2016 & 2015
 - ii. Extra-ordinary / Exceptional items that need to be disclosed separately in the accounts requiring adjustments.
7. At the request of the company, we have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
- a) Schedule of Share Capital (**Annexure - VI**)
 - b) Schedule of Reserves & Surplus (**Annexure - VII**)
 - c) Details of Long Term Borrowings of the Company (**Annexure - VIII**)
 - d) Details of Short Term Borrowings of the Company (**Annexure - IX**)
 - e) Schedule of Other Current Liabilities (**Annexure - X**)
 - f) Schedule of Short Term Provisions (**Annexure - XI**)
 - g) Schedule of Long Term Loans and Advances (**Annexure - XII**)
 - h) Schedule of Fixed Assets (**Annexure - XIII**)
 - i) Statement of Trade Receivables (**Annexure -XIV**)
 - j) Statement of Cash and Cash Equivalents (**Annexure -XV**)
 - k) Statement of Other Current Assets (**Annexure - XVI**)
 - l) Schedule of Revenue from Operations (**Annexure - XVII**)
 - m) Schedule of Other Income (**Annexure - XVIII**)
 - n) Capitalization Statement (**Annexure - XIX**)
 - o) Summary of Accounting Ratios (**Annexure - XX**)
 - p) Schedule of Related party disclosures (**Annexure - XXI**)
8. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXII read with the Significant Accounting Policies and Notes to the Restated Financial Statements have been prepared in accordance with section 26 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (ICAI).Consequently the Financial Information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the Financial Information may not necessarily be the same as those appearing in the respective Audited Financial Statements for the relevant years.
9. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the Financial Statement referred to therein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

-
11. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of Equity Shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For M/s Ramasamy Koteswara Rao & Co.,

Chartered Accountants
Firm Registration No.010396S

Mr. C V Koteswara Rao
Partner
Membership No.028353

Place: Hyderabad
Date: December 15, 2017.

Annexure I
STATEMENT OF CONSOLIDATED ASSETS & LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
EQUITY AND LIABILITIES				
Shareholder's fund				
a) Equity Share Capital	367.15	52.45	41.80	19.00
b) Reserves and Surplus	282.34	500.91	66.49	40.16
Total Shareholders Fund (Net of revaluation reserve)	649.49	553.36	108.29	59.16
Minority Interest	(0.07)	(0.83)	(2.01)	-
Non-Current Liabilities				
a) Long Term Borrowings	60.46	49.28	14.16	36.20
b) Deferred Tax Liabilities	11.15	9.96	5.73	4.67
Total	71.61	59.24	19.89	40.87
Current Liabilities				
a) Short-Term Borrowings	-	-	33.94	-
b) Trade Payables	182.23	85.65	92.73	2.26
c) Other Current Liabilities	56.91	147.42	20.57	4.63
c) Short-Term Provisions	6.85	8.29	2.01	38.02
Total	245.99	241.36	149.26	44.91
TOTAL	967.03	853.13	257.43	144.94
ASSETS				
Non - Current Assets				
a) Fixed Assets				
i.) Tangible assets	151.19	149.33	41.88	20.04
ii.) Intangible Assets	155.11	121.48	108.00	49.53
iii.) Capital Work in Progress	32.67	40.54	-	1.45
b) Non Current Investment	-	-	-	0.05
c) Long term Loans & Advances	137.40	150.30	-	-
d) Other non-current assets	9.00	-	-	-
Total	485.37	461.65	149.88	71.06
Current Assets				
a) Trade Receivables	298.42	113.78	96.49	46.54
b) Cash and Cash equivalents	144.33	257.41	15.12	18.60
c) Short-term loans and advances	15.08	14.36	9.36	5.41
d) Other current assets	23.83	5.93	4.59	3.32
Total	481.66	391.48	125.56	73.87
TOTAL	967.03	853.13	275.43	144.94

Annexure II
STATEMENT OF CONSOLIDATED PROFIT & LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
INCOME:				
Revenue from Operations	653.69	1,195.64	492.47	326.88
Other Income	0.74	6.18	0.14	1.10
Total Income	654.43	1,201.97	492.61	327.98
EXPENSES:				
Operational Expenses	393.14	828.32	307.51	207.51
Employee benefit expenses	64.66	114.05	88.09	66.52
Finance Cost	5.08	3.58	4.96	4.83
Depreciation and amortisation expense	16.68	27.10	15.14	12.49
Other Expenses	70.03	70.80	45.04	34.26
Total Expenses	549.58	1,043.84	460.73	325.61
Net Profit / (Loss) Before Tax	104.84	157.98	31.88	2.37
Less: Tax Expense				
Current tax	6.68	8.29	2.01	1.03
Deferred tax	1.19	4.22	1.06	4.45
MAT Credit Entitlement	0.07	(0.17)	-	(1.03)
Total Tax Expense	7.94	12.34	3.07	4.45
Net Profit / (Loss) After Tax but Before Extraordinary Items	96.90	145.64	28.81	(2.08)
Extraordinary Items	-	-	-	-
Net Profit / (Loss) After Tax & Extraordinary Items	96.90	145.64	28.81	(2.08)
Net Profit Attributable to Owners	96.14	144.74	27.89	(2.08)

Annexure III
STATEMENT OF CONSOLIDATED CASH FLOW, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Cash flow from operating activities:				
Net Profit before tax as per Profit And Loss account	104.84	157.98	31.88	2.37
Adjusted for:				
Depreciation & Amortization	16.68	27.10	15.14	12.49
Interest & Financial Charges	5.08	3.58	4.96	4.83
Operating Profit Before Working Capital Changes	126.60	188.66	51.98	19.69
Adjusted for (Increase)/Decrease in:				
Trade Payables	96.58	(7.08)	90.47	2.26
Short Term Loans and Advances	(0.72)	(5.00)	(3.94)	(5.41)
Other Current Assets	(17.73)	(1.34)	(1.27)	(3.32)
Trade Receivables	(184.81)	(17.29)	(49.95)	(46.54)
Short Term Provisions	(1.44)	6.28	(36.01)	35.19
Other Current Liabilities	(90.51)	126.84	15.94	4.63
Cash Generated From Operations	(72.03)	291.07	67.22	6.50
Direct Tax Paid	6.75	8.12	2.01	-
Net Cash Flow from/(used in) Operating Activities: (A)	(78.77)	282.95	65.21	6.50
Cash Flow From Investing Activities:				
Purchase / (Sale) of Investments	-	-	0.05	(0.05)
Purchase of Fixed Assets	(44.30)	(188.57)	(94.01)	(83.50)
Other Non-Current Assets	12.89	(150.30)	-	-
Other Non-Current Assets	(9.00)			
Net Cash Flow from/(used in) Investing Activities: (B)	(40.40)	(338.87)	(93.96)	(83.55)
Cash Flow from Financing Activities:				
Increase / (Decrease) in Long Term Borrowing	11.18	35.12	(22.04)	36.20
Increase / (Decrease) in Short Term Borrowing	-	(33.94)	33.94	-
Interest & Financial Charges	(5.08)	(3.58)	(4.96)	(4.83)
Proceeds from Issue of Shares	-	300.33	22.80	58.00
Addition/(withdrawal) of Capital by Minority	-	0.28	(4.48)	-
Net Cash Flow from/(used in) Financing Activities (C)	6.10	298.21	25.27	89.37
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(113.07)	242.29	(3.49)	12.32
Cash & Cash Equivalents As At Beginning of the Year	257.41	15.12	18.61	6.28
Cash & Cash Equivalents As At End of the Year	144.34	257.41	15.12	18.60

Annexure-IV

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Accounting

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires the change in the accounting policy hitherto in use. Management evaluates all relevant issues or revised accounting standards on an ongoing basis. Accounting Policies not specifically referred to otherwise are consistent and in consonance with the Generally Accepted Accounting Principles that are followed by the company.

Details of subsidiary company considered in the consolidated accounts:

Name of the Subsidiary/ Associate	Country of Incorporation	Share Holding As on	Extent of Holding
Dream Boat Entertainment PTE Ltd	Hongkong	30.09.2017	100%
Event Monks Entertainment LLP	India	30.09.2017	64%
Monkstar Music LLP	India	30.09.2017	67%

Accounting policies adopted in the preparation of consolidated accounts:

The consolidated accounts related to M/s. Silly Monks Entertainment Limited, Hyderabad (Holding Company) and M/s. Dream Boat Entertainment PTE Ltd, Hongkong (Subsidiary Company), Monkstar Music LLP (Associate) & M/s. Event Monks Entertainment LLP, Hyderabad (Associate) have been prepared in accordance with AS - 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India

The Consolidated Financial Statements have been prepared based on line-by-line consolidation by adding together the book values of each & every item like Assets, Liabilities, Income and Expenses as per the accounts of the Holding Company and its Subsidiary Company and Associate and intra group balances/ intra group transactions have been eliminated.

The difference between the cost of Investment in the subsidiaries over the Net Assets at the time of acquisition of shares in the Subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be. Minority Interest's share of Net Profit of Consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive the net income attributable to Shareholders of the company.

Minority Interest's share of Net Assets of Consolidated subsidiaries is identified and presented in the Consolidated Balance sheet separate from liabilities and the equity of the Company's shareholders. The losses applicable to Minority Interest exceeding their interest are not adjusted against Majority Interest as minority has an obligation to and is able to make good the losses.

The Consolidated Financial Statements have been prepared using uniform policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the holding company's individual accounts.

Current events and actions, actual results could differ from these estimates.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2. Cash Flow Statement (AS 3):

The Cash Flow Statement is prepared by indirect method set in Accounting Standard-3 on cash flow statement and presents the cash flows by Operating, Investing and Finance activities of the company. Cash and cash equivalents

presented in cash flow consists of cash in hand, cheques in hand, bank balances. The same is in compliance with AS-3 to the extent applicable.

3. Contingencies and events occurring after the balance sheet date (AS 4):

All contingencies and events occurring after the balance sheet date which have a material effect on the financial position of the company are considered for preparing the financial statements

4. Net profit or loss for the period, prior period items and changes in Accounting Policies (AS 5):

All the extra ordinary and prior period items of Income and expenses are separately disclosed in the statement of Profit and Loss account in the manner such that its impact on the current profit or loss can be perceived. If there has been any change in the Company's accounting policies or accounting estimate so as to have material impact on the current year profit/loss or that of later periods the same would be disclosed as part of notes to accounts. All the items of Income and Expenses from ordinary activities with such size and nature such that they become relevant to explain the performance of the company have been disclosed separately. The same is in compliance with AS-5 to the extent applicable.

5. Revenue Recognition (AS 9):

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Income from services Revenues from services are recognized when contractual commitments are delivered in full net of returns, trade discounts and rebates.

6. Fixed Assets (AS 10):

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises non refundable taxes, duties, freight, borrowing costs and other incidental expenses related to the acquisition and installation of the respective assets. The same is in compliance with AS-10 to the extent applicable.

Depreciation on fixed assets is being provided under Straight line method at the rates in the manner specified in Schedule II of the companies Act, 2013. Depreciation on assets sold during the year is being provided at their respective rates up to the date on which such assets are sold.

Amortisation on Intangible assets is provided on Straight line basis over a period of 10 years.

Capital Work-In-Progress

Capital Work-In-Progress is carried at cost, comprising direct cost and related Incidental expenses.

7. Transactions in Foreign Currency (AS 11):

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary items are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in Profit and Loss Account. The same is in compliance with AS-11 to the extent applicable.

8. Employee Benefits (AS 15):

The Company makes defined contribution to Professional Tax, which are recognized in the Profit and Loss Account on accrual basis.

9. Earnings per Share (AS 20):

The calculation of Basic earnings per share and Diluted Earnings per share is summarized as follows:

Basic Earnings Per share:

The earnings considered in ascertaining the companies earning per share comprise net profit after tax and includes the post tax effect of any extra ordinary/ exceptional items is considered. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

Diluted Earnings per share:

The no. of shares used in computing diluted earnings per share comprises the weighted average no. of shares considered for deriving basic earnings per share and also the weighted average no. of equity shares that could be issued on the conversion of all dilutive potential equity shares.

10. Provision for Current tax, and Deferred tax (AS 22):

Income tax expenses consists of Current tax, deferred tax and Minimum alternative tax. Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961 with relevant tax regulations applicable to the company.

Deferred tax resulting from “timing differences” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future. The same is in compliance with AS-22 to the extent applicable.

11. Intangible Assets (AS 26):

Intangible Assets are recognised at consideration paid for acquisition and other direct costs that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use.

12. Impairment of Assets (AS 28):

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. The same is in compliance with AS-28 to the extent applicable.

Annexure V

NOTES TO ACCOUNTS

1. Managerial Remuneration

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Whole time Directors Remuneration				
Salaries and Allowances	26.20	83.88	53.92	46.38
Other Fees	-	-	-	-
Sitting Fees	-	-	-	-
Non Whole time Directors Remuneration		-	-	-
Other Fees	-	-	-	-
Sitting Fees	-	-	-	-

2. Deferred Tax

Deferred Tax liability on account of timing difference between taxable income and accounting income for the year is accounted for by applying the tax rates and laws enacted or substantially enacted as of the balance sheet date. Deferred Tax Assets are recognized only to the extent of virtual certainty of its realization or adjustment against deferred tax liability.

The company has accounted for Income Tax in compliance with the accounting standards relating "Accounting' for Taxes on Income" (AS-22) issued by the Institute of Chartered Accountants of India.

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Deferred tax liabilities/(assets) arising on account of timing difference in:				
Opening Balance	9.95	5.73	4.67	0.23
Depreciation	1.19	4.22	1.06	4.44
Total	11.15	9.95	5.73	4.67

3. Remuneration to Auditors:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Audit Fees	0.10	0.65	0.50	0.50
Total	0.10	0.65	0.50	0.50

4. The Company has not received any intimation from suppliers regarding their status under micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year end together with interest payable as required under the said Act have not been furnished.

5. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Group financial statements. Previous years' figures have been recast / restated.

6. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

7. In the opinion of the Board of Directors, the value of realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the amount, at which these are stated in the Balance Sheet.

8. Accounting for taxes on income

Provision for current tax is made based on the tax payable under the current provisions of the tax laws applicable in the jurisdiction where the income is assessable.

9. Contingent Liabilities

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprises, or is a possible obligation that arises from past events but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

10. Earnings Per share

The Calculation of Earnings per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings per Share issued by the Institute of Chartered Accountants of India.

11. The figures of the previous year are re-grouped / re-classified wherever necessary to make them comparable with that of the current year classification.

12. Income and Expenditure in Foreign Currency:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Earnings in Foreign Currency	469.39	1,076.18	390.74	163.38
Expenditure in Foreign Currency	399.13	958.27	359.63	168.28

ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Adjustments having impact on profit

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
PAT As per Audited Financial Statement	96.90	145.65	23.52	(2.75)
Add: Income pertaining to Current financial year accounted in the following year	-	-	-	1.15
Add: Foreign Exchange gain on Exchange rate fluctuation on Invoice amount	-	-	5.87	-
Less: Income pertaining to previous financial year accounted in the current year	-	-	(1.15)	(0.39)
Add: Expenses pertaining to Current financial year accounted in the following Year	-	-	-	(0.50)
Less: Expenses pertaining to previous financial year accounted in the current Year	-	-	0.50	0.33
Add: Staff Welfare Expenses pertaining to current year accounted in the following year	-	-	-	(0.07)
Less: Staff Welfare Expenses pertaining to previous year accounted in the current year	-	-	0.07	0.15
PAT as per restated Financial Statement	96.90	145.65	28.81	(2.08)

Appropriate adjustments 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, 2009 (as amended).

Regrouping done in Profit and Loss Account – Other Income

F.Y. 2013-14, 2014-15, 2015-16

Certain items of income were classified as Other Income. The same have been restated to conform to latest accounting treatment i.e. included as Revenue from Operations. Accordingly, the balances of Other Income and Revenue from Operations have been restated.

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Other Income as per Audited Financial Statements	0.74	6.18	1.41	168.61
Less: Amount reclassified as Revenue from Operations	-	-	(1.27)	(2.95)
Less: Discount received regrouped as deduction from Expenses	-	-	-	(2.76)
Less: Youtube Income regrouped as Revenue from Operations	-	-	-	(161.80)
Other Income as per Restated Financials Financial Statements	0.74	6.18	0.14	1.10

Regrouping done in Profit and Loss Account- Operating Expenses

F.Y. 2013-14, 2014-15, 2015-16

Certain Operating Expenses have been included in Other Expenses & Direct Expenses. The same have been restated to conform to latest accounting treatment i.e. included as Operating Expenses. Accordingly, the balances of Other Expenses, Direct Expenses and Operating Expenses have been restated. Also discount received has been deducted from the Operating Expenses.

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Operating Expenses as per Audited Financials	393.14	828.32	-	-
Add: Direct Cost regrouped as Operating Expenses	-	-	307.51	-
Add: Operating expenses included in Other Expenses	-	-	-	210.27
Less: Discount Received regrouped as deduction from Operating Expenses	-	-	-	(2.76)
Other Income as per Restated Financials Financial Statements	393.14	828.32	307.51	207.51

Regrouping done in Balance Sheet- Capital Work In Progress

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Capital Work in progress as per Audited Financials	32.67	40.54	-	-
Add: Inventory reclassified as Capital work in Progress	-	-	-	1.45
Capital work in progress as per Restated Financials	32.67	40.54	-	1.45

Regrouping of Trade Receivable

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Trade receivables as per Audited Financials	298.42	113.78	96.49	45.39
Add: Debtors restated in proportion to revenue recognition according to cut off procedures	-	-	-	1.15
Trade receivables as per Restated Financials	298.42	113.78	96.49	46.54

Regrouping of Other Current Assets

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Other Current Assets as per Audited Financials	23.82	5.93	3.56	2.29
Add: Mat Credit Entitlement Regrouped as Other Current Assets	-	-	1.03	1.03
Other Current Assets as per Restated Financials	23.82	5.93	4.59	3.32

Annexure VI

STATEMENT OF SHARE CAPITAL, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Equity Share capital				
Authorized Share capital				
50,00,000 Equity Shares of ₹ 10 each	500.00			

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
5,50,000 Equity Shares of ₹ 10 each		55.00	-	-
5,00,000 Equity Shares of ₹ 10 each		-	50.00	-
3,00,000 Equity Shares of ₹ 10 each		-	-	30.00
Total		55.00	50.00	30.00
Issued, Subscribed and Fully Paid up Share Capital				
Equity Shares of ₹ 10 each fully paid up	367.15	52.45	41.80	19.00
Total	367.15	52.45	41.80	19.00

Reconciliation of number of shares outstanding:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Equity Shares				
At the beginning of the period	5.24	4.18	1.90	1.30
Addition during the period	31.47	1.06	2.28	0.60
Outstanding at the end of the period	36.72	5.24	4.18	1.90

Annexure VII

STATEMENT OF RESERVES AND SURPLUS

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Security Premium				
Opening Balance	328.68	39.00	39.00	-
Add / (Less): Changes during the year	-	289.68	-	39.00
Less: Bonus shares issued during the year	314.70			
Total (a)	13.98	328.68	39.00	39.00
Profit & Loss A/c				
Opening Balance	172.23	27.49	1.28	(1.52)
Add : Holding Company CY profit	24.36	26.15	6.09	2.80
Add/Less: Share of Revenue profit in Subsidiary	71.78	118.59	20.26	(0.27)
Add: Share of loss in Associates	-	-	-	(0.28)
Add: Capital Reserve	-	-	-	0.54
Add/Less: Foreign Currency Translation Reserve	-	-	(0.14)	(0.12)
Total (b)	268.37	172.23	27.49	1.16
Total (a+b)	282.35	500.91	66.49	40.16

Annexure VIII

STATEMENT OF LONG TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
i) Secured Loans	38.37	49.19	14.07	-
ii) Unsecured Loans				
Loans from Directors	22.09	-	-	36.11
Other Long Term Borrowing		0.09	0.09	0.09
Total	60.46	49.28	14.16	36.20

Annexure -IX
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Loans from Banks (OD)	-	-	33.94	-
Total	-	-	33.94	-

Annexure – X
STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Statutory Liabilities	7.79	0.62	0.81	0.19
Audit fee payable	1.60	1.40	1.20	0.70
Advance from customers	0.43	-	-	0.23
Other payables	22.76	106.62	7.94	3.51
Current maturities of long term borrowings	24.33	38.78	10.63	-
Total	56.91	147.42	20.57	4.63

Annexure -XI
STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Provisions for Income Tax	6.85	8.29	2.01	1.03
Other Provisions		-	-	36.99
Total	6.85	8.29	2.01	38.02

Annexure – XII
STATEMENT OF LONG TERM LOANS & ADVANCES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Loans and Advances to Other Parties	27.00	25.30	-	-
Inter Corporate Deposits	95.13	109.72	-	-
Deposits				
Other Deposits	15.28	15.28	-	-
Total	137.41	150.30	-	-

Annexure- XIII
STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Content Development				
Opening Balance	113.30	113.30	52.42	-
Addition during the year		-	60.88	52.42
Depreciation During the year	2.86	12.88	6.14	5.24
Accumulated Depreciation	24.26	11.38	5.24	-
Closing Balance	86.18	89.04	101.92	47.18

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Software				
Opening Balance	7.39	3.38	3.01	3.00
Addition during the year	18.10	4.01	0.37	-
Reduction during the year	-	-	-	-
Depreciation During the year	3.38	0.94	1.33	1.06
Accumulated Depreciation	3.60	2.66	1.33	0.27
Closing Balance	18.51	3.79	0.72	1.67
Trademark				
Opening Balance	0.81	0.81	0.72	0.39
Addition during the year	-	-	0.09	0.23
Reduction during the year	-	-	-	-
Depreciation During the year	0.03	0.12	0.08	0.06
Accumulated Depreciation	0.30	0.18	0.10	0.04
Closing Balance	0.48	0.51	0.63	0.52
Copyrights				
Opening Balance	24.84	0.30	0.16	-
Addition during the year	23.51	24.54	0.14	0.16
Reduction during the year	-	-	-	-
Depreciation During the year	1.71	1.07	0.03	0.02
Accumulated Depreciation	1.12	0.05	0.02	-
Closing Balance	45.52	23.72	0.24	0.14
Goodwill on Consolidation	4.42	4.42	4.49	-
Total Intangible Assets	155.11	121.48	108.00	49.52
Office Equipments				
Opening Balance	5.67	5.12	4.67	3.56
Addition during the year	0.08	1.02	0.45	1.40
Reduction during the year	-	0.47	-	-
Depreciation During the year	0.49	0.99	1.02	0.76
Accumulated Depreciation	2.71	1.91	0.89	0.09
Depreciation on Disposals	-	0.19		
Closing Balance	2.54	2.96	3.21	4.08
Recording Equipments				
Opening Balance	0.59	0.59	0.59	0.59
Addition during the year	1.07	-	-	-
Reduction during the year	-	-	-	-
Depreciation During the year	0.04	0.04	0.04	0.04
Accumulated Depreciation	0.14	0.10	0.05	0.01
Closing Balance	1.48	0.45	0.50	0.54
Furniture & Fittings				
Opening Balance	17.80	3.02	3.01	2.18
Addition during the year	0.11	15.61	-	0.83
Reduction during the year	-	0.83	-	-
Depreciation During the year	0.84	1.00	0.29	0.26
Accumulated Depreciation	1.45	0.62	0.32	0.06
Depreciation on disposals		0.17	-	-
Closing Balance	15.62	16.35	2.40	2.69

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Vehicle				
Opening Balance	124.85	27.58	2.21	4.43
Addition during the year	-	97.27	25.37	-
Reduction during the year	29.43	-	-	2.22
Depreciation During the year	4.79	3.71	0.25	0.21
Accumulated Depreciation	4.21	0.50	0.25	0.18
Depreciation on Disposals	5.30	-	-	0.14
Closing Balance	91.71	120.64	27.08	1.97
Studio				
Opening Balance	-	-	-	-
Addition during the year	27.94	-	-	-
Depreciation during the year	0.01	-	-	-
Reduction during the year	-	-	-	-
Opening Accumulated Depreciation	-	-	-	-
Depreciation on Disposals	-	-	-	-
Closing Balance	27.93	-	-	-
Computers & peripherals				
Opening Balance	25.63	20.23	16.36	11.62
Addition during the year	5.51	7.53	3.87	4.82
Reduction during the year	-	2.13	-	0.08
Depreciation During the year	2.53	6.34	5.94	4.81
Accumulated Depreciation	16.70	11.55	5.60	0.82
Depreciation on Disposals		1.19	-	0.03
Closing Balance	11.90	8.93	8.69	10.77
Total Tangible Assets	151.19	149.33	41.88	20.05
Capital work in Progress	32.67	40.54	-	1.45
Total Depreciation during the year	16.68	27.10	15.14	12.49
Total Accumulated Depreciation	65.87	54.49	22.36	13.71

Annexure XIV
STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Outstanding for less than Six Months				
Promoter/ Promoter Group		-	-	-
Others	298.42	113.78	96.49	46.54
Outstanding for more than Six Months				
Promoter/ Promoter Group		-	-	-
Others		-	-	-
Total	298.42	113.78	96.49	46.54

Annexure XV
STATEMENT OF CASH & CASH EQUIVALENTS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Cash and Cash equivalents				
Balances with banks (Current Account)	138.84	254.86	13.58	16.62
Cash in Hand	5.49	2.55	1.54	0.33
Fixed Deposits with banks	-	-	-	1.66
Total	144.33	257.41	15.12	18.60

Annexure - XVI
STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Interest receivable on FD	-	-	-	0.01
TDS Receivables	10.69	4.72	3.01	2.28
Mat Credit entitlement	1.13	1.21	1.03	1.03
Other Current Assets	10.56	-	0.55	-
Service Tax input	1.39	-	-	-
GST Input	0.05	-	-	-
Total	23.82	5.93	4.59	3.32

Annexure - XVII
STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Revenue from sale of services				
Domestic Sales	167.42	75.50	445.27	264.33
Export Income	486.27	1120.29	47.20	62.56
Total	653.69	1195.79	492.47	326.88

Annexure - XVIII
STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,		
		2017	2016	2015
Interest on Fixed Deposits	0.74	0.31	0.08	0.88
Interest received on Income tax	-	0.01	0.06	0.01
Profit on sale of Assets	-	0.21	-	0.21
Interest Income	-	1.77	-	-
Gain on Foreign Exchange Fluctuations	-	3.88	-	-
Total	0.74	6.18	0.14	1.10

Changes in Accounting Policies in the Last Three Years:

There has been no change in the Accounting Policies in the last three (3) years.

Changes in Accounting Period:

There has been no change in the accounting period of the Company.

Annexure – XIX

STATEMENT OF CAPITALIZATION

Particular	Pre Issue	Post Issue
Debt		
Long Term Debt	60.46	60.46
Short Term Debt	-	-
Total Debts (A)	60.46	60.46
Equity (Shareholder's funds)		
Equity share capital	367.15	464.15
Reserve and Surplus	282.35	1,349.35
Total Equity (B)	649.50	1,813.50
Long Term Debt / Equity Shareholder's funds	0.09	0.03
Total Debts / Equity Shareholder's funds	0.09	0.03

*The above has been computed on the basis of restated financials

Annexure- XX

STATEMENT OF ACCOUNTING RATIOS

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,		
		2017	2016	2015
Restated PAT as per P & L Account	96.14	144.74	27.89	(2.08)
Actual Number of Equity Shares outstanding at the end of the year	36,71,500	5,24,500	4,18,0000	1,90,000
Equivalent Weighted Avg number of Equity Shares at the end of the year	36,71,500	31,38,495	23,83,797	12,22,986
Share Capital	367.15	52.45	41.80	19.00
Reserves & Surplus	282.35	500.92	66.49	40.16
Net Worth	649.50	553.36	108.29	59.16
Basic Earnings Per Share	2.62	4.61	1.17	(0.17)
Return on Net Worth (%)	15.01%	26.16%	25.75%	(3.51)%
Net Asset Value Per Share (₹) - based on actual no. of equity shares at the end of the year	17.45	105.60	25.91	31.14
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00

Notes to Accounting Ratios:

1) The Ratios have been computed as follows:

a) Basic Earnings Per Share (₹)	$\frac{\text{Net Profit After Tax as restated}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$
b) Return on Net worth (%)	$\frac{\text{Net Profit After Tax as restated}}{\text{Net Worth}} * 100$
c) Net Asset Value Per Equity Share (₹)	$\frac{\text{Net Worth}}{\text{No. of Equity shares outstanding at the end of the year}}$

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective year.

The above statements should be read with the Notes to Restated Financial Statements.

Annexure - XXII
STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

As per Accounting Standard 18 on related party disclosure as notified under Section 133 read with Companies (Accounts) Rules, 2014, the Company's related parties are disclosed below:

Key Managerial Personnel

For the period ended September 30, 2017	As on March 31,		
	2017	2016	2015
T Sanjay Reddy	T Sanjay Reddy	T Sanjay Reddy	T Sanjay Reddy
Swathi Reddy	Swathi Reddy	Swathi Reddy	Swathi Reddy
Anil Kumar Pallala	Anil Kumar Pallala	Anil Kumar Pallala	-
Sridevi Koti Karyampudi	Sridevi Koti Karyampudi	-	-
Gaurika Reddy	Gaurika Reddy	-	-
T Mahikaansh Reddy	T Mahikaansh Reddy	-	-

(ii) Board of Directors

For the period ended September 30, 2017	As on March 31,		
	2017	2016	2015
T Sanjay Reddy	T Sanjay Reddy	T Sanjay Reddy	T Sanjay Reddy
Swathi Reddy	Swathi Reddy	Swathi Reddy	Swathi Reddy
Anil Kumar Pallala	Anil Kumar Pallala	Anil Kumar Pallala	-
Sreenivasa Reddy Musani	Sreenivasa Reddy Musani	-	-
Katragadda Rajesh	Katragadda Rajesh	-	-
Prasada Rao Kalluri	Prasada Rao Kalluri	-	-

(a) Related Party

Ektha.Com Private Limited
Vergo Technology Solutions Private Limited
Ektha Prime Builders (India) Private Limited
Ektha India Private Limited
Invilogic Software Private Limited
Gokrazee Innovations Private Limited
Evam Solutions Private Limited
Silrocks Minerals & Mining Private Limited
Leapzen Private Limited
Saikor Securities Training and Services Private Limited
Dream Boat Entertainment Private Limited
Viceory Hotels Limited
Athena Global Technologies Limited
Bodhtree Consulting Limited
Quick wrap (India) Private Limited
Papercrafts Creative Solutions Private Limited
E- way Lipids Private Limited
Vaaraahi Chalana Chitram

(iii) Associates / Enterprises over which directors and / or their relatives has significant influence

For the period ended September 30, 2017	As on March 31,		
	2017	2016	2015
Dream Boat Entertainment Private Limited	Dream Boat Entertainment Private Limited	Dream Boat Entertainment Private Limited	Dream Boat Entertainment Private Limited
Event Monks Entertainment LLP	Event Monks Entertainment LLP	Event Monks Entertainment LLP	Event Monks Entertainment LLP
Monkstar Music LLP	Monkstar Music LLP	Monkstar Music LLP	-

(iv) Particulars of Transactions with Related Parties

Key Management Personnel/ Board of Directors

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As on March 31,		
		2017	2016	2015
1) Finance				
a) Loans Taken				
Opening Balance		-	36.11	36.06
Loan taken during the year	37.84	56.68	14.92	41.18
Repaid during the year	15.75	56.68	51.03	41.13
Outstanding at the end of the year	22.09	-	-	36.11
b) Loans given				
Opening Balance		-	4.5	-
Loans given during the year		20.00	-	6.3
Received during the year		-	4.5	1.8
Outstanding at the end of the year		-	-	4.5
2) Expenses				
Rent		6.06	13.86	13.2
Interest Paid	0.07	-	0.54	4.83
Remuneration	31.07	83.88	53.92	46.38
3) Outstanding				
Receivables		-	-	-
Payables		-	0.21	-

Associate Companies / Entities
(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As on March 31,		
		2017	2016	2015
1) Purchase & Sales				
Goods & Materials with service	-	-	-	-
Fixed Asset	35.00	15.00	-	-
2) Finance				
Loan Taken	-	-	-	-
Repayment of Loan	-	-	-	-
Investment	-	-	-	-
3) Expenses				
Rent	-	-	-	-
Interest Paid	-	-	-	-
4) Out standing				
Receivables	-	-	-	-
Payables	-	5.00	-	-

REPORT OF THE INDEPENDENT AUDITORS ON STANDALONE FINANCIAL STATEMENTS

To,
The Board of Directors,
Silly Monks Entertainment Limited,
301, Ektha Pearl, 2-17-89, B P Raju Marg,
Kothaguda, Kondapur,
Hyderabad 500084.

1. We have examined the Restated Standalone Financial Statements and Other Financial Information of Silly Monks Entertainment Limited (the 'Company') for the period ended September 30, 2017 and each of financial years ended March 31, 2014, 2015, 2016 and 2017 based on the Audited Financial Statements reviewed by us annexed to this report. The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offer ("IPO") of the Company in accordance with the requirements of:
 - i. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (hereinafter referred to as the "Act");
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI'); as amended to date.
2. We have examined such Restated Financial Statements taking into consideration
 - i. The Guidance Note (Revised) on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India.
 - ii. These Restated Financial Statements have been compiled by the Management from the audited Financial Statements for the period ended September 30, 2017 and for years ended as at March 31, 2017, 2016, 2015 and 2014, which have been approved by Board of directors at their meetings held on December 15, 2017.
3. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Silly Monks Entertainment Limited, we, M/s. Ramasamy Koteswara Rao & Co, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI).
4. Based on our examination, we further report that:
 - i. The Restated Statement of Assets and Liabilities of the Company as at the period ended September 30, 2017 and years ended as at March 31, 2017, 2016, 2015, 2014 examined by us, as set out in **Annexure I** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the Statement of Significant Accounting Policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.
 - ii. The Restated Statement of Profit and Loss of the Company for the period ended September 30, 2017 and years ended on March 31, 2017, 2016, 2015, 2014 examined by us, as set out in **Annexure II** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the Statement of Significant Accounting Policies in **Annexure IV** and the Statement of Adjustments to the Audited Financial Statements in **Annexure V**.
 - iii. The Restated Statement of Cash Flows of the Company for the period ended September 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 examined by us, as set out in **Annexure III** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.

- iv. The Restated Financial Statements have been made after incorporating adjustments for :
- a. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period / years.
 - b. Prior period and other material amounts in the respective financial years to which they relate, which are stated in the Notes to Accounts as set out in Annexure V.
5. Such Financial statements do not require any corrective adjustments on account of:
- i. Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (11) of section 143 of the Companies Act, 2013, on Financial Statements of the Company for the period ended September 30, 2017 and as at for the years ended March 31, 2017, 2016, 2015 and 2014.
 - ii. Extra-ordinary / Exceptional items that need to be disclosed separately in the accounts requiring adjustments.
6. At the request of the company, we have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
- a) Schedule of Share Capital (Annexure - VI)
 - b) Schedule of Reserves & Surplus (Annexure - VII)
 - c) Details of Long Term Borrowings of the Company (Annexure - VIII)
 - d) Details of Short Term Borrowings of the Company (Annexure - IX)
 - e) Schedule of Other Current Liabilities (Annexure - X)
 - f) Schedule of Short Term Provisions (Annexure - XI)
 - g) Schedule of Non Current Investments (Annexure - XII)
 - h) Schedule of Long Term Loans and Advances (Annexure - XIII)
 - i) Schedule of Fixed Assets(Annexure -XIV)
 - j) Statement of Trade Receivables (Annexure -XV)
 - k) Statement of Cash and Cash Equivalents (Annexure - XVI)
 - l) Statement of Other Current Assets (Annexure - XVII)
 - m) Schedule of Revenue from Operations (Annexure - XVIII)
 - n) Schedule of Other Income (Annexure - XIX)
 - o) Statement of Tax Shelter (Annexure - XX)
 - p) Schedule of Contingent Liability (Annexure - XXI)
 - q) Capitalization Statement (Annexure - XXII)
 - r) Summary of Accounting Ratios (Annexure - XXIII)
 - s) Schedule of Related party disclosures(Annexure - XXIV)
7. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXIV read with the Significant Accounting Policies and Notes to the Restated Financial Statements have been prepared in accordance with section 26 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (ICAI).Consequently the Financial Information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the Financial Information may not necessarily be the same as those appearing in the respective Audited Financial Statements for the relevant years.
8. This report should not in any way construed as a reissuance or redrafting of any of the previous Audit Reports for financial years ending 2013-14, 2014-15, 2015-16 and 2016-17 issued by M/s Ramasamy Koteswara Rao & Co., Chartered Accountants, being the Statutory Auditors of the company nor should this report be construed as new opinion on any of the Financial Statement referred to therein and also for the Audit Report for the period ending September 30, 2017 audited by us. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

9. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of Equity Shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For M/s. Ramasamy Koteswara Rao & Co.,
Chartered Accountants Firm
Registration No.010396S

Mr. C V Koteswara Rao
Partner
Membership No.028353
Place: Hyderabad
Date: December 15, 2017.

Annexure I
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
EQUITY AND LIABILITIES					
Shareholder's fund					
a) Equity Share Capital	367.15	52.45	41.80	19.00	13.00
b) Reserves and Surplus	71.86	362.20	46.37	40.31	(1.52)
Total Shareholders Fund (Net of revaluation reserve)	439.01	414.65	88.17	59.31	11.48
Non-Current Liabilities					
a) Long Term Borrowings	60.37	49.19	14.07	36.11	36.06
b) Deferred Tax Liabilities	11.15	9.96	5.73	4.67	0.23
Total	71.52	59.15	19.80	40.79	36.29
Current Liabilities					
a) Short-Term Borrowings	-	-	33.94	-	-
b) Trade Payables	55.79	12.00	3.50	2.26	7.09
c) Other Current Liabilities	57.71	57.70	13.33	4.47	9.29
c) Short-Term Provisions	6.12	7.11	2.01	1.03	-
Total	119.62	76.81	52.78	7.76	16.38
TOTAL	630.15	550.61	160.76	107.86	64.15
ASSETS					
Non - Current Assets					
a) Fixed Assets					
i.) Tangible assets	151.11	149.33	41.89	19.75	20.93
ii.) Intangible Assets	107.86	71.64	51.28	49.52	3.09
iii.) Capital Work in Progress	20.00	28.87	-	1.45	12.76
b) Non Current Investment	45.40	30.18	22.16	1.13	-
c) Long term Loans & Advances	137.41	150.30	-	-	-
d) Other Non Current Assets	9.00	-	-	-	-
Total	470.78	430.32	115.33	71.85	36.78
Current Assets					
a) Trade Receivables	106.82	21.98	37.02	25.32	10.60
b) Cash and Cash equivalents	29.73	80.85	1.62	2.13	10.32
c) Short-term loans and advances	13.69	12.93	3.49	5.41	5.50
d) Other current assets	9.13	4.53	3.30	3.15	0.96
Total	159.37	120.29	45.43	36.01	27.37
TOTAL	630.15	550.61	160.76	107.86	64.15

Annexure II
STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
INCOME:					
Revenue from Operations	194.54	299.93	201.26	176.62	32.67
Other Income	0.73	2.30	0.14	1.12	0.19
Total income	195.27	302.23	201.40	177.74	32.87
EXPENSES:					
Operational Expenses	41.09	72.82	52.70	56.17	14.29
Employee benefit expenses	64.66	114.05	78.44	66.52	12.01
Finance Cost	5.08	3.58	4.96	4.83	-
Depreciation and amortisation expense	14.05	20.30	15.10	12.50	1.48
Other Expenses	38.65	54.17	41.06	30.43	6.38
Total expenses	163.52	264.92	192.26	170.46	34.16
Exceptional and prior period items					
Net Profit / (Loss) before Tax	31.75	37.31	9.13	7.28	(1.29)
Less: Tax expense					
Current tax	6.12	7.11	2.01	1.03	-
Deferred tax	1.19	4.22	1.06	4.45	0.23
MAT Credit Entitlement	0.07	(0.17)	-	(1.03)	-
Total Tax Expense	7.39	11.16	3.07	4.45	0.23
Net Profit / (Loss) after tax	24.36	26.15	6.06	2.83	(1.52)
Less : Proposed Dividend	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Net Profit transferred to Reserves	24.36	26.15	6.06	2.83	(1.52)

Annexure III
CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Cash flow from operating activities:					
Net Profit before tax as per Profit And Loss account	31.75	37.31	9.13	7.28	(1.29)
Adjusted for:					
Depreciation & Amortization	14.04	20.30	15.10	12.50	1.48
Interest & Financial Charges	5.08	3.58	4.96	4.83	-
Operating Profit Before Working Capital Changes	50.88	61.19	29.19	24.61	0.19
Adjusted for (Increase)/Decrease in:					
Trade Payables	43.79	8.50	1.24	(4.83)	7.09
Short Term Loans and Advances	(0.77)	(9.44)	1.93	0.09	(5.50)
Other Current Assets	(4.62)	(1.23)	(0.15)	(2.19)	(0.96)
Trade Receivables	(84.84)	15.04	(11.70)	(14.72)	(10.60)
Short Term Provisions	(0.99)	5.10	0.98	1.03	-
Other Current Liabilities	0.02	44.36	8.86	(4.82)	9.29
Cash Generated From Operations	3.48	123.53	30.34	(0.84)	(0.48)
Direct Tax Paid	6.20	6.93	2.01	-	-
Net Cash Flow from/(used in) Operating Activities: (A)	(2.71)	116.60	28.33	(0.84)	(0.48)
Cash Flow From Investing Activities:					
(Purchase)/ Sale of Fixed Assets	(43.18)	(176.97)	(37.55)	(46.44)	(38.26)
(Increase) / Decrease in Long Term Loans & Advances	12.89	(150.30)	-	-	-
Increase in Other Non Current Assets	(9.00)	-	-	-	-
Purchase of Investment	(15.22)	(8.02)	(21.03)	(1.13)	-
Net Cash Flow from/(used in) Investing Activities: (B)	(54.50)	(335.29)	(58.58)	(47.57)	(38.26)
Cash Flow from Financing Activities:					
Increase / (Decrease) in Long Term Borrowing	11.18	35.11	(22.04)	0.05	36.06
Increase / (Decrease) in Short Term Borrowing	-	(33.94)	33.94	-	-
Interest & Financial Charges	(5.08)	(3.58)	(4.96)	(4.83)	-
Proceeds from Issue of Shares	-	300.33	22.80	45.00	13.00
Net Cash Flow from/(used in) Financing Activities (C)	6.10	297.92	29.74	40.22	49.06
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(51.12)	79.23	(0.51)	(8.19)	10.32
Cash & Cash Equivalents As At Beginning of the Year	80.85	1.62	2.13	10.32	-
Cash & Cash Equivalents As At End of the Year	29.73	80.85	1.62	2.13	10.32

Annexure-IV

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Accounting

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards issued by the Institute of Chartered Accountants of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires the change in the accounting policy hitherto in use. Management evaluates all relevant issues or revised accounting standards on an ongoing basis. Accounting Policies not specifically referred to otherwise are consistent and in consonance with the Generally Accepted Accounting Principles that are followed by the company.

2. Cash Flow Statement (AS 3):

The Cash Flow Statement is prepared by indirect method set in Accounting Standard-3 on cash flow statement and presents the cash flows by Operating, Investing and Finance activities of the company. Cash and cash equivalents presented in cash flow consists of cash in hand, cheques in hand, bank balances. The same is in compliance with AS-3 to the extent applicable.

3. Contingencies and events occurring after the balance sheet date (AS 4):

All contingencies and events occurring after the balance sheet date which have a material effect on the financial position of the company are considered for preparing the financial statements

4. Net profit or loss for the period, prior period items and changes in Accounting Policies (AS 5):

All the extra ordinary and prior period items of Income and expenses are separately disclosed in the statement of Profit and Loss account in the manner such that its impact on the current profit or loss can be perceived. If there has been any change in the Company's accounting policies or accounting estimate so as to have material impact on the current year profit/loss or that of later periods the same would be disclosed as part of notes to accounts. All the items of Income and Expenses from ordinary activities with such size and nature such that they become relevant to explain the performance of the company have been disclosed separately. The same is in compliance with AS-5 to the extent applicable.

5. Revenue Recognition (AS 9):

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Income from services Revenues from services are recognized when contractual commitments are delivered in full net of returns, trade discounts and rebates.

6. Fixed Assets (AS 10):

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises non refundable taxes, duties, freight, borrowing costs and other incidental expenses related to the acquisition and installation of the respective assets. The same is in compliance with AS-10 to the extent applicable.

Depreciation on fixed assets is being provided under Straight line method at the rates in the manner specified in Schedule II of the companies Act, 2013. Depreciation on assets sold during the year is being provided at their respective rates up to the date on which such assets are sold.

Amortisation on Intangible assets is provided on Straight line basis over a period of 10 years.

Capital Work-In-Progress

Capital Work-In-Progress is carried at cost, comprising direct cost and related Incidental expenses.

7. Transactions in Foreign Currency (AS 11):

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary items are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in Profit and Loss Account. The same is in compliance with AS-11 to the extent applicable.

8. Investments (AS 13):

- a) Investments are capitalised at actual cost.
- b) Investments are classified as long-term or current at the time of making such investments.
- c) Long-term investments are individually valued at cost. Investments held in Subsidiary Companies are stated at cost.

10. Employee Benefits (AS 15):

The Company makes defined contribution to Professional Tax, which are recognized in the Profit and Loss Account on accrual basis.

11 . Earnings per Share (AS 20):

The calculation of Basic earnings per share and Diluted Earnings per share is summarized as follows:

Basic Earnings Per share:

The earnings considered in ascertaining the companies earning per share comprise net profit after tax and includes the post tax effect of any extra ordinary/ exceptional items is considered. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

Diluted Earnings per share:

The no. of shares used in computing diluted earnings per share comprises the weighted average no. of shares considered for deriving basic earnings per share and also the weighted average no. of equity shares that could be issued on the conversion of all dilutive potential equity shares.

12. Provision for Current tax, and Deferred tax (AS 22):

Income tax expenses consists of Current tax, deferred tax and Minimum alternative tax provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961 with relevant tax regulations applicable to the company.

Deferred tax resulting from “timing differences” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

The same is in compliance with AS-22 to the extent applicable.

13. Intangible Assets (AS 26):

Intangible Assets are recognized at consideration paid for acquisition and other direct costs that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use.

14. Impairment of Assets (AS 28):

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. The same is in compliance with AS-28 to the extent applicable

Annexure V
NOTES TO ACCOUNTS

1. Managerial Remuneration

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Whole time Directors Remuneration					
Salaries and Allowances	26.20	83.88	53.92	46.38	5.58
Other Fees	-	-	-	-	-
Sitting Fees	-	-	-	-	-
Non- Whole time Directors Remuneration	-	-	-	-	-
Other Fees	-	-	-	-	-
Sitting Fees	-	-	-	-	-

2. Deferred Tax

Deferred Tax liability on account of timing difference between taxable income and accounting income for the year is accounted for by applying the tax rates and laws enacted or substantially enacted as of the balance sheet date. Deferred Tax Assets are recognized only to the extent of virtual certainty of its realization or adjustment against deferred tax liability.

The company has accounted for Income Tax in compliance with the accounting standards relating "Accounting' for Taxes on Income" (AS-22) issued by the Institute of Chartered Accountants of India.

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Deferred tax liabilities/(assets) arising on account of timing difference in:					
Opening Balance	9.95	5.73	4.67	0.23	-
Depreciation	1.19	4.22	1.06	4.44	0.23
Total	11.15	9.95	5.73	4.67	0.23

3. Remuneration to Auditors:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Audit Fees	-	0.55	0.50	0.50	0.20
Total	-	0.55	0.50	0.50	0.20

4. The Company has not received any intimation from suppliers regarding their status under micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year end together with interest payable as required under the said Act have not been furnished.

5. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Group financial statements. Previous years' figures have been recast / restated.

6. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

7. In the opinion of the Board of Directors, the value of realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the amount, at which these are stated in the Balance Sheet.

8. Accounting for taxes on income

Provision for current tax is made based on the tax payable under the current provisions of the tax laws applicable in the jurisdiction where the income is assessable.

9. Contingent Liabilities

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprises, or is a possible obligation that arises from past events but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. The lists of Contingent Liabilities are as follows:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Contingent Liabilities					
Bank Guarantee	-	-	-	-	5.00
Total	-	-	-	-	5.00

10. Earnings Per share

The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

11. The figures of the previous year are re-grouped / re-classified wherever necessary to make them comparable with that of the current year classification.

12. Income and Expenditure in Foreign Currency:

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Earnings in Foreign Currency	58.46	242.05	155.73	74.09	-
Expenditure in Foreign Currency	-	-	-	-	-

Appropriate adjustments 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, 2009 (as amended).

Regrouping done in Profit and Loss Account – Other Income

F.Y. 2013-14, 2014-15, 2015-16

Certain items of income were classified as Other Income. The same have been restated to confirm to latest accounting treatment i.e. included as Revenue from Operations. Accordingly, the balances of Other Income and Revenue from Operations have been restated

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Other Income as per Audited Financial Statements	0.73	2.30	1.41	6.81	0.86
Less: Amount reclassified as Revenue from Operations	-	-	(1.27)	(2.95)	(0.67)
Less: Discount received regrouped as deduction from Expenses	-	-	-	(2.76)	-
Add: Gain on account of foreign Exchange fluctuations on Receivables	-	-	-	0.03	-
Other Income as per Restated Financials Financial Statements	0.73	2.30	0.14	1.12	0.19

Regrouping done in Profit and Loss Account- Operating Expenses

F.Y. 2013-14, 2014-15, 2015-16

Certain Operating Expenses have been included in Other Expenses & Direct Expenses. The same have been restated to confirm to latest accounting treatment i.e. included as Operating Expenses. Accordingly, the balances of Other Expenses, Direct Expenses and Operating Expenses have been restated. Also discount received has been deducted from the Operating Expenses.

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Operating Expenses as per Audited Financials	41.09	75.75	-	-	-
Add: Direct Cost regrouped as Operating Expenses	-	-	52.70	-	-
Add: Operating expenses included in Other Expenses	-	-	-	58.94	14.29
Less: Discount Received regrouped as deduction from Operating Expenses	-	-	-	(2.76)	-
Operating Expenses as per Restated Financials Financial Statements	41.09	75.75	52.70	56.17	14.29

Regrouping done in Balance Sheet- Capital Work In Progress

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Capital Work in progress as per Audited Financials	20.00	28.87	-	-	11.31
Add: Inventory reclassified as Capital work in Progress	-	-	-	1.45	1.45
Capital work in progress as per Restated Financials	20.00	28.87	-	1.45	12.76

Non Current Assets
(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Non Current Investments as per Audited Financials	45.40	30.18	5.05	1.13	-
Add: Current Investments Regrouped as Non Current investments	-	-	17.11	-	-
Non Current Investments as per Restated Financials	45.40	30.18	22.16	1.13	-

Regrouping of Trade Receivable
(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Trade receivables as per Audited Financials	106.82	21.98	37.02	24.15	10.21
Add: Debtors restated in proportion to revenue recognition according to cut off procedures	-	-	-	1.15	0.39
Add: Gain on account of Debtors restatement at closing rate	-	-	-	0.03	-
Trade receivables as per Restated Financials	106.82	21.98	37.02	25.32	10.60

Regrouping of Other Current Assets
(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Other Current Assets as per Audited Financials	9.13	4.53	3.30	2.12	0.96
Add: Mat Credit Entitlement Regrouped as Other Current Assets	-	-	-	1.03	-
Other Current Assets as per Restated Financials	9.13	4.53	3.30	3.15	0.96

Annexure VI
STATEMENT OF SHARE CAPITAL, AS RESTATED
(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Equity Share capital					
Authorized Share capital					
50,00,000 Equity Shares of ₹ 10 each	500.00	-	-	-	-
5,50,000 Equity Shares of ₹ 10 each	-	55.00	-	-	-
5,00,000 Equity Shares of ₹ 10 each	-	-	50.00	-	-
3,00,000 Equity Shares of ₹ 10 each	-	-	-	30.00	30.00
Total	500.00	55.00	50.00	30.00	30.00
Issued, Subscribed and Fully Paid up Share Capital					
Equity Shares of ₹ 10 each fully paid up	367.15	52.45	41.80	19.00	13.00
Total	367.15	52.45	41.80	19.00	13.00

Reconciliation of number of shares outstanding:
(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Equity Shares					
At the beginning of the period	5.24	4.18	1.90	1.30	1.30
Addition during the period	31.47	1.06	2.28	0.60	-
Outstanding at the end of the period	36.71	5.24	4.18	1.90	1.30

Annexure VII
STATEMENT OF RESERVES AND SURPLUS
(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Security Premium					
Opening Balance	328.68	39.00	39.00	-	-
Add : Changes during the year	-	289.68	-	39.00	-
Less: Bonus shares issued during the year	(314.70)	-	-	-	-
Total (a)	13.98	328.68	39.00	39.00	-
Profit & Loss A/c					
Opening Balance	33.52	7.37	1.31	(1.52)	-
Add / (Less): Changes during the year	-	-	-	-	-
Add: Profit After Tax	24.36	26.15	6.06	2.83	(1.52)
Total (b)	57.88	33.52	7.37	1.31	(1.52)
Total (a+b)	71.86	362.20	46.37	40.31	(1.52)

Annexure VIII
STATEMENT OF LONG TERM BORROWINGS, AS RESTATED
(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
i) Secured Loans	62.70	87.97	24.70	-	-
Less: Current maturities of Long term debt	(24.33)	(38.78)	(10.63)	-	-
ii) Unsecured Loans					
Loans from Directors	22.00	-	-	36.11	36.06
Total	60.37	49.19	14.07	36.11	36.06

Annexure IX
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED
(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Loans from Banks (OD)	-	-	33.94	-	-
Total	-	-	33.94	-	-

Annexure – X
STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Statutory Liabilities	7.63	0.45	0.63	0.03	0.02
Audit fee payable	1.20	1.20	1.20	0.70	0.20
Salaries payable	-	-	-	-	3.83
Advance from customers	0.43	-	-	0.23	3.61
Other payables	24.13	17.27	0.87	0.57	0.48
Creditors for fixed assets	-	-	-	2.94	1.16
Current maturities of long term borrowings	24.33	38.78	10.63	-	-
Total	57.71	57.70	13.33	4.47	9.29

Annexure -XI
STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Provisions for Income Tax	6.12	7.11	2.01	1.03	-
Total	6.12	7.11	2.01	1.03	-

Annexure – XII
STATEMENT OF NON CURRENT INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Investment in Foreign Subsidiaries					
Dream boat Entertainment PTE Ltd	0.80	0.80	0.80	0.80	-
Investment In LLPs					
Long term investments in LLPS	44.60	29.38	21.36	0.33	-
Total	45.40	30.18	22.16	1.13	-

Annexure - XIII
STATEMENT OF LONG TERM LOANS & ADVANCES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Loans and Advances to Other Parties	95.13	109.72	-	-	-
Inter Corporate Deposits	27.00	25.30	-	-	-
Deposits					
Other Deposits	15.28	15.28	-	-	-
Total	137.41	150.30	-	-	-

Annexure- XIV
STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Content Development					
Opening Balance	61.36	61.36	52.42	-	-
Addition during the year	-	-	8.94	52.42	-
Depreciation During the year	2.86	6.14	6.14	5.24	-
Accumulated Depreciation	17.52	11.38	5.24	-	-
Closing Balance	40.98	43.84	49.98	47.18	-
Software					
Opening Balance	7.39	3.38	3.01	3.01	-
Addition during the year	18.10	4.01	0.37	-	3.01
Reduction during the year	-	-	-	-	-
Depreciation During the year	0.77	0.93	1.33	1.06	0.27
Accumulated Depreciation	3.59	2.66	1.33	0.27	-
Closing Balance	21.12	3.80	0.72	1.68	2.74
Trademark					
Opening Balance	0.62	0.62	0.63	0.39	-
Addition during the year	-	-	-	0.23	0.39
Reduction during the year	-	-	-	-	-
Depreciation During the year	0.03	0.06	0.06	0.06	0.04
Accumulated Depreciation	0.22	0.16	0.10	0.04	-
Closing Balance	0.37	0.40	0.47	0.52	0.35
Copyrights					
Opening Balance	24.70	0.16	0.16	-	-
Addition during the year	23.50	24.54	-	0.16	-
Reduction during the year	-	-	-	-	-
Depreciation During the year	1.71	1.07	0.02	0.02	-
Accumulated Depreciation	1.10	0.03	0.02	-	-
Closing Balance	45.39	23.60	0.12	0.14	-
Total Intangible Assets	107.87	71.64	51.28	49.52	3.09
Office Equipments					
Opening Balance	5.68	5.12	4.67	3.27	-
Addition during the year	0.08	1.02	0.45	1.40	3.27
Reduction during the year	-	0.46	-	-	-
Depreciation During the year	0.46	1.00	1.03	0.79	0.10
Accumulated Depreciation	2.73	1.92	0.89	0.10	-
Depreciation on disposals	-	0.19	-	-	-
Closing Balance	2.56	2.95	3.20	3.78	3.17
Recording Equipments					
Opening Balance	0.59	0.59	0.59	0.59	0.59
Addition during the year	1.07	-	-	-	-
Reduction during the year	-	-	-	-	-
Depreciation During the year	0.04	0.04	0.04	0.04	0.01
Accumulated Depreciation	0.14	0.10	0.05	0.01	-
Closing Balance	1.48	0.45	0.50	0.54	0.58

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Furniture & Fittings					
Opening Balance	17.80	3.02	3.02	2.18	-
Addition during the year	-	15.61	-	0.83	2.18
Reduction during the year	-	0.83	-	-	-
Depreciation During the year	0.84	1.01	0.29	0.26	0.06
Accumulated Depreciation	-	0.61	0.32	0.06	-
Depreciation on disposals	1.45	0.17	-	-	-
Closing Balance	15.51	16.35	2.41	2.70	2.12
Vehicle					
Opening Balance	124.85	27.58	2.22	4.43	-
Addition during the year	-	97.27	25.37	-	4.43
Reduction during the year	29.43	-	-	2.21	-
Depreciation During the year	4.79	3.71	0.25	0.21	0.18
Accumulated Depreciation	4.21	0.50	0.25	0.18	-
Depreciation on disposals	5.30	-	-	0.14	-
Closing Balance	91.71	120.64	27.09	1.97	4.25
Computers & peripherals					
Opening Balance	25.63	20.23	16.37	11.62	-
Addition during the year	5.51	7.53	3.87	4.82	11.62
Reduction during the year	-	2.13	-	0.08	-
Depreciation During the year	2.53	6.34	5.94	4.81	0.82
Accumulated Depreciation	16.70	11.54	5.60	0.82	-
Depreciation on disposals	-	1.19	-	0.03	-
Closing Balance	11.90	8.94	8.70	10.77	10.80
Studio					
Opening Balance	-	-	-	-	-
Addition during the year	27.94	-	-	-	-
Reduction during the year	-	-	-	-	-
Depreciation During the year	0.01	-	-	-	-
Accumulated Depreciation	-	-	-	-	-
Depreciation on disposals	-	-	-	-	-
Closing Balance	27.93	-	-	-	-
Total Tangible Assets	151.11	149.33	41.89	19.75	20.93
Total Depreciation Charged during the year	14.04	20.30	15.10	12.49	1.48
Total Accumulated Depreciation	61.70	47.65	28.90	13.80	1.48

Annexure XV
STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Outstanding for less than Six Months					
Promoter/ Promoter Group	-	0.38	14.95	9.37	5.51
Others	106.82	21.60	22.07	15.95	5.09
Outstanding for more than Six Months					
Promoter/ Promoter Group	-	-	-	-	-
Others	-	-	-	-	-
Total	106.82	21.98	37.02	25.32	10.60

Annexure XVI
STATEMENT OF CASH & CASH EQUIVALENTS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Cash and Cash equivalents					
Balances with banks (Current Account)	28.48	79.36	1.36	0.40	10.18
Cash in Hand	1.25	1.49	0.26	0.33	0.14
Fixed Deposits with banks	-	-	-	1.40	-
Total	29.73	80.85	1.62	2.13	10.32

Annexure - XVII
STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Interest receivable on FD	-	-	-	0.01	0.18
TDS Receivables	6.57	3.33	2.27	2.11	0.27
Mat Credit entitlement	1.13	1.20	1.03	1.03	-
Prepaid expenses	-	-	-	-	0.51
GST Input	0.05	-	-	-	-
Service Tax Input	1.39	-	-	-	-
Total	9.13	4.53	3.30	3.15	0.96

Annexure - XVIII
STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Revenue from sale of services					
Domestic Sales	136.07	57.88	45.52	102.52	32.67
Export Income	58.46	242.05	155.73	74.09	-
Total	194.53	299.93	201.26	176.62	32.67

Annexure - XIX
STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Interest on Fixed Deposits	0.73	0.31	0.08	0.88	0.19
Interest received on Income tax	-	0.01	0.06	0.01	-
Profit on sale of Assets	-	0.21	-	0.21	-
Interest Income	-	1.77	-	-	-
Gain on Foreign Exchange Fluctuations	-	-	-	0.03	-
Total	0.73	2.30	0.14	1.12	0.19

Annexure –XX
TAX SHELTER

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Normal Corporate tax rates (%)	25.75%	29.87%	30.90%	30.90%	30.90%
Minimum Alternate Tax Rate (%)	19.06%	19.06%	19.06%	19.06%	19.06%
Restated Income before tax as per books (A)	31.75	37.31	9.13	7.28	(1.29)
Exempt Income 10B	-	-	-	-	-
Dividend Income	-	-	-	-	-
Gratuity	-	-	-	-	-
Taxable Income	31.75	37.31	9.13	7.28	(1.29)
Applicable Corporate Tax Rate	25.75%	29.87%	30.90%	30.90%	30.90%
Notional tax as per tax rate on profits (A)	8.18	11.14	2.82	2.25	-
Tax Adjustment					
Permanent Differences					
Income Exempt from Income Tax u/s 10B	-	-	-	-	-
Disallowance	5.36	-	0.21	0.17	-
Donations u/s 80G	-	-	-	-	-
(Profit)/ Loss on Sale of Fixed Assets	0.63				
TDS Receivables written off	-	-	-	-	-
Total Permanent Differences (B)	5.99	-	0.21	0.17	-
Timing Differences					
Depreciation as per books	14.04	20.29	15.10	12.50	-
Income Tax Depreciation allowance	28.02	34.66	20.11	15.76	-
Disallowance	-	-	-	-	1.20
Total Timing Differences (C)	(13.98)	(14.37)	(5.01)	(3.26)	1.20
Business Losses not set off in past years (D)				(6.28)	
Total Adjustment (E) = (B+C+D)	(7.98)	(14.37)	(4.80)	(9.37)	1.20
Tax Expenses / (Saving) thereon (F) = (E)* Tax rate	(2.06)	(4.17)	(1.48)	(2.90)	0.37
Income From Other Sources (G)	-	-	-	-	-
Taxable Income / (Loss) H	23.77	22.94	4.33	(2.09)	(0.09)
Tax Rate as per normal provisions	25.75%	29.87%	30.90%	30.90%	30.90%
Tax payable as per normal provisions (other than 115JB) of the Act (G)	6.12	6.85	1.34	(0.65)	-
Taxable income as per MAT	31.75	37.31	9.13	6.52	(1.29)
MAT tax rate	19.1%	19.1%	19.1%	19.1%	19.1%
Tax under MAT (I)	6.05	7.11	1.74	1.24	(0.25)
Tax payable for the year maximum of (G) or (I)	6.12	7.11	1.74	1.24	-
Interest as per Income tax					
Total Tax as per Return	-	7.11	1.85	1.03	-

1. The aforesaid statement of Tax Shelter has been prepared as per the "Restated Profit & Loss Statement".
2. The eligible deductions and ineligible additions has been considered in Computation of Taxable Income as per Restated Financials.

Annexure - XXI
STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As at March 31,			
		2017	2016	2015	2014
Bank Guarantee	-	-	-	-	5.00
Total	-	-	-	-	5.00

Changes in Accounting Policies in the Last Three Years:

There has been no change in the Accounting Policies in the last three (3) years.

Changes in Accounting Period:

There has been no change in the accounting period of the Company.

Annexure - XXII
STATEMENT OF CAPITALIZATION

(₹ in lakhs)

Particular	Pre Issue	Post Issue
Debt		
Long Term Debt	60.37	60.37
Short Term Debt	-	-
Total Debts (A)	60.37	60.37
Equity (Shareholder's funds)		
Equity share capital	367.15	464.15
Reserve and Surplus	71.86	1,138.86
Total Equity (B)	439.01	1,603.01
Long Term Debt / Equity Shareholder's funds	0.14	0.04
Total Debts / Equity Shareholder's funds	0.14	0.04

*The above has been computed on the basis of restated financials

Annexure- XXIII
STATEMENT OF ACCOUNTING RATIOS

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	For the year ended March 31,			
		2017	2016	2015	2014
Restated PAT as per P & L Account	24.36	26.16	6.06	2.83	(1.52)
Actual Number of Equity Shares outstanding at the end of the year	36,71,500	5,24,500	4,18,000	1,90,000	1,30,000
Equivalent Weighted Avg number of Equity Shares at the end of the year	36,71,500	31,38,495	23,83,797	12,22,986	7,01,088
Share Capital	367.15	52.45	41.80	19.00	13.00
Reserves & Surplus	71.86	362.20	46.37	40.31	(1.52)
Net Worth	439.01	414.65	88.17	59.31	11.48
Basic Earnings Per Share	0.66	0.83	0.25	0.23	(0.22)
Return on Net Worth (%)	5.55%	6.31%	6.87%	4.78%	(13.25)%
Net Asset Value Per Share () - based on actual no. of equity shares at the end of the year	11.96	79.06	21.09	31.22	8.83
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00

Notes to Accounting Ratios:

1) The Ratios have been computed as follows:

a) Basic Earnings Per Share (₹)	$\frac{\text{Net Profit After Tax as restated}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$
b) Return on Net worth (%)	$\frac{\text{Net Profit After Tax as restated}}{\text{Net Worth}} * 100$
c) Net Asset Value Per Equity Share (₹)	$\frac{\text{Net Worth}}{\text{No. of Equity shares outstanding at the end of the year}}$

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective year. The above statements should be read with the Notes to Restated Financial Statements.

Annexure – XXIV

STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel

For the period ended September 30, 2017	As on March 31,			
	2017	2016	2015	2014
T Sanjay Reddy	T Sanjay Reddy	T Sanjay Reddy	T Sanjay Reddy	T Sanjay Reddy
Swathi Reddy	Swathi Reddy	Swathi Reddy	Swathi Reddy	Swathi Reddy
Anil Kumar Pallala	Anil Kumar Pallala	Anil Kumar Pallala	Anil Kumar Pallala	-
T Mahikaansh Reddy	T Mahikaansh Reddy	-	-	-
Gaurika Reddy	Gaurika Reddy	-	-	-
Karyampudi Koti Sridevi	Karyampudi Koti Sridevi	-	-	-

(ii) Board of Directors

For the period ended September 30, 2017	As on March 31,			
	2017	2016	2015	2014
T Sanjay Reddy	T Sanjay Reddy	T Sanjay Reddy	T Sanjay Reddy	T Sanjay Reddy
Swathi Reddy	Swathi Reddy	Swathi Reddy	Swathi Reddy	Swathi Reddy
Anil Kumar Pallala	Anil Kumar Pallala	Anil Kumar Pallala	-	-
Sreenivasa Reddy Musani	Sreenivasa Reddy Musani	-	-	-
Katragadda Rajesh	Katragadda Rajesh	-	-	-
Prasada Rao Kalluri	Prasada Rao Kalluri	-	-	-

(iii) Associates / Enterprises over which directors and / or their relatives has significant influence

For the period ended September 30, 2017	As on March 31,			
	2017	2016	2015	2014
Dream Boat Entertainment Private Limited	Dream Boat Entertainment Private Limited	Dream Boat Entertainment Private Limited	Dream Boat Entertainment Private Limited	Dream Boat Entertainment Private Limited
Event Monks Entertainment LLP	Event Monks Entertainment LLP	Event Monks Entertainment LLP	Event Monks Entertainment LLP	-
Monkstar Music LLP	Monkstar Music LLP	Monkstar Music LLP	-	-

(iv) Particulars of Transactions with Related Parties

Key Management Personnel/ Board of Directors

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As on March 31,			
		2017	2016	2015	2014
1) Finance					
a) Loans Taken					
Opening Balance	-	-	36.11	36.06	-
Loan taken during the year	37.75	56.68	14.92	41.18	37.99
Repaid during the year	15.75	56.68	51.03	41.13	1.93
Outstanding at the end of the year	22.00	-	-	36.11	36.06
b) Loans given					
Opening Balance	-	-	4.50	-	-
Loans given during the year	-	20.00	-	6.30	-
Received during the year	-	-	4.50	1.80	-
Outstanding at the end of the year	-	-	-	4.50	-
2) Expenses					
Rent		6.06	13.86	13.20	-
Interest Paid	0.07	-	0.54	4.83	-
Remuneration	31.07	83.88	53.92	46.38	5.58
3) Outstanding					
Receivables	-	-	-	-	-
Payables	-	-	0.21	-	2.94

Associate Companies / Entities
(₹ in lakhs)

Particulars	For the period ended September 30, 2017	As on March 31,			
		2017	2016	2015	2014
1) Purchase & Sales					
Goods & Materials with service	41.08	197.95	108.53	66.85	-
Fixed Asset	35.00	15.00	-	-	-
2) Finance					
Loan Taken	-	-	-	-	-
Repayment of Loan	-	-	-	-	-
Investment	45.40	-	-	-	-
3) Expenses					
Rent	-	-	-	-	-
Interest Paid	-	-	-	-	-
4) Out standing					
Receivables	-	0.38	14.95	9.37	5.52
Payables	46.33	5.00	-	-	

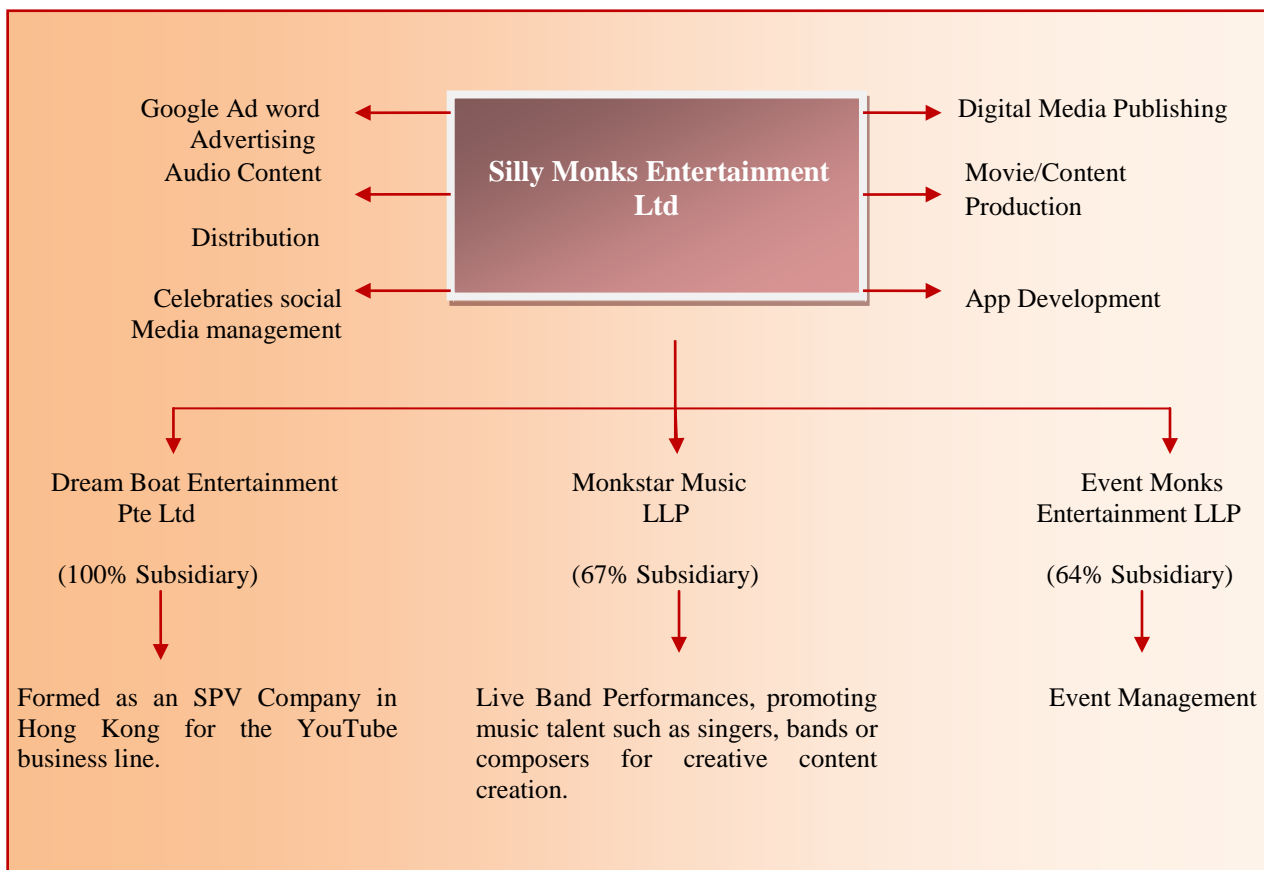
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

We are a ‘South India’ based entertainment & media startup with a focus of being a recognized & fast growing player in areas such as digital media publishing, movie/content production, celebrities social media management, App development, Audio content Distribution, Google Ad word and online / digital Advertising, event management, and live band performances.

Our business lines / model are as are as illustrated below:



Our main focus currently is Digital Media Publishing. We publish our content on various platforms such as YouTube, Facebook, Amazon, Vuclip etc. The contents that are being published over these platforms are either created by us i.e. by our in-house production or acquired through outright purchase or through syndicated method. In case of content which is bought by us, we own the copy rights of the content through an agreement with assignor and hence the publishing revenue is fully accrued to us. When the content is through syndication, we share the revenue with the content partner.

We have been growing our focus in movie production; wherein we have co-produced Telugu Movies named Oohalu Gusagusalade’ ‘Dikkulu Choodaku Ramayya’, & Tungabhadra with Vaaraahi Chalana Chitram. We are also planning to venture into the Hindi Film industry through our co produced venture ‘The Great Indian Escape’ with KIK Butt Entertainment.

Apart from our promoters Mr. Tekulapalli Sanjay Reddy & Mr. Anil Kumar Pallala, our startup has been funded by well renowned personalities such as Mr. Ranganathasai Korrapati who is a film producer and distributor known for his works predominantly in Telugu cinema & Mr. Sreenivasa Reddy Musani who is chairman and Managing Director of Hyderabad-based Ektha Group which operates in Information Technology, Engineering, Business Process, Data Processing, Multimedia & Real Estate. Our vision is to be the first media start up to get listed on SME Exchange Platform in India and to utilize the funds raised towards fast expansion of our business operation across pan India & for growing our content library. For further details of our fund utilization please refer to “*Objects of the Issue*” beginning on page no. 58 of this Prospectus

Significant Developments after March 31, 2017 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

Factors affecting our Result of Operation

Our business is subject to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page no. 12 of this Prospectus.

Among various other factors that affect our financial results and operations for a given financial year, some key factors are as follows:

- Changes in laws and regulations that apply to the industry;
- Increasing competition in the industry;
- Company’s inability to successfully implement its growth and expansion plans;
- General economic and business conditions.

RESULTS OF OUR STANDALONE OPERATIONS
(₹ in lakhs)

Particulars	For the period ended September 30,		For the year ended March 31,							
	2017	% of Total Income	2017	% of Total Income	2016	% of Total Income	2015	% of Total Income	2014	% of Total Income
INCOME										
Revenue from Operations	194.57	99.63%	299.93	99.24%	201.26	99.93%	176.62	99.37%	32.67	99.42%
Other Income	0.73	0.37%	2.30	0.76%	0.14	00.07%	1.12	00.63%	0.19	00.58%
Total Income (A)	195.27	100.00%	302.23	100.00%	201.40	100.00%	177.74	100.00%	32.87	100.00%
EXPENDITURE										
Operational Expenses	41.09	21.04%	72.82	24.09%	52.70	26.16%	56.17	31.60%	14.29	43.47%
Employee benefit expenses	64.66	33.11%	114.05	37.74%	78.44	38.95%	66.52	37.43%	12.01	36.54%
Finance costs	5.08	2.60%	3.58	1.18%	4.96	2.46%	4.83	2.72%	-	-
Depreciation and Amortization expense	14.05	7.20%	20.30	6.72%	15.10	7.50%	12.50	7.03%	1.48	4.50%
Other Expenses	38.65	19.79%	54.17	17.92%	41.06	20.39%	30.43	17.12%	6.38	19.41%
Total Expenses (B)	163.52	83.74%	264.92	87.66%	192.26	95.46%	170.46	95.90%	34.16	103.92%
Net Profit/(Loss) before tax	31.75	16.26%	37.31	12.34%	9.13	4.54%	7.28	4.10%	(1.29)	(3.92)%
Exceptional items	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) before extraordinary items and tax	31.75	16.26%	37.31	12.34%	9.13	4.54%	7.28	4.10%	(1.29)	(3.92)%
Less: Provision for tax										
Current tax	6.12	3.13%	7.11	2.35%	2.01	1.00%	1.03	0.58%	-	-
Deferred tax	1.19	0.61%	4.22	1.34%	1.06	0.53%	4.45	2.50%	0.23	0.70%
MAT Credit Entitlement	0.07	0.04%	(0.17)	(0.06)%	-	-	(1.03)	(0.58)%	-	-
Total	7.39	3.78%	11.16	3.69%	3.07	1.53%	4.45	2.50%	0.23	0.70%
Net Profit/(Loss) for the period after tax	24.36	12.48%	26.15	8.65%	6.06	3.01%	2.83	1.60%	(1.52)	(4.62)%

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operations as a percentage of total income was 99.24%, 99.93%, 99.37% and 99.42% respectively, for the fiscals 2017, 2016, 2015 and 2014 and 99.63% for six months period ended September 30, 2017

Other Income

Our other income comprises of interest income, gain on Foreign exchange fluctuation & profit on sale of assets. Other income, as a percentage of total income was 0.76%, 0.07%, 0.63% and 0.58% respectively, for the fiscals 2017, 2016, 2015 and 2014 and 0.37% for six months period ended September 30, 2017

Expenditure

Our total expenditure primarily consists of Operational Expenses, Employee Benefit Expenses, Finance Cost, Depreciation & Amortisation Expenses and Other Expenses.

Operational Expenses

Operational Expenses are primarily in relation to Digital Marketing Expenses, Professional Charges, Voice Chat Expenses etc.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include employee's salary, director's remuneration, staff welfare expenses etc.

Finance costs

Finance cost primarily consists of interest payable on loans availed by our company from banks & financial institutions.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation on the Tangible fixed assets & Intangible assets of our Company which primarily includes Computer, Furniture and Fixtures, Office equipments, Vehicles and Recording Equipments etc. Intangible Assets includes Trademarks, Copyrights etc

Other Expenses

Other expenses primarily include Rent, Administrative Expenses and Electricity Charges, Travelling Expenses, Business Promotion Expenses, Printing & Stationery Expenses, Foreign Exchange Loss, Repairs & Maintenance Expenses etc

Provision for Tax

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

Review for the six (6) months period ended September 30, 2017

Income

Our total income for the six months period ended September 30, 2017 was ₹ 195.27 lakhs. In the current period, the revenue earned from operations is ₹ 194.57 lakhs or 99.63% of the total income. Other income for said period was recorded at ₹ 0.73 lakhs or 0.37% of total income.

Operational Expenses

Operational Expenses for the six months period ended September 30, 2017 were ₹ 41.09 lakhs which as a proportion of our total income was 72.87%.

Employee Benefit Expenses

Our Employee Benefit Expenses for the six months period ended September 30, 2017 were ₹ 64.66 lakhs. As a proportion of our total income they were 33.11%.

Financial Cost

Our Financial Cost for the six months period ended September 30, 2017 was ₹ 5.08 i.e. 2.60% of the total income for the period.

Depreciation and Amortization Expenses

Our Depreciation and Amortization Expenses for the six months period ended September 30, 2017 was ₹ 14.05 lakhs. As a proportion of total income they were 7.20%.

Other Expenses

Our Other Expenses for the six months period ended September 30, 2017 ₹ 38.65 lakhs. As a proportion of our total income they were 19.79%.

Profit before Tax

Profit / (Loss) before Tax for the six months period ended September 30, 2017 were ₹ 31.75 lakhs.

Profit after Tax

Profit / (Loss) after Tax for the six months period ended September 30, 2017 were ₹ 24.36 lakhs.

Fiscal 2017 compared with fiscal 2016

Income

In fiscal 2017, our total income increased by ₹98.68 lakhs or 49.03%, from ₹ 201.26 lakhs in fiscal 2016 to ₹ 299.93 lakhs in fiscal 2017. The increase in the year 2017 was due to increase in the revenue from operations as compared to last year.

Other income increased by ₹ 2.16 lakhs or 1543.06%, from ₹ 0.14 lakhs in fiscal 2016 to ₹ 2.30 lakhs in fiscal 2017. The major factor for such increase was due to rise in interest income & profit on sale of assets.

Operational Expenses

Operational Expenses in fiscal 2017 were ₹ 72.82 lakhs, an increase in of ₹ 20.12 lakhs or 38.18% as compared to the previous year expenses of ₹ 52.70 lakhs in fiscal 2016. The increase was due to increase in Digital Marketing Expenses, Voice Chat expenses etc.

Employee Benefit Expenses

Our staff cost increased by ₹ 35.61 lakhs or 45.40%, from ₹ 78.44 lakhs in fiscal 2016 to ₹ 114.05 lakhs in fiscal 2017. This increase was mainly due to increase in number of employees in FY 2016-17.

Finance Cost

Finance cost during the year decreased by ₹ 1.38 lakhs or 27.77%, from ₹ 4.96 lakhs in fiscal 2016 to ₹ 3.58 lakhs in fiscal 2017 due to repayment of loan.

Depreciation and Amortization Expenses

Depreciation expenses increased by ₹ 5.20 lakhs, from ₹ 15.10 lakhs in fiscal 2016 to ₹ 20.30 lakhs in fiscal 2017. This increase was on account of additions of assets in FY 2016-17.

Other Expenses

Other expenses increased by ₹ 13.11 lakhs or 31.93% from ₹ 41.06 lakhs in fiscal 2016 to ₹ 54.17 lakhs in fiscal 2017. The increase was due to increase in rent, electricity charges, repairs & maintenance charges expenses & business promotion expenses etc.

Profit before Tax

The increase in the revenue from operations has led to an increase in our Profit before tax by ₹ 28.18 lakhs from ₹ 9.13 lakhs in fiscal 2016 to ₹ 37.31 lakhs in fiscal 2017.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 20.10 lakhs or 331.66 %, from ₹ 6.06 lakhs in fiscal 2016 to ₹ 26.16 lakhs in fiscal 2017.

Fiscal 2016 compared with fiscal 2015

Income

In fiscal 2016, our total income increased by ₹ 24.64 lakhs or 13.95%, from ₹ 176.62 lakhs in fiscal 2015 to ₹ 201.26 lakhs in fiscal 2016. The increase in the year 2016 was due to increase in the revenue from operation as compared to last year.

Other income decreased by ₹ 0.98 lakhs or 87.50%, from ₹ 1.12 lakhs in fiscal 2015 to ₹ 0.14 lakhs in fiscal 2016. The decrease in the year 2016 was due to decrease in interest income, discount received & other income as compared to last year.

Operational Expenses

Operational Expenses in fiscal 2016 were ₹ 52.70 lakhs, a decrease in operational expenses of ₹ 3.47 lakhs or 6.17% as compared to the previous year expenses of ₹ 56.17 lakhs in fiscal 2015. The decrease was due to fall in digital marketing expenses.

Employee Benefit Expenses

Our staff cost increased by ₹ 11.92 lakhs or 17.92%, from ₹ 66.52 lakhs in fiscal 2015 to ₹ 78.44 lakhs in fiscal 2016. This increase was mainly due to increase in number of employees in FY 2015-16.

Finance Cost

Finance cost during the year increased by ₹ 0.13 lakhs or 2.69%, from ₹ 4.83 lakhs in fiscal 2015 to ₹ 4.96 lakhs in fiscal 2016. The increase was due to increase in interest on fund based facilities and other unsecured loan.

Depreciation and Amortization Expenses

Depreciation expenses increased by ₹ 2.60 lakhs, from ₹ 12.50 lakhs in fiscal 2015 to ₹ 15.10 lakhs in fiscal 2016. This increase was on account of purchase of assets in FY 2015-16.

Other Expenses

Other expenses increased by ₹ 10.63 lakhs or 34.94% from ₹ 30.43 lakhs in fiscal 2015 to ₹ 41.06 lakhs in fiscal 2016. The increase was due to increase in administration expenses, electricity charges, commission charges & tours & travel expenses etc in fiscal 2016.

Profit before Tax

The increase in the revenue from operations has led to an increase in Profit before tax by ₹ 1.85 lakhs from ₹ 7.28 lakhs in fiscal 2015 to ₹ 9.13 lakhs in fiscal 2016.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 3.23 lakhs or 114.13 %, from ₹ 2.83 lakhs in fiscal 2015 to ₹ 6.06 lakhs in fiscal 2016.

Fiscal 2015 compared with fiscal 2014

Income

In fiscal 2015, our total income increased by ₹ 143.94 lakhs or 440.56%, from ₹ 32.67 lakhs in fiscal 2014 to ₹ 176.62 lakhs in fiscal 2015. The increase in the year 2015 was due to increase in the revenue from operations as compared to last year.

Other income increased by ₹ 0.93 lakhs or 489.47%, from ₹ 0.19 lakhs in fiscal 2014 to ₹ 1.12 lakhs in fiscal 2015. The major factor for such increase was increase in discount received, increase in interest on fixed deposit & other income etc.

Operational Expenses

Operational Expenses in fiscal 2015 were ₹ 56.17 lakhs, an increase in of ₹ 41.88 lakhs or 293.10% as compared to the previous year expenses of ₹ 14.29 lakhs in fiscal 2014. The Increase was due to increase in digital marketing expenses.

Employee Benefit Expenses

Our staff cost increased by ₹ 54.51 lakhs or 453.74%, from ₹ 12.01 lakhs in fiscal 2014 to ₹ 66.52 lakhs in fiscal 2015. This increase was mainly due to increase in number of employees in FY 2014-15.

Finance Cost

Finance cost during the year was ₹ 4.83 lakhs, In fiscal 2014 there was no finance cost as there was no borrowing. The increase was due to the new borrowing.

Depreciation and Amortization Expenses

Depreciation expenses increased by ₹ 11.02 lakhs or 744.59% from ₹ 1.48 lakhs in fiscal 2014 to ₹ 12.50 lakhs in fiscal 2015. This increase was on account of purchase of fixed assets in FY 2014-15.

Other Expenses

Other expenses increased by ₹ 24.05 lakhs or 377.11% from ₹ 6.38 lakhs in fiscal 2014 to ₹ 30.43 lakhs in fiscal 2015. The increase was due to increase in rent, digital marketing expenses , electricity charges, office expenses, administrative charges etc incurred in fiscal 2015.

Profit before Tax

Our Profit before tax is increased by ₹ 8.57 lakhs from loss of ₹ 1.29 lakhs in fiscal 2014 to profit of ₹ 7.28 lakhs in fiscal 2015 due to increase in revenue from operations.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased to profit of ₹ 2.83 lakhs in fiscal 2015 from loss of ₹ 1.52 lakhs in fiscal 2014.

Standalone Cash Flows

(₹ in lakhs)

Particulars	Period ended September 30, 2017	Year ended March 31,			
		2017	2016	2015	2014
Net Cash from Operating Activities	(2.71)	116.60	28.33	(0.84)	(0.48)
Net Cash from Investing Activities	(54.50)	(335.29)	(58.58)	(47.57)	(38.26)
Net Cash used in Financing Activities	6.10	297.92	29.74	40.22	49.06
Net Increase / (Decrease) in Cash and Cash equivalents	29.73	79.23	(0.51)	(8.19)	10.32

Cash Flows from Operating Activities

Net cash from operating activities in the period ended September 30, 2017 was negative ₹ 2.71 lakhs as compared to the PBT of ₹ 31.75 lakhs for the same period. This difference is primarily on account of depreciation, Interest paid, Trade payables, Trade receivables, Short term loans & advances, other current assets, short term provisions and other current liabilities.

Net cash from operating activities in fiscal 2017 was ₹ 116.60 lakhs as compared to the PBT of ₹ 37.31 lakhs for the same period. This difference is primarily on account of depreciation, Interest paid, Trade payables, Trade receivables, Short term loans & advances, other current assets, short term provisions and other current liabilities.

Net cash from operating activities in fiscal 2016 was ₹ 28.33 lakhs as compared to the PBT of ₹ 9.13 lakhs for the same period. This difference is primarily on account of depreciation, Interest paid, Trade payables, Trade receivables, Short term loans & advances, other current assets, short term provisions and other current liabilities.

Net cash from operating activities in fiscal 2015 was negative ₹ 0.84 lakhs as compared to the PBT of ₹ 2.83 lakhs for the same period. This difference is primarily on account of depreciation, Interest paid, Trade payables, Trade receivables, Short term loans & advances, other current assets, short term provisions and other current liabilities.

Net cash from operating activities in fiscal 2014 was negative ₹ 0.48 lakhs as compared to the negative PBT of ₹ 1.52 lakhs for the same period. This difference is primarily on account of depreciation, Interest paid, Trade payables, Trade receivables, Short term loans & advances, other current assets, short term provisions and other current liabilities.

Cash Flows from Investment Activities

In period ended September 30, 2017, the net cash invested in Investing Activities was negative 54.50 lakhs. This was on account of purchase of fixed assets.

In fiscal 2017, the net cash invested in Investing Activities was negative ₹ 335.29 lakhs. This was on account of purchase of fixed assets, purchase of investments & long term loans & advances.

In fiscal 2016, the net cash invested in Investing Activities was negative ₹ 58.58 lakhs. This was on account of purchase of fixed assets & investments.

In fiscal 2015, the net cash invested in Investing Activities was negative ₹ 47.57 lakhs. This was on account of purchase of fixed assets & investments.

In fiscal 2014, the net cash invested in Investing Activities was negative ₹ 38.26 lakhs. This was on account of purchase of fixed assets.

Cash Flows from Financing Activities

Net cash from financing activities for the period ended September 30, 2017 was ₹ 6.10 lakhs. This was on account of issue of shares, increase in long term borrowings, decrease in short term borrowings and interest.

Net cash from financing activities in fiscal 2017 was ₹ 297.92 lakhs. This was on account of issue of shares, increase in long term borrowings, decrease in short term borrowings and interest.

Net cash from financing activities in fiscal 2016 was ₹ 29.74 lakhs. This was on account of issue of shares, repayment of long term borrowings, increase in short term borrowings and interest.

Net cash from financing activities in fiscal 2015 was ₹ 40.22 lakhs. This was on account of issue of shares, increase in long term borrowings and interest paid.

Net cash from financing activities in fiscal 2014 was ₹ 49.06 lakhs. This was on account of issue of shares, increase in long term borrowings.

RESULTS OF OUR CONSOLIDATED OPERATIONS

(₹ in lakhs)

Particulars	For the period ended September 30,		For the year ended March 31,					
	2017	% of Total Income	2017	% of Total Income	2016	% of Total Income	2015	% of Total Income
INCOME								
Revenue from Operations	653.69	99.89%	1195.64	99.49%	492.47	99.97%	326.88	99.67%
Other Income	0.74	0.11%	6.18	0.51%	0.14	0.03%	1.10	0.33%
Total Income (A)	654.43	100.00%	1201.82	100.00%	492.61	100.00%	327.98	100.00%
EXPENDITURE								
Operational Expenses	393.14	60.07%	828.32	68.92%	307.51	62.42%	207.51	63.27%
Employee benefit expenses	64.66	9.88%	114.05	9.49%	88.09	17.88%	66.52	20.28%
Finance costs	5.08	0.78%	3.58	0.30%	4.96	1.01%	4.83	1.47%
Depreciation and Amortization expense	16.68	2.55%	27.10	2.25%	15.14	3.08%	12.49	3.81%
Other Expenses	70.03	10.70%	70.79	5.89%	45.04	9.14%	34.26	10.45%
Total Expenses (B)	549.58	83.98%	1043.84	86.85%	460.73	93.53%	325.61	99.28%
Net Profit/(Loss) before tax	104.84	16.02%	157.98	13.15%	31.88	6.47%	2.37	0.72%
Exceptional items			-	-	-	-	-	-
Net Profit/(Loss) before extraordinary items and tax	104.84	16.02%	157.98	13.15%	31.88	6.47%	2.37	0.72%
Less: Provision for tax								
Current tax	6.68	1.02%	8.29	0.69%	2.01	0.41%	1.03	0.31%
Deferred tax	1.19	0.18%	4.22	0.36%	1.06	0.21%	4.45	1.36%
MAT Credit Entitlement	0.07	0.01%	(0.18)	(0.01)%	-	-	(1.03)	(0.31)%
Total	7.94	1.21%	12.33	1.03%	3.07	0.62%	4.45	1.36%
Net Profit/(Loss) for the period after tax	96.9	14.81%	145.65	12.12%	28.81	5.85%	(2.08)	(0.63)%

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operations as a percentage of total income was 99.49 %, 99.97% & 99.67% respectively, for the fiscals 2017, 2016 and 2015 and 99.89% for six months period ended September 30, 2017.

Other Income

Our other income comprises of interest income, gain on Foreign exchange fluctuation & profit on sale of assets. Other income, as a percentage of total income was 0.51%, 0.03% and 0.33% respectively, for the fiscals 2017, 2016, and 2015 and 0.11% for six months period ended September 30, 2017.

Expenditure

Our total expenditure primarily consists of Operational Expenses, Employee Benefit Expenses, Financial Cost, Depreciation & Amortisation Expenses and Other Expenses.

Operational Expenses

Operational Expenses are primarily in relation to Digital Marketing Expenses, Professional Charges, Voice Chat Expenses, PRO Charges, Event Expenses etc.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include employee's salary, director's remuneration, staff welfare expenses etc.

Finance costs

Finance cost primarily consists of interest payable on loans availed by our company from banks.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation on the Tangible fixed assets & Intangible assets of our Company which primarily includes Computer, Furniture and Fixtures, Office equipments, Vehicles and Recording Equipments etc. Intangible Assets includes Trademarks, Copyrights, Software, Content Development etc

Other Expenses

Other expenses primarily include Rent, Administrative Expenses and Electricity Charges, Travelling Expenses, Registration Filing Expenses, Business Promotion Expenses, Printing & Stationery Expenses, Audit Fees, Telephone & Internet Expenses, Foreign Exchange Loss, Repairs & Maintenance Expenses etc

Provision for Tax

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

Review for the six (6) months period ended September 30, 2017

Income

Our total income for the six months period ended September 30, 2017 was ₹ 654.43 lakhs. In the current period, the revenue earned from operations is ₹ 99.89 lakhs or 99.89% of the total income. Other income for said period was recorded at ₹ 0.73 lakhs or 0.11% of total income.

Operational Expenses

Operational Expenses for the six months period ended September 30, 2017 were ₹ 393.14 lakhs which as a proportion of our total income was 60.07%.

Employee Benefit Expenses

Our Employee Benefit Expenses for the six months period ended September 30, 2017 were ₹ 64.66 lakhs. As a proportion of our total income they were 9.88%.

Financial Cost

Our Financial Cost for the six months period ended September 30, 2017 was ₹ 5.08 i.e. 0.78% of the total income for the period.

Depreciation and Amortization Expenses

Our Depreciation and Amortization Expenses for the six months period ended September 30, 2017 was ₹ 16.68 lakhs. As a proportion of total income they were 2.55%.

Other Expenses

Our Other Expenses for the six months period ended September 30, 2017 ₹ 70.03 lakhs. As a proportion of our total income they were 10.70%.

Profit before Tax

Profit / (Loss) before Tax for the six months period ended September 30, 2017 were ₹ 104.84 lakhs.

Profit after Tax

Profit / (Loss) after Tax for the six months period ended September 30, 2017 were ₹ 96.90 lakhs.

Fiscal 2017 compared with fiscal 2016

Income

In fiscal 2017, our total income increased by ₹ 703.17 lakhs or 142.78%, from ₹ 492.47 lakhs in fiscal 2016 to ₹ 1195.64 lakhs in fiscal 2017. The increase in the year 2017 was due to increase in the revenue from operations as compared to last year.

Other income increased by ₹ 6.04 lakhs or 4320.6%, from ₹ 0.14 lakhs in fiscal 2016 to ₹ 6.18 lakhs in fiscal 2017. The major factor for such increase was due to rise in interest income, profit on sale of assets & foreign exchange gain.

Operational Expenses

Operational Expenses in fiscal 2017 were ₹ 828.32 lakhs, an increase in of ₹ 520.81 lakhs or 169.37% as compared to the previous year expenses of ₹ 307.51 lakhs in fiscal 2016. The increase was due to increase in Digital Marketing Expenses, Voice Chat expenses etc.

Employee Benefit Expenses

Our staff cost increased by ₹ 25.96 lakhs or 29.47%, from ₹ 88.09 lakhs in fiscal 2016 to ₹ 114.05 lakhs in fiscal 2017. This increase was mainly due to increase in number of contractual employees in FY 2016-17.

Finance Cost

Finance cost during the year decreased by ₹ 1.38 lakhs or 27.77%, from ₹ 4.96 lakhs in fiscal 2016 to ₹ 3.58 lakhs in fiscal 2017 due to the repayment of loan.

Depreciation and Amortization Expenses

Depreciation expenses increased by ₹ 11.96 lakhs, from ₹ 15.14 lakhs in fiscal 2016 to ₹ 27.10 lakhs in fiscal 2017. This increase was on account of additions of assets in FY 2016-17.

Other Expenses

Other expenses increased by ₹ 25.75 lakhs or 57.19% from ₹ 45.04 lakhs in fiscal 2016 to ₹ 70.79 lakhs in fiscal 2017. The increase was due to increase in rent, commission, electricity charges, repairs & maintenance charges expenses & business promotion expenses etc.

Profit before Tax

The increase in the revenue from operations has led to an increase in our Profit before tax by ₹ 126.10 lakhs from ₹ 31.88 lakhs in fiscal 2016 to ₹ 157.98 lakhs in fiscal 2017.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 116.48 lakhs or 404.25 %, from ₹ 28.81 lakhs in fiscal 2016 to ₹ 145.29 lakhs in fiscal 2017.

Fiscal 2016 compared with fiscal 2015

Income

In fiscal 2016, our total income increased by ₹ 165.59 lakhs or 50.66%, from ₹ 326.88 lakhs in fiscal 2015 to ₹ 492.47 lakhs in fiscal 2016. The increase in the year 2016 was due to increase in the revenue from operation as compared to last year.

Other income decreased by ₹ 0.96 lakhs or 87.25%, from ₹ 1.10 lakhs in fiscal 2015 to ₹ 0.14 lakhs in fiscal 2016. The major factor for was decrease in discount received.

Operational Expenses

Operational Expenses in fiscal 2016 were ₹ 307.51 lakhs, an increase in of ₹ 100 lakhs or 48.19% as compared to the previous year expenses of ₹ 207.51 lakhs in fiscal 2015. The increase was due to increase in digital marketing expenses.

Employee Benefit Expenses

Our staff cost increased by ₹ 21.57 lakhs or 32.43%, from ₹ 66.52 lakhs in fiscal 2015 to ₹ 88.09 lakhs in fiscal 2016. This increase was mainly due to increase in number of employees in FY 2015-16.

Finance Cost

Finance cost during the year increased by ₹ 0.13 lakhs or 2.62%, from ₹ 4.83 lakhs in fiscal 2015 to ₹ 4.96 lakhs in fiscal 2016. The increase was due to increase in loans.

Depreciation and Amortization Expenses

Depreciation expenses increased by ₹ 2.60 lakhs, from ₹ 12.50 lakhs in fiscal 2015 to ₹ 15.10 lakhs in fiscal 2016. This increase was on account of purchase of assets in FY 2015-16.

Other Expenses

Other expenses increased by ₹ 10.63 lakhs or 34.94% from ₹ 30.43 lakhs in fiscal 2015 to ₹ 41.06 lakhs in fiscal 2016.

Profit before Tax

The increase in the revenue from operations has led to an increase in Profit before tax by ₹ 1.85 lakhs from ₹ 7.28 lakhs in fiscal 2015 to ₹ 9.13 lakhs in fiscal 2016.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 3.23 lakhs or 113.77 %, from ₹ 2.83 lakhs in fiscal 2015 to ₹ 6.06 lakhs in fiscal 2016.

Consolidated Cash Flows

(₹ in lakhs)

Particulars	For the period ended September 30, 2017	Year ended March 31,		
		2017	2016	2015
Net Cash from Operating Activities	(78.77)	282.95	65.21	6.50
Net Cash from Investing Activities	(40.40)	(338.87)	(93.96)	(83.55)
Net Cash used in Financing Activities	6.10	298.21	25.27	89.37
Net Increase / (Decrease) in Cash and Cash equivalents	(113.07)	242.29	(3.49)	12.32

Cash Flows from Operating Activities

Net cash from operating activities in the period ended September 30, 2017 was negative ₹ 78.77 lakhs as compared to the PBT of ₹ 104.84 lakhs for the same period. This difference is primarily on account of depreciation, Interest paid, Trade payables, Trade receivables, Short term loans & advances, other current assets, short term provisions and other current liabilities.

Net cash from operating activities in fiscal 2017 was ₹ 282.95 lakhs as compared to the PBT of ₹ 157.98 lakhs for the same period. This difference is primarily on account of depreciation, Interest paid, Trade payables, Trade receivables, Short term loans & advances, other current assets, short term provisions and other current liabilities.

Net cash from operating activities in fiscal 2016 was ₹ 65.21 lakhs as compared to the PBT of ₹ 31.88 lakhs for the same period. This difference is primarily on account of depreciation, Interest paid, Trade payables, Trade receivables, Short term loans & advances, other current assets, short term provisions and other current liabilities.

Net cash from operating activities in fiscal 2015 was ₹ 6.50 lakhs as compared to the PBT of ₹ 2.37 lakhs for the same period. This difference is primarily on account of depreciation, Interest paid, Trade payables, Trade receivables, Short term loans & advances, other current assets, short term provisions and other current liabilities.

Cash Flows from Investment Activities

In period ended September 30, 2017, the net cash invested in Investing Activities was negative 40.40 lakhs. This was on account of purchase of fixed assets & other Non Current Assets.

In fiscal 2017, the net cash invested in Investing Activities was negative ₹ 338.87 lakhs. This was on account of purchase of fixed assets & other Non Current Assets.

In fiscal 2016, the net cash invested in Investing Activities was negative ₹ 93.96 lakhs. This was on account of purchase of fixed assets & sale of investments.

In fiscal 2015, the net cash invested in Investing Activities was negative ₹ 83.55 lakhs. This was on account of purchase of fixed assets & investments.

Cash Flows from Financing Activities

Net cash from financing activities for the period ended September 30, 2017 was ₹ 6.10 lakhs. This was on account of issue of shares, increase in long term borrowings, decrease in short term borrowings and interest.

Net cash from financing activities in fiscal 2017 was ₹ 298.21 lakhs. This was on account of issue of shares, increase in long term borrowings.

Net cash from financing activities in fiscal 2016 was ₹ 25.27 lakhs. This was on account of issue of shares, repayment of long term borrowings, increase in short term borrowings and interest.

Net cash from financing activities in fiscal 2015 was ₹ 89.37 lakhs. This was on account of issue of shares, increase in long term borrowings.

OTHER MATTERS

1. Unusual or infrequent events or transactions

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

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on page nos. 130 and 173 respectively of this Prospectus respectively, 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 nos. 12 and 173 respectively of this Prospectus respectively 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 no. 12 of this Prospectus, 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.

5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices

Increases in revenues are by and large linked to increases in introduction of new services and volume of business activity carried out by the Company.

6. Total turnover of each major industry segment in which our Company operates.

We are engaged in the Entertainment & Media business. Our Company operates under a single segment. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no. 70 of this Prospectus.

7. Status of any publicly announced new products or business segments

Please refer to the chapter titled “*Our Business*” beginning on page no. 78 of this Prospectus.

8. The extent to which the business is seasonal.

Our business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

There is a major dependence on a single platform on YouTube with which Dream Boat Entertainment Pte Ltd our wholly owned subsidiary had entered an agreement. Dream boat is acting as special purpose entity between YouTube & us.

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on September 30, 2017 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

Nature of Borrowing	Amount (₹ in Lakhs)
Secured Borrowings ⁽¹⁾	62.70
Unsecured Borrowings	-
Total	62.70

⁽¹⁾Includes ₹ 24.33 lakhs shown under Other Current Liabilities as 'Current Maturities of Long Term Debt'

Details of Secured Loans (other than Vehicle Loans)

NIL

Vehicle Loans

The Company has entered into arrangements with certain banks and Financial Institutions as mentioned below:

Name of the Lender	Agreement/ Sanction Letter	Sanctioned Amount (₹ in lakhs)	Outstanding Amount as on September 30, 2017 (₹ in lakhs)	Repayment Schedule for Outstanding Amount	Security Created
ICICI Bank	December 27, 2016	22.50	18.12	Repayable in 28 monthly EMI of ₹ 73,769	Hypothecation of Audi Q 5
ICICI Bank	February 23, 2017	53.93	44.58	Repayable in 29 monthly EMI of ₹ 1,76,560	Hypothecation of Range Rover Car

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

As described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors, our Promoters and our Group Entities that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

Further, except as disclosed in this section, our Board of Directors do not consider any other outstanding litigation or past penalties involving our Company, Subsidiaries, Promoter, Group Companies and Directors as material as on the date of this Prospectus. Our Board of Directors considers dues owed by our Company to the small scale undertakings and other creditors exceeding ₹ 1 lakh as material dues for our Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed at their board meeting held on June 12, 2017.

CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	Amount (₹ in lakhs)
NIL	NIL

LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

1. Litigations involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

NIL

B. LITIGATIONS FILED BY OUR COMPANY

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(iii) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

(iv) Indirect Taxes Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. LITIGATION INVOLVING TAX LIABILITIES

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR DIRECTORS

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. LITIGATION INVOLVING TAX LIABILITIES

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

5. Litigation Involving Criminal matters

NIL

6. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

7. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

8. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR PROMOTERS

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

1. Litigation involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR GROUP COMPANIES

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

(ii) Indirect Taxes Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/ demanded (₹ in lakhs)
1.	NIL	NIL	NIL
Total		NIL	NIL

4. Other Pending Litigations

NIL

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

Pending proceedings initiated against our Company for economic offences.

There are no pending proceedings initiated against our Company for economic offences

Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies enactment in the last 5 (five) years against our Company.

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 (five) years against our Company.

Material Fraud against our Company in the last 5 (five) years

There has been no material fraud committed against our Company in the last 5 (five) years.

Fines imposed or compounding of offences for default

There are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the year of the Prospectus for the Company and its Subsidiaries for default or outstanding defaults.

Non-Payment of Statutory Dues

There have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company. For details of dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess, which have not been deposited as on March 31, 2017 on account of disputes, see “*Summary of Financial Information*” beginning on page no. 34 of this Prospectus.

Amounts owed to small scale undertakings and other creditors

The Board of Directors of our Company considers dues exceeding ₹ 1.00 lakh to small scale undertakings and other creditors as material dues for our Company. Our Company owes to small scale undertakings amounts aggregating to ₹ 11.50 lakhs as on March 31, 2017.

Our Company owes amounts aggregating ₹ 0.50 lakhs or more to its other creditors. There are no disputes with such entities in relation to payments to be made to them. The details pertaining to amounts due towards such creditors are available on the website of our Company at the following link: www.sillymonks.com. The details in relation to other creditors and amount payable to each creditor is available on the website of our Company.

Material developments occurring after last balance sheet date

Except as disclosed elsewhere in this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT AND OTHER KEY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.

Approvals for the Issue

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on June 01, 2017 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on June 08, 2017 authorized the Issue.
3. In-principle approval dated September 14, 2017 from the National Stock Exchange of India Limited (NSE) for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number (“ISIN”) is INE203Y01012.

Approvals pertaining to Incorporation, name and constitution of Our Company

1. Certificate of Incorporation dated September 20, 2013 issued by the Registrar of Companies, Hyderabad (“RoC”) in the name of “Silly Monks Entertainment Private Limited.”
2. A fresh Certificate of Incorporation consequent upon change of name from “Silly Monks Entertainment Private Limited” to “Silly Monks Entertainment Limited” was issued on May 24, 2017 by the Registrar of Companies, Hyderabad.
3. The Corporate Identity Number (CIN) of the Company is U92120TG2013PLC090132.

I. TAX RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AATCS6445H	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	HYDS36710C	Valid until cancelled
3.	Certificate for Registration issued under Finance Act (Service Tax Applicability), 1994	Office of the Commissioner of Central Excise Service Tax Cell.	AATCS6445HSD001	Valid until cancelled
4.	Registration Certificate under the Andhra Pradesh Tax on Professions, Trades, Calling and Employment Act, 1987	Commercial Taxes Department, Hyderabad	28485822484	Valid until cancelled

Sr. No.	Description	Authority	Registration Number	Date of Expiry
5.	Enrollment Certificate under the Andhra Pradesh Tax on Profession, Trade, Calling and Employments Act, 1987	Commercial Taxes Department, Hyderabad	28980554611	Valid until cancelled
6.	Goods and Service Tax	Government of India	36AATCS6445H1ZR	Valid until cancelled





II. BUSINESS RELATED APPROVALS

The Company has obtained the following approvals for the purposes of conducting its business activities:

Sr. No.	Description	Location	Authority	Registration Number	Date of Expiry
1.	Certificate of Registration under Telangana Shops & Establishments Act, 1988	301, Ektha Pearl, 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad 500 084	Labour Department	SEA/RAN/ALC/RR/46993/2017	Valid up to date

III. PENDING APPROVALS RELATING TO INTELLECTUAL PROPERTY

1. TRADEMARKS

Sr. No	Particulars of the mark	Mark Type	Applicant	Trademark/Application Number	Issuing Authority	Class
1		Device	Silly Monks Entertainment Private Limited	2650551	Trade Marks Registry, Chennai, Government of India	41
2		Device	Silly Monks Entertainment Private Limited	2650550	Trade Marks Registry, Chennai, Government of India	41
3		Word	Silly Monks Entertainment Private Limited	2650549	Trade Marks Registry, Chennai, Government of India	41
4		Device	Event Monks Entertainment LLP	2954370	Trade Marks Registry, Chennai, Government of India	41

SECTION VIII- OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated June 01, 2017 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1) (C) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held with a shorter notice on June 08, 2017, 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 Shareholders by their consent letter dated May 29, 2017. The No. of Equity Shares offered by each Selling Shareholders are as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1	Mr. Tekulapalli Sanjay Reddy	2,40,000
2	Mr. Anil Kumar Pallala	50,000
	Total	2,90,000

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue 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 Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

The Company has obtained approval from NSE vide letter dated September 14, 2017 to use the name of NSE in this Offer Document for listing of equity shares on the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE. NSE is the designated stock exchange.

Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, the Selling Shareholders, its Directors, Promoters and entities forming part of our Promoter Group from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

We further confirm that none of our Company, the Selling Shareholders, its Promoters, relatives of Promoters (as defined under Companies Act, 2013) its Directors and its Group Companies have been identified as wilful defaulters by the RBI or other authorities.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

Association with Securities Market

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “Risk factors”, “Our Promoters, Promoter Group”, “Group Companies” and “Outstanding Litigations and Material Developments” beginning on page nos. 12, 119, 123 and 189 respectively, of this Prospectus.

Eligibility for the Issue

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed ten crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE).

We confirm that:

- a) In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the total Issue Size. For further details pertaining to the said underwriting please see “*General Information- Underwriting*” on page no. 46 of this Prospectus.
- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and the Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the arrangement of Market Making, please see “*General Information- Details of the Market Making Arrangements for this Issue*” on page no. 47 of this Prospectus.
- e) Our Company has been incorporated under the Companies Act 1956, in India.
- f) The Net worth (excluding revaluation reserves) of our Company is positive as per the latest audited financial results and we have a positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years.
- g) Our Company has track record of atleast 3 years.
- h) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR)
- i) Our Company has not been in defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.
- j) There is no winding up petition against the company, which has been admitted by a Court of competent jurisdiction.
- k) There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.
- l) As on the date of this Prospectus, our Company has a paid up capital of ₹ 367.15 lakhs (₹ 3.67 crores), which is in excess of ₹ 3 crore, and the Post Issue Capital shall also be in excess of ₹ 3.00 crore.
- m) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.
- n) We have a website: www.sillymonks.com

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 26, 2017 WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - A. THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.- NOTED FOR COMPLIANCE
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF

PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.

- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE “MAIN OBJECTS” LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. - COMPLIED WITH.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 (SECTION 40 OF COMPANIES ACT, 2013) AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE ISSUE SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:**
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, AND**

- B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER- NOTED FOR COMPLIANCE.**
 - 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**
 - 15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
 - 16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE “ANNEXURE A” FOR FURTHER DETAILS).**
 - 17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS - COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS CERTIFIED BY M/S. RAMASAMY KOTESWARA RAO & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NUMBER: 010396S) PURSUANT TO THEIR REPORT DATED DECEMBER 15, 2017)**

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26, 28 and 30 of the Companies Act, 2013.

ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- 1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**

- 3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
- 4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- 5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS.**
- 6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

Disclaimer from our Company, the Selling Shareholders, Directors and the Lead Manager

Our Company, the Selling Shareholders the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Lead Manager, the Selling Shareholders and our Company dated June 10, 2017, the Underwriting Agreement dated June 10, 2017 entered into among the Underwriter, the Selling Shareholders and our Company and the Market Making Agreement dated June 10, 2017, entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres or elsewhere.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriter and their respective Directors, Officers, Agents, Affiliates and representatives that they are eligible under all applicable Laws, Rules, Regulations, Guidelines and Approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Selling Shareholders, the Underwriter and their respective Directors, Officers, Agents, Affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Prospectus does not, however, constitute an offer to sell or 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 Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to 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, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the NSE Emerge Platform

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/29233 dated September 14, 2017 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with 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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Filing

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Regulation 106 (O) (1). However, a copy of the Prospectus shall be filed with SEBI at Overseas Towers, 7th Floor, 756-L, Anna Salai, Chennai 600 002.

A copy of the Prospectus, along with the documents required to be filed under Section 26 and 28 of the Companies Act, 2013 will be delivered to the RoC situated at 2nd Floor, Corporate Bhawan, GSI Post, Tattianaram Nagole, Bandlaguda, Hyderabad - 500 068.

Listing

An application shall be made to SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the

Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within eight days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants 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 SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from NSE vide letter dated September 14, 2017 to use the name of NSE in this Offer document for listing of equity shares on SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.

Price Information of past issues handled by the Lead Manager

Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing	
1	Shradha Infraprojects (Nagpur) Ltd.	18.93	70.00	11/12/2017	69.80	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2	Shreeji Translogistics Ltd.	12.40	130.00	13/10/2017	156.00	2.69%	2.72%	N.A.	N.A.	N.A.	N.A.
3	AKM Lace and Embrotex Ltd.	4.76	25.00	29/09/2017	25.50	-7.80%	5.99%	N.A.	N.A.	N.A.	N.A.
4	Geekay Wires Ltd.	11.00	33.00	24/08/2017	33.35	0.76%	1.09%	10.61%	4.92%	N.A.	N.A.
5	CKP Products Ltd.	6.24	50.00	09/05/2017	50.00	2.00%	3.55%	0.90%	7.95%	0.50%	12.19%
6	Octaware Technologies Ltd.	8.60	90.00	03/04/2017	91.00	0.11%	-0.05%	0.83%	3.38%	8.89%	4.59%
7	Prime Customer Services Ltd.	7.28	60.00	31/03/2017	60.10	8.00%	1.01%	56.25%	4.18%	121.67%	5.20%
8	Maximus International Ltd.	3.77	25.00	30/03/2017	23.00	1.20%	0.91%	0.20%	4.00%	1.00%	6.59%
9	Manas Properties Ltd.	39.96	360.00	30/03/2017	360.55	0.83%	0.91%	1.11%	4.00%	1.39%	6.59%
10	IFL Enterprises Ltd.	3.25	20.00	21/03/2017	19.80	-25.05%	-0.21%	-50.00%	6.19%	-50.00%	9.45%

Summary statement of price information of past issues

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 th calendar day from listing day			Nos. of IPOs trading at premium - 30 th calendar day from listing day			Nos. of IPOs trading at discount - 180 th calendar day from listing day			Nos. of IPOs trading at premium - 180 th 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%
2017-18	6 ⁽¹⁾	61.93	-	-	1	-	-	4	-	-	-	-	-	2
2016-17	10	147.26	-	1	-	1	-	8	-	1	-	2	3	4
2015-16	3	15.90	-	-	-	-	-	3	-	-	-	1	1	1

⁽¹⁾ Details indicated in 2017-18 are for the IPOs completed as on date.

Notes:

- a) *Since the listing date of Shradha Infraprojects (Nagpur) Limited was December 11, 2017, information related to closing price and benchmark index as on the 30th Calendar day, 90th calendar day and 180th calendar day from the listing date is not available.*
- b) *Since the listing date of AKM Lace and Embrotex Limited, Shreeji Translogistics Limited was September 29, 2017 and October 13, 2017, respectively, information related to closing price and benchmark index as on 90th calendar day and 180th calendar day from the listing date is not available.*
- c) *Since the listing date of Geekay Wires Limited was August 24, 2017, information related to closing price and benchmark index as on the 180th calendar day from the listing date is not available.*
- d) *The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.*
- e) *In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.*
- f) *Source: www.bseindia.com and www.nseindia.com BSE Sensex and Nifty Fifty as the Benchmark Indices.*

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – www.afsl.co.in

Consents

Consents in writing of: (a) The Selling Shareholders, the Directors, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditors; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisors to the Issue, Banker to the Company, Banker to the Issue, Banker to the Issue, Share Escrow Agent, Market Maker and Underwriters 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 Section 26 and 28 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.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. Ramasamy Koteswara Rao & Co, Chartered Accountants, have provided their written consent to the inclusion of their reports dated December 15, 2017 on Restated Financial Statements and to the inclusion of their reports dated June 12, 2017 on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Prospectus.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, M/s. Ramasamy Koteswara Rao & Co, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Statement of Tax Benefits dated June 12, 2017, and on the Restated Financial Statements dated December 15, 2017 and issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

ISSUE RELATED EXPENSES

Issue related expenses include underwriting and Issue management fees, selling commission, distribution expenses, market making charges, legal fees, fees to advisors, printing and stationery costs, advertising expenses, listing fees payable to the Stock Exchange, and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange, including fees payable to Depositories is given below: Same as object of the Issue

The details of estimated Issue expenses are set forth below:

Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue size
1	Issue Management fees including fees and reimbursements of Market Making fees (1 st year), and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	37.00	64.91%	2.45%
2	Brokerage and Selling Commission, Underwriting Commission, RTAs and CDPs	7.50	13.16%	0.50%
3	Advertisement, Printing & Stationery, Marketing Expenses, etc.	5.00	8.77%	0.33%
4	Listing Fees, Market Regulatory & Other Expenses	7.50	13.16%	0.50%
Total		57.00	100.00%	3.78%

- ¹⁾ The SCSBs and other intermediaries will be entitled to a commission of ₹ 10 per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.
- ²⁾ The SCSBs would be entitled to processing fees of ₹ 10 per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.
- ³⁾ Further the SCSBs and other intermediaries will be entitled to selling commission of 0.05% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.
- ⁴⁾ Except for the Listing Fees, ROC Charges & the Market Making Fees, which will be borne by our Company, all other expenses relating to the Issue as mentioned above will be borne by the Company and Selling Shareholders in proportion to the Equity Shares contributed to the Issue. The Issue expenses are estimated expenses and subject to change.
- ⁵⁾ The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.

Fees, Brokerage and Selling Commission Payable to the Lead Manager

The total fees payable to the Lead Manager (including underwriting commission and selling commission) is as stated in the MOUs dated June 10, 2017, the Underwriting Agreement dated June 10, 2017 and the Market Making Agreement dated June 10, 2017 among our Company, the Selling Shareholders and the Lead Manager and other parties, a copy of which will be made available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MoU between the Company, and the Registrar to the Issue dated June 09, 2017.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

CAPITAL ISSUE DURING THE LAST FIVE YEARS

Previous Public and Rights Issues

We have not made any rights and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

Previous Issues of Equity Shares otherwise than for Cash

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 49 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Commission and Brokerage Paid on Previous Issues of our Equity Shares

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates

None of our Group Companies / Subsidiaries / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

PERFORMANCE VIS-À-VIS OBJECTS

Issuer Company

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

Listed Group Companies / Subsidiaries / Associate Companies

None of our Group Companies / Subsidiaries / Associates is listed on any Stock Exchange and not made any rights and public issues in the past ten (10) years.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

DISPOSAL OF INVESTOR GRIEVANCES

Mechanism for Redressal of Investor Grievances

The Company and the Selling Shareholders has appointed Bigshare Services Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue 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 Issue will handle investor’s grievances pertaining to the Issue. 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 Issue 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 Issue 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 Board by a resolution on December 22, 2017 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Venkata Kama Dixitulu Dixitula	Non Executive Independent Director	Chairman
Mr. Prasada Rao Kalluri	Non Executive Independent Director	Member
Mr. Tekulapalli Sanjay Reddy	Managing Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page no. 106 of this Prospectus.

The Company has also appointed Ms. Sushma Barla as the Company Secretary and Compliance Officer for this Issue and she may be contacted at the Registered Office of our Company. The contact details are as follows:

Name: Ms. Sushma Barla

Address: 301, Ektha Pearl, 2-17-89, B P Raju Marg, Kothaguda, Kondapur, Hyderabad 500084.

Tele Fax No: +91 – 40 – 2300 4518

Email: investor@sillymonks.com

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre- Issue or post- Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT

For details of Investor Grievances by Listed Companies under the same Management, see the chapter “*Our Group Companies*” beginning on page no. 123 of this Prospectus.

Change in Auditors

There has been no change in auditors of our company in the last 3 years.

Capitalisation of Reserves or Profits

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 49 of this Prospectus, our Company has not capitalised our reserves or profits during the last five years.

Revaluation of Assets

We have not revalued our assets since incorporation.

SECTION IX – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of the Draft Prospectus, this 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 Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Authority for the Issue

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on June 01, 2017 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra Ordinary General Meeting held with a shorter notice on June 08, 2017 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 Shareholders by their consent letter dated May 29, 2017 as follows;

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1	Mr. Tekulapalli Sanjay Reddy	2,40,000
2	Mr. Anil Kumar Pallala	50,000
	Total	2,90,000

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue 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 Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

Offer for Sale

The Issue comprises of a Fresh Issue and an Offer for Sale by the Selling Shareholders. The fees and expenses relating to the Issue shall be shared in the proportion mutually agreed between the Company and the respective Selling Shareholders in accordance with applicable law. However, for ease of operations, expenses of the Selling Shareholders may, at the outset, be borne by our Company on behalf of the Selling Shareholders, and the Selling Shareholders agree that they will reimburse our Company all such expenses.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects including dividend 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 section titled "Main Provisions of the Articles of Association" beginning on page no. 264 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, the Memorandum and Articles of Association, and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. Our Company shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer the chapter titled "Dividend Policy" and "Main Provisions of Article of Association" beginning on page nos. 129 and 264 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Prospectus at the price of ₹ 120 per Equity Share. The Issue Price is determined by our Company and the Selling Shareholders in consultation with the Lead Manager and is justified under the chapter titled "Basis for Issue Price" beginning on page no. 65 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with the disclosure and accounting norms

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall also comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- ✓ Right to receive dividend, if declared;
- ✓ Right to attend general meetings and exercise voting rights, unless prohibited by law;
- ✓ Right to vote on a poll either in person or by proxy;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation;
- ✓ Right of free transferability; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "Main Provisions of Articles of Association of our company" beginning on page no. 264 of this Prospectus.

Minimum Application Value; Market Lot and Trading Lot

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated September 25, 2017 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated August 10, 2017 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1,200 Equity Share subject to a minimum allotment of 1,200 Equity Shares to the successful Applicants.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 6 Working days of closure of issue.

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 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in 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 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 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. In case 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.

Withdrawal of the Issue

Our Company and the Selling Shareholders, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company and the Selling Shareholders withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	January 05, 2018
Issue Closing Date	January 10, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On and before January 15, 2018
Initiation of Allotment / Refunds / Unblocking of Funds	On and before January 16, 2018
Credit of Equity Shares to demat accounts of Allottees	On and before January 17, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On and before January 18, 2018

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the Lead Manager. 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 the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a. m. and 5.00 p. m. (IST)** during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted only between **10.00 a. m. and 3.00 p. m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company, nor the Selling Shareholders nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue 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 from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

Minimum Subscription

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Issue. In terms of Regulation 106P(1) of the ICDR Regulations, the Issue is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 106R of the ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 50.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. However, we shall ensure that the minimum subscription to be received shall be subject to allotment of minimum number of specified securities as prescribed in sub-clause (b) of clause (2) of rule 19 of Securities Contracts (Regulation) Rules, 1957 and

also that the minimum number of allottees as prescribed in regulation 106R of the SEBI (ICDR) Regulations, 2009, as amended.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 1,200 shares. 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 NSE Emerge Platform.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please see the section titled “*Main Provisions of Articles of Association*” beginning on page no. 264 of this Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

Option to receive Equity Shares in Dematerialized Form

As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares will be made only in dematerialized form. As per SEBI’s circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialised form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the NSE Emerge Platform.

Migration to Main Board

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares issued through this Issue are proposed to be listed on the SME Platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing of shares offered through this Prospectus.

For further details of the agreement entered into between our Company, The Lead Manager and the Market Maker, please see the chapter titled “*General Information - Details of the Market Making Arrangement for this Issue*” beginning on page no. 47 of this Prospectus.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai. The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ["SME Exchange", in this case being the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE]. For further details regarding the salient features and terms of such this Issue, please see the chapters titled "Terms of the Issue" and "Issue Procedure" beginning on page nos. 209 and 217 respectively, of this Prospectus.

Following is the issue structure:

Public issue of 12,60,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 120 per Equity Share (including a Share premium of ₹ 110 per Equity Share) aggregating to ₹ 1,512.00 lakhs ("the Issue") by Silly Monks Entertainment Limited. ("SMEL" or the "Company" or the "Issuer").

The Issue comprises a reservation of 72,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of 11,88,000 Equity Shares of ₹ 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 27.15% and 25.60%, respectively of the post issue paid up equity share capital of the company. The Issue is being made through the Fixed Price Process:

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation	11,88,000 Equity Shares	72,000 Equity Shares
Percentage of Issue Size available for allocation	94.29% of the Issue Size	5.71% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 1,200 Equity Shares and further allotment in multiples of 1,200 Equity Shares each.	Firm Allotment
Mode of Application	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value exceeds ₹ 2,00,000.</p> <p><i>For Retail Individuals:</i></p> <p>1,200 Equity Shares</p>	72,000 Equity Shares
Maximum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Size does not exceed 11,88,000 Equity Shares.</p> <p><i>For Retail Individuals:</i></p> <p>Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value does not exceed ₹ 2,00,000.</p>	72,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	1,200 Equity Shares	1,200 Equity Shares, However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form	
Application Lot Size	1,200 Equity Share and in multiples of 1,200 Equity Shares thereafter	

- 1) 50 % of the Equity Share offered are reserved for allocation to Applicants below or equal to ₹ 2.00 lakhs and the balance for higher amount Applications.
- 2) In case of joint Applications, 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. 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 the joint holders.
- 3) Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, 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 Issue.
- 4) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price(in ₹)	Lot Size(No. Of shares)
Upto14	10000
More than 14 upto18	8000
More than 18 upto 25	6000
More than 25 upto 35	4000
More than 35 upto 50	3000
More than 50 upto 70	2000
More than 70 upto 90	1600
More than 90 upto 120	1200
More than120 upto 150	1000
More than150 upto 180	800
More than180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1000	160
Above1000	100

Further to the Circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”), included below under “**Part B – 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 has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act 2013, to the extent applicable to a public issue. The General Information Document would be made available with the Lead Manager and would also be made available on the websites of the Stock Exchanges and the Lead Manager before opening of Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company, the Selling Shareholders and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and shall not be liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

Please note that all the Applicants can participate in the Issue only through the ASBA process. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs.

ASBA Applicants are required to submit ASBA Applications to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by NSE Ltd to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please see the above mentioned NSE website

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

PART A

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Reg. 106(M)(1) of Chapter XB of the SEBI (ICDR) Regulations, 2009 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, 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, 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 Lead Manager and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the

details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number 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. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorisation 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.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection 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 ⁽¹⁾
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

⁽¹⁾ excluding electronic Application Form

Designated Intermediaries shall submit Application Forms to SCSBs and shall not submit it to any non-SCSB bank.

Who Can Apply?

1. Indian nationals resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
2. 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;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorised to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. 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 Issue;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Applications portion;
9. VCFs registered with SEBI;

10. FVCIs registered with SEBI;
11. Eligible QFIs;
12. Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions)
13. Multilateral and bilateral development financial institutions;
14. State Industrial Development Corporations;
15. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
16. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
17. Insurance companies registered with Insurance Regulatory and Development Authority;
18. Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
19. Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
20. Limited liability partnerships;
21. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
22. Nominated Investor and Market Maker
23. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India
24. Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. 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.

Applications not to be made by

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Overseas Corporate Bodies

Maximum and Minimum Application Size

a) For Retail Individual Applicants:

The Application must be for a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed ₹ 2,00,000.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1,200 Equity Shares thereafter. Application cannot be submitted for more than the Issue Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.**

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Information for the Applicants

- a) Our Company shall file the Prospectus with the RoC at least three working days before the Issue Opening Date.
- b) Our Company shall, after registering the Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre- Issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c) Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.
- d) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorized agent(s).
- e) Application should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch.
- f) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

Availability of the Prospectus and the Application Forms:

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

Participation by associates and affiliates of the Lead Manager

The Lead Manager shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis.

Applications by Mutual Funds

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications 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 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.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Applications by Eligible NRIs

NRIs may obtain copies of Application Form from the offices of the Lead Manager and 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.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Applications by FPI and FIIs

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as an FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Hence, such qualified foreign investors who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in this Issue.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue 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) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the

Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24.00% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an 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' norms. 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.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in color).

Applications by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one 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 by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation 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 the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager 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.

Applications by Limited Liability Partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

Applications by Insurance Companies

In case of Applications 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 any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or 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 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 belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, 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 (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Applications by Provident Funds / Pension Funds

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, 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 any Application, without assigning any reason thereof.

Applications by Banking Companies

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval).

Applications by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the 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 such applications.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) 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.
- b) 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.
- c) With respect to Applications made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, 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.
- d) 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.
- e) 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 above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

General Instructions

Do's:

- 1) Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 3) Ensure that the details about the PAN, 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;
- 4) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary;
- 5) If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- 6) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 7) 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 Applications, 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;
- 8) Ensure that you request for and receive a stamped acknowledgement of your Application;
- 9) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

- 10) Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 11) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a 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 a 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 investors 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;
- 12) Ensure that the Demographic Details are updated, true and correct in all respects;
- 13) 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;
- 14) Ensure that the category and the investor status is indicated;
- 15) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 16) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 17) Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are 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;
- 18) Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- 19) Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- 20) Ensure that you have correctly signed the authorisation/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;
- 21) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- 22) The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- 3) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- 4) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;

- 5) Do not submit the Application Forms to any non-SCSB bank or our Company;
- 6) Do not apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- 7) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not apply for a Application Amount exceeding ₹ 200,000 (for Applications by Retail Individual Applicants);
- 9) 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;
- 10) Do not submit the General Index Register number instead of the PAN;
- 11) Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- 12) 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;
- 13) Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 14) Do not apply 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 depository);
- 15) Do not submit more than five Application Forms per ASBA Account;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Issue

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

Payment instructions

The entire issue price of ₹ 120 per Equity Share is payable on Application. In case of allotment of lesser number of Equity Shares than the number applied, then 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 received by the Registrar to the Public Issue Bank Account. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants shall specify the bank account details in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Not Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instruction to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public issue Account, or until withdrawal / failure of the Issue or until rejection of the application, as the case may be.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

Electronic Registration of Applications

- 1) The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
- 2) The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Issue Closing Date.
- 3) The Application Collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
- 4) Neither the Lead Manager nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
- 5) The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorised agents during the Issue Period. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange.
- 6) With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
 - Name of the Applicant;
 - IPO Name;
 - Application Form Number;
 - Investor Category;
 - PAN Number
 - DP ID & Client ID
 - Numbers of Equity Shares Applied for;
 - Amount;
 - Location of the Banker to the Issue or Designated Branch, as applicable;
 - Bank Account Number and
 - Such other information as may be required.
- 7) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.
- 8) 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 or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- 9) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
- 10) The Application Collecting Intermediaries shall have no right to reject the applications, except on technical grounds.

- 11) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way deemed or construed to mean 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 or 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, the Selling Shareholders, 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 Prospectus; not does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
- 12) The Application Collecting Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with the 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.
- 13) The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA Applicants.

Allocation of Equity Shares

- 1) The Issue is being made through the Fixed Price Process wherein 72,000 Equity Shares shall be reserved for the Market Maker. 5,94,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
- 2) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their application at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Signing of the Underwriting Agreement and the RoC Filing

- a) Our Company, the Selling Shareholders, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on June 10, 2017.
- b) For terms of the Underwriting Agreement please see chapter titled "*General Information*" beginning on page no. 42 of this Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26, 28 and all other provision applicable as per Companies Act.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar 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 SCSB / Designated Intermediary, where the Application was submitted and bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants can contact the Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Applications submitted to the Designated Branches of the SCSBs, the Applicants can contact the Designated Branches of the SCSBs.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447”**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 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.

Undertaking by our Company

We undertake the following:

- 1) If our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) If our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 3) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- 4) All steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date;
- 5) The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 6) Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;

- 7) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 8) No further Issue of Equity Shares shall be made till the Equity Shares offered through this Issue Document are listed or until the Application monies are refunded on account of non-listing, under-subscription etc;
- 9) Adequate arrangements shall be made to collect all Application Forms and
- 10) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time.

Undertakings by the Selling Shareholders

Each Selling Shareholder severally undertakes that:

- 1) It shall deposit its Equity Shares offered in the Issue in an escrow account opened with the Registrar to the Issue at least one Working Day prior to the Bid/ Issue Opening Date;
- 2) It shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges;
- 3) It shall take all steps and provide all assistance to our Company and the Lead Manager, as may be required for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within six Working Days from the Issue Closing Date of the Issue, failing which it shall forthwith repay without interest all monies received from Bidders to the extent of the Offered Shares. In case of delay, interest as per applicable law shall be paid by the Selling Shareholder;
- 4) It shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose off any of the Equity Shares held by it except the Equity Shares being offered in the Offer for Sale until such time that the lock-in remains effective save and except as may be permitted under the SEBI Regulations;
- 5) It shall ensure that the Equity Shares being offered by it in the Issue, shall be transferred to the successful Bidders within the time specified under applicable law; and

It shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may see “*Glossary and Abbreviations*”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Applicants may refer to the Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Issue (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre- Issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/ Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of the Stock Exchange(s).

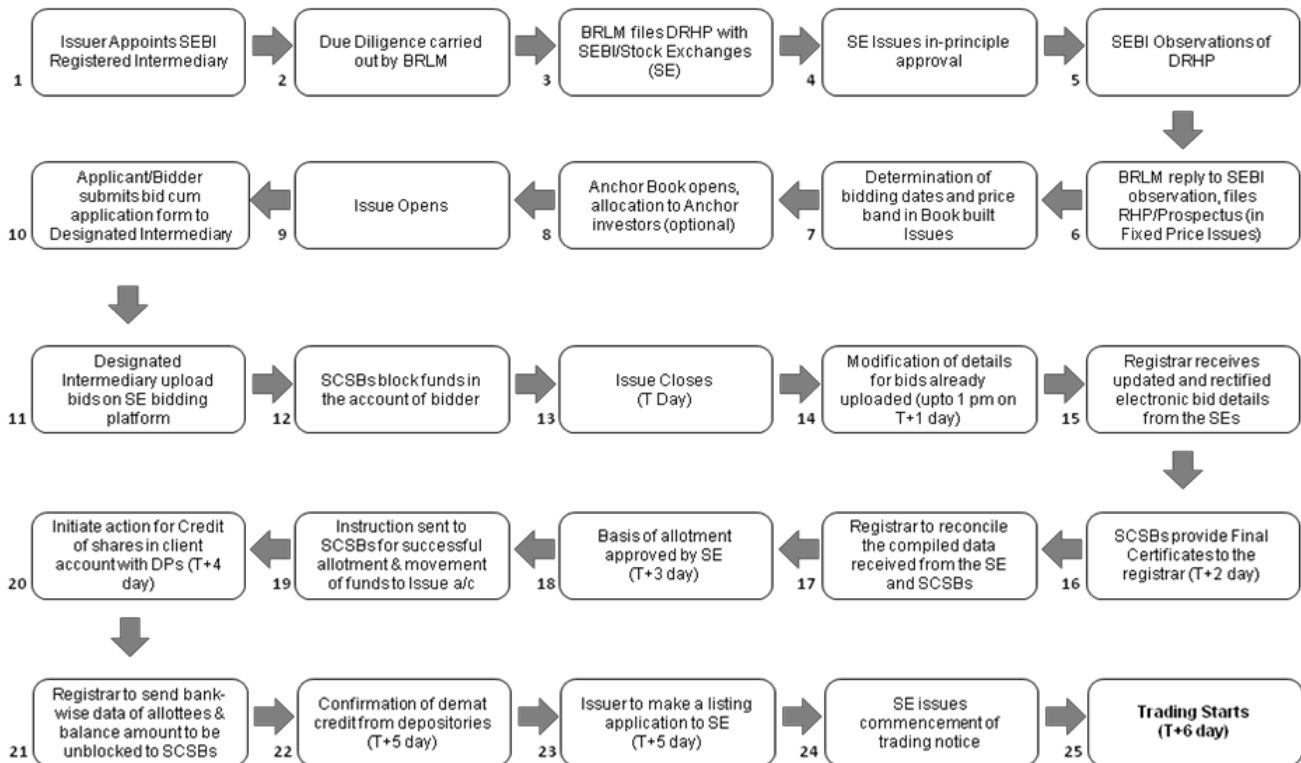
In case of a Book Built Issue, the Issuer may close the Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date if disclosures to that effect are made in the Prospectus. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Issue Period may be extended by at least three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Applicants may note that this is not applicable for Fast Track FPOs:

In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

- i. Step 7 : Determination of Issue Date and Price
- ii. Step 10: Applicant submits Bid cum Application Form with Designated Branch of SCSB.



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/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*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (“NIIs”) category;

- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Book Running Lead Managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the Prospectus.

Fixed Price Issue: Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Applicants is as follows:

Category	Colour ⁽¹⁾
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

⁽¹⁾ excluding electronic Application Form

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/APPLICATION FORM

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Bid cum Application Form and sample are provided below.

A sample Bid cum Application Form is reproduced below:

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS				
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">BOOK BUILT ISSUE</td> <td style="width: 50%;">Bid cum Application Form No. _____</td> </tr> <tr> <td style="text-align: center;">ISIN :</td> <td></td> </tr> </table>	BOOK BUILT ISSUE	Bid cum Application Form No. _____	ISIN :	
BOOK BUILT ISSUE	Bid cum Application Form No. _____					
ISIN :						

PLEASE FILL IN BLOCK LETTERS

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr. / Ms. _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	Address _____
		Email _____
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	Tel. No (with STD code) / Mobile _____
		2. PAN OF SOLE / FIRST BIDDER _____

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	6. INVESTOR STATUS																											
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID	<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH																											
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")	5. CATEGORY																											
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">"Cut-off" (Please tick)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>8 7 6 5 4 3 2 1</td> <td>3 2 1</td> <td>3 2 1</td> <td>3 2 1</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td> </td> <td> </td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td> </td> <td> </td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> </tbody> </table>	Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Please tick)	Bid Price	Retail Discount	Net Price	Option 1	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	<input type="checkbox"/>	(OR) Option 2					<input type="checkbox"/>	(OR) Option 3					<input type="checkbox"/>	<input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
Bid Options			No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Please tick)																					
	Bid Price	Retail Discount		Net Price																								
Option 1	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	<input type="checkbox"/>																							
(OR) Option 2					<input type="checkbox"/>																							
(OR) Option 3					<input type="checkbox"/>																							

7. PAYMENT DETAILS	PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
Amount paid (₹ in figures) _____ (₹ in words) _____	
ASBA Bank A/c No. _____	
Bank Name & Branch _____	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the line	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____	1) _____ 2) _____ 3) _____	

TEAR HERE

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____
DPID / CLID			PAN of Sole / First Bidder _____

Amount paid (₹ in figures) _____	Bank & Branch _____	Stamp & Signature of SCSB Branch
ASBA Bank A/c No. _____		
Received from Mr./Ms. _____		
Telephone / Mobile _____	Email _____	

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TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td> </td> <td> </td> </tr> <tr> <td>Bid Price</td> <td> </td> <td> </td> </tr> <tr> <td>Amount Paid (₹)</td> <td> </td> <td> </td> </tr> </table>	Option 1	Option 2	Option 3	No. of Equity Shares			Bid Price			Amount Paid (₹)			Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder _____
Option 1	Option 2	Option 3													
No. of Equity Shares															
Bid Price															
Amount Paid (₹)															
ASBA Bank A/c No. _____			Acknowledgement Slip for Bidder												
Bank & Branch _____			Bid cum Application Form No. _____												

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE / FIRST BIDDER / APPLICANT

- a) Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- b) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c) **Joint Bids/Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Bid cum Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 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.

- e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST APPLICANT

- a) PAN (of the sole/first Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- c) The exemption for the PAN Exempted Applicants 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.
- d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- b) Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- c) Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Application Value and Bid Lot:** The Issuer, the Selling Shareholders in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 MAXIMUM AND MINIMUM BID SIZE

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 2,00,000.
- b) In case the Bid Amount exceeds ₹ 2,00,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 2,00,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- e) RII may revise or withdraw their bids until Bid/ Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to ₹ 2,00,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the Issue size.
- i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.4.2 MULTIPLE BIDS

- a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
- 1) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - 2) For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- c) The following Bids may not be treated as multiple Bids:
- 1) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the issue portion in public category.
 - 2) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - 3) Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - 4) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

- a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.
- b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the Prospectus.
- c) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c) Applicants should check whether they are eligible to apply on non -repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

- a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorisation provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- b) Bidders who Bid at Cut-off Price shall deposit the Bid Amount based on the Cap Price.
- c) All Bidders (except Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 Instructions for Anchor Investors:

- a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- b) Payments should be made either by RTGS, NEFT or cheque/ demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Anchor Investor Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- c) If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.
- d) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.
- e) Anchor Investors are advised to provide the number of the Anchor Investor Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for Bidders (other than Anchor Investors)

- a) Bidders may submit the Bid cum Application Form either
 - 1) in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account, or
 - 2) in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - 3) in physical mode to any Designated Intermediary.
- b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- f) Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified Locations. Bidders should also note that Bid cum

Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

- g) Bidders bidding through a Registered Broker, RTA or CDP should note that Bid cum Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Bid cum Application Forms.
- h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 Unblocking of ASBA Account

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/ Issue Closing Date.

4.1.7.3 Discount (if applicable)

- a) The Discount is stated in absolute rupee terms.

- b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the Prospectus.
- c) The Bidders entitled to the applicable Discount in the Issue may block an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- a) Only the First Applicant is required to sign the Bid cum Application Form/Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Applicant., then the Signature of the ASBA Account holder(s) is also required.
- c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- d) Applicants must note that Bid cum Application Form/Application Form without signature of Applicant and/or ASBA Account holder is liable to be rejected..

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- a) Bidders should ensure that they receive the Acknowledgement Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Bid cum Application Form.
- b) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
 - 1) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity shares, refund orders, the Applicants should contact the Registrar to the Issue.
 - 2) In case of Bids submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - 3) In case of queries relating to uploading of Bids by a Syndicate Member, the Applicants should contact the relevant Syndicate Member.
 - 4) In case of queries relating to uploading of Bids by a Registered Broker, the Applicants should contact the relevant Registered Broker
 - 5) In case of Bids submitted to the RTA, the Applicants should contact the relevant RTA.
 - 6) In case of Bids submitted to the DP, the Applicants should contact the relevant DP.
 - 7) Applicant may contact our Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- c) The following details (as applicable) should be quoted while making any queries –
 - 1) full name of the sole or First Applicant, Bid cum Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;
 - 2) name and address of the Designated Intermediary, where the Bid was submitted; or
 - 3) In case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

-
- d) In case of Anchor Investor bids cheque or draft number and the name of the issuing bank thereof.

For further details, Applicant may refer to the Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- a) During the Bid/ Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- b) RII may revise their bids or withdraw their Bids till the Bid/ Issue Close Date.
- c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d) The Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Bid. Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details : CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS
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LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN :	Bid cum Application Form No. <input style="width:100%;" type="text"/>
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SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr./Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____ Email _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER _____
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS _____ NSDL _____ CDSL _____ <small>For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID</small>

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓/tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓/tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

6. PAYMENT DETAILS										PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>	
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____											
ASBA Bank A/c No. _____											
Bank Name & Branch _____											

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) <small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue</small>	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____	1) _____ 2) _____ 3) _____	

TEAR HERE

LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No. <input style="width:100%;" type="text"/>
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DPID / CLID		PAN of Sole / First Bidder
Additional Amount Paid (₹)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R		Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
	No. of Equity Shares					
	Bid Price					
	Additional Amount Paid (₹)					
ASBA Bank A/c No. _____						Acknowledgement Slip for Bidder
Bank & Branch _____						
						Bid cum Application Form No. <input style="width:100%;" type="text"/>

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3. 4.2.2

FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Applicant has Bid for three options in the Bid cum Application Form and such Applicant is changing only one of the options in the Revision Form, the Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.
- b) In case of revision, Bid options should be provided by Applicants in the same order as provided in the Bid cum Application Form.
- c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

4.2.3 FIELD 6: PAYMENT DETAILS

- a) All Applicants are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

- a) The Issuer may mention Price or Price Band in the Prospectus. However a Prospectus registered with RoC contains one price or coupon rate (as applicable).
- b) **Minimum Application Value and Bid Lot:** The Issuer, the Selling Shareholders in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- e) An application cannot be submitted for more than the Issue size.
- f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
 - 1) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Applicant and may be rejected.
 - 2) For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- i) The following applications may not be treated as multiple Bids:
 - 1) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.
 - 2) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

- 3) Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

- a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

- a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue
- b) Application Amount cannot be paid in cash, through money order, cheque or through postal order or through stock invest.

4.3.5.1 Payment instructions for Applicants

- a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- b) Applicants must specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- f) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

- k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2 Unblocking of ASBA Account

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Issue Closing Date.

4.3.5.3 Discount (if applicable)

- a) The Discount is stated in absolute rupee terms.
- b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM

4.4.1 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	<ul style="list-style-type: none"> To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	<ul style="list-style-type: none"> To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location To the Designated Branches of the SCSBs where the ASBA Account is maintained

- a) Applicants should submit the Revision Form to the same Designated Intermediary through which such Applicant had placed the original Bid.

- b) Upon submission of the Bid cum Application Form, the Applicant will be deemed to have authorized the Issuer to make the necessary changes in the Prospectus and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Applicant.
- c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- a) During the Bid/ Issue Period, Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- b) In case of Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Applicants are requested to refer to the Prospectus.

5.2 ELECTRONIC REGISTRATION OF BIDS

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

- a) Bids received from various Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/ Issue Period.

5.4 WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue 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 in the ASBA Account.
- b) The Registrar to the Issue 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 Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
 - 1) the Bids accepted by the Designated Intermediaries,
 - 2) the Bids uploaded by the Designated Intermediaries, and
 - 3) the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

- a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- b) Bids/Applications by OCBs; and
- c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum application form/Application Form;
- e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- f) Bids/Applications by persons in the United States excluding persons who are a U.S. QIB (as defined in the Prospectus);
- g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- h) PAN not mentioned in the Bid cum Application Form/Application Form, except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- k) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;

- l) Bids/Applications at Cut-off Price by NIIs and QIBs;
- m) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- o) Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account;
- p) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Prospectus;
- q) Multiple Bids/Applications as defined in this GID and the Prospectus;
- r) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Issue Opening Date advertisement and as per the instructions in the Prospectus and the Bid cum Application Forms;
- s) Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;
- t) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- u) Where no confirmation is received from SCSB for blocking of funds;
- v) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- w) Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- x) Bids/Applications not uploaded on the terminals of the Stock Exchanges; and
- y) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form..

5.6 BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Prospectus. For details in relation to allocation, the Applicant may refer to the Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Applicants may refer to the Prospectus.
- d) Illustration of the Book Building and Price Discovery Process Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the Prospectus or advertise the Floor Price at least one Working Day prior to the Bid/ Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the Application Form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net issue to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Applicants may refer to Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot (“**Maximum RII Allottees**”). The Allotment to the RIIs will then be made in the following manner:

- a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Applicants may refer to the SEBI ICDR Regulations, 2009 or Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;
- b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Investor Selling Shareholders and the BRLMs, subject to compliance with the following requirements:
 - 1) not more than 60% of the QIB Category will be allocated to Anchor Investors;

- 2) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- 3) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum Allotment of ₹ 5 crores per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores, and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum Allotment of ₹ 5 crores per such Anchor Investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue 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 Anchor Investors.
- d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders may be categorized according to the number of Equity Shares applied for;
- b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any

other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) Designated Date: On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- b) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within six Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment.

SECTION 8: INTEREST AND REFUNDS

8.1 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 Exchanges are taken within six Working Days of the Bid/ Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with CDPs, and dispatch the Allotment Advice within six Working Days of the Bid/ Issue Closing Date

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Applicants.

If such money is not refunded to the Bidders within the prescribed time 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 such period, be liable to repay the money, with interest at such rate, as disclosed in the Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any Issue for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- a) **In case of Bids/Applications (other than Anchor Investors):** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- b) **In case of Anchor Investors:** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor 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 Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- a) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' 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 Anchor Investors 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 Anchor Investors 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;
- b) **Direct Credit** - Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

- c) **RTGS** - Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid 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. Anchor Investors may refer to Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum 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 and/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 working days of the Bid/ Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Invest or Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Applicant
Banker(s) to the Issue / Escrow Collection Bank(s) / Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened ,and as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	An indication to make an Issue during the Bid/ Issue Period by a

Term	Description
	prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications there to. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Applicant up on submission of the Bid(except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/ Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language news paper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Bid/ Issue Closing Date
Bid/ Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Bid/ Issue Opening Date
Bid/ Issue Period	Except in the case of Anchor Investors (if applicable),the period between the Bid/ Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an Applicant
Book Built Process / Book Building Process / Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s) / Book Running Lead Manager(s) / Lead Manager / LM	The Book Running Lead Manager to the Issue as disclosed in the Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN / Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted

Term	Description
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Applicants (exc Anchor Investor) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the

Term	Description
	promoters and immediate relatives of the promoters. For further details, Applicant may refer to the Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may issue cheques or demand drafts or transfer money through NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Selling Shareholders, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue / Fixed Price Process / Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than L 200,000 (but not including NRIs other than Eligible NRIs)

Term	Description
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	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 and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the Prospectus through an offer for sale by the Selling Shareholders
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26, 28 and other applicable Sections of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar 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

Term	Description
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue /RTO	The Registrar to the Issue as disclosed in the Prospectus and Bid cum Application Form
Reserved Category / Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than L 200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/ and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s) / SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/ Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

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. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued consolidated FDI Policy, which with effect from June 07, 2016 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 7, 2016. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (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 SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act, and 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 Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION X – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Table F in Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

These Articles of Association were adopted in substitution for and to the entire exclusion of the earlier Articles of Association at the Extra-ordinary General Meeting of the Company held on May 15, 2017.

Public Company

3. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

Share capital and variation of rights

4. (i) The Authorised Share Capital of the Company shall be as laid down in Memorandum of Association of the Company.
- (ii) Subject to the provisions of the Companies Act 2013 and the applicable Rules made there under, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.
5. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:—
- (a) one certificate for all his shares without payment of any charges; or
- b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
6. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The company may issue new share certificates pursuant to consolidation or sub-division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.
7. Except as required by law, no person shall be recognized 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 recognize (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.

8. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
 - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
 - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
9. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
 - (ii) To every such separate meeting, the provisions of these regulations relating 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.
10. 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.
11. 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

12. (i) The company shall have a first and paramount lien—
 - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
 - (iii) The fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.
13. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

 - (a) unless a sum in respect of which the lien exists is presently payable; or
 - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
 14. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
15. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

16. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
 - (iii) A call may be revoked or postponed at the discretion of the Board.
 - (iv) The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholders in a general meeting of the company.
17. 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.
18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
19. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
20. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
21. 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 but shall not confer a right to dividend or to participate in profits.

Transfer of shares

- 22.(i) The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
23. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (b) any transfer of shares on which the company has a lien.
24. 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.
25. 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.
26. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

Transmission of Shares

27. (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.
28. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

29. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

30. 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.

Forfeiture of Shares

31. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
32. The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
33. 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.
34. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
35. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
36. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
- (iii) The transferee shall thereupon be registered as the holder of the share

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

37. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of Capital

38. 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. The Authorised Share Capital shall be as per the clause V (a) of Memorandum of Association of the company.

39. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) increase its authorised share capital by such amount as it thinks expedient.

(b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(e) 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.

40. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

41. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Capitalisation of profits

42. (i) The company in general meeting may, upon the recommendation of the Board resolve—

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, Securities Premium Accounts or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- A. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (iii) 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;
- (iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
43. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

Dematerialisation of Securities

43. (i) For the purpose of this Article:-

"Beneficial Owner": Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.

"Depositories Act": Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

"Depository": Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.

"Member": Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

"Security": Security shall mean such security as may be specified by SEBI.

- (ii) **"Dematerialisation of Securities"**: Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.
- (iii) **"Option to hold securities in physical form or with depository"**: Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.
- (iv) **"Beneficial Owner may opt out of a Depository"**: Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on fulfilment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.
- (v) **"Securities in Depositories to be in fungible form"**: All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
- (vi) **"Rights of depository and beneficial owners"**: A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.
- (vii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.
- (viii) **"Transfer of securities"**: Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- (ix) **"Register and Index of beneficial owners"**: The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.
- (x) **"Other matters"**: Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.
- (xi) Notwithstanding anything contained in the Act or the Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disks.

Nomination

45. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of Section 58A of the Act.

Buy-Back of Shares

46. 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

47. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.
48. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at General Meetings

49. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- (iii) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- (iv) 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.
- (v) 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.

Adjournment of Meeting

50. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting Rights

51. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
52. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
53. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

54. 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.
55. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
56. 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.
57. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

58. 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.
59. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
60. 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

61. The minimum number of Directors shall be 2 and maximum number of directors shall be 15.
The First Directors of the Company are:
 1. Tekulapalli Sanjay Reddy
 2. Swathi Reddy
62. (i) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting.
The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
 - (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - (b) in connection with the business of the company.
63. The Board may pay all expenses incurred in getting up and registering the company.

64. 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.
65. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
66. 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.
67. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

68. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) Subject to the Articles herein, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
69. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
72. (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
73. A committee may elect a Chairperson of its meetings.
74. 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.
75. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

76. 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.
77. 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.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

78. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
79. 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.

Managing Director

80. The business of the Company may be carried on by the Managing Director(s) who may be appointed by the Board of Directors / members in their General Meeting, from time to time who shall fix the terms, qualifications, remuneration, duties, authorities and powers. The Board may from time to time and subject to the provisions of the Act delegate to the Managing Director(s) such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time, revoke, withdraw, alter or vary all or any of the powers conferred on him or dismiss him from office and appoint another in his place.
81. Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. He shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.

The Seal

82. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

83. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

84. 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.
85. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
86. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
87. 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.
88. (i) 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.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent
89. 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.
90. 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.
91. No dividend shall bear interest against the company.
92. No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

Accounts

93. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding Up

94. 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.
95. 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.
96. 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

97. 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 XI – 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 the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material have been attached to the copy of the Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Application/Issue Opening Date until the Application/Issue Closing Date.

A. Material Contracts

1. Memorandum of Understanding dated June 10, 2017 between our Company, the Selling Shareholders and the Lead Manager.
2. Memorandum of Understanding dated June 09, 2017 between our Company, the Selling Shareholders and the Registrar to the Issue.
3. Escrow Agreement dated December 15, 2017 between our Company, the Selling Shareholders, the Lead Manager, Escrow Collection Bank(s) and the Registrar to the Issue.
4. Market Making Agreement dated June 10, 2017 between our Company, the Lead Manager and Market Maker.
5. Underwriting Agreement dated June 10, 2017 between our Company, the Selling Shareholders, the Lead Manager and Market Maker.
6. Share Escrow Agreement dated December 15, 2017 between the Selling Shareholders, our Company, the Lead Manager and the Escrow Agent.
7. Tripartite agreement between the NSDL, our Company and the Registrar dated September 25, 2017.
8. Tripartite agreement between the CDSL, our Company and the Registrar dated August 10, 2017.

B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificates of Incorporation of Silly Monks Entertainment Limited
3. Resolution of the Board of Directors meeting dated June 01, 2017 authorizing the Issue.
4. Shareholders' resolution passed at the EGM dated June 08, 2017 authorizing the Issue.
5. Auditor's report for Restated Financials dated December 15, 2017 included in this Prospectus.
6. The Statement of Tax Benefits dated June 12, 2017 from our Statutory Auditors.
7. Consent of our Directors, the Selling Shareholders, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lead Manager, Legal Advisor to the Issue, Banker to the Company, Banker to the Issue, Share Escrow Agent, Registrar to the Issue, Market Maker and Underwriters as referred to in their specific capacities.
8. Due Diligence Certificate(s) dated December 26, 2017 of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.
9. Approval from NSE vide letter dated September 14, 2017 to use the name of NSE in this Issue Document for listing of Equity Shares on the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd/-

Mr. Tekulapalli Sanjay Reddy
Chairman and Managing Director

Sd/-

Mr. Anil Kumar Pallala
Whole Time Director

Sd/-

Mrs. Swathi Reddy
Non-Executive Director

Sd/-

Mr. Venkata Kama Dixitulu Dixitula
Non-Executive Independent Director

Sd/-

Mr. Prasada Rao Kalluri
Non-Executive Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER

Sd/-

Mr. Narsing Rao
Chief Financial Officer

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

Sd/-

Ms. Sushma Barla
Company Secretary & Compliance Officer

Date: December 26, 2017

Place: Hyderabad

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to himself and the Equity Shares being offered by him in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

Sd/-

Mr. Tekulapalli Sanjay Reddy

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to himself and the Equity Shares being offered by him in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

Sd/-

Mr. Anil Kumar Pallala