



SUNGOLD MEDIA AND ENTERTAINMENT LIMITED
(Formerly Known as Shree Krishna Holiday Home and Farms Limited)

Our Company was incorporated as Shree Krishna Holiday Home and Farms Limited on 09th Day of March, 1995 under the provisions of Companies Act, 1956 with Registrar of Companies, Gujarat bearing Registration No. 024944 having its registered office in Gujarat. Subsequently, the name and the object clause of the Company was changed from Shree Krishna Holiday Home And Farms Limited to Sungold Media and Entertainment Limited pursuant to the Certificate of Name change obtained by Registrar of Companies, Gujarat on June 30, 2017. For further details regarding the changes in our name and registered office, kindly refer to the Chapter titled “History and Certain Corporate Matter” beginning on page no 106 of this Draft prospectus. Our Company’s Corporate Identity Number is U22100GJ1995PLC024944.

Registered Office: 13, Radhakrushna Mandir Compound, Rajpipla, Nandod, Narmada- 393145, Gujarat, India
Telephone: +91 9099018633

Company Secretary and Compliance Officer: [●]

Email: info@sungoldmediaent.com, **Website:** <http://www.sungoldmediaent.com>

OUR PROMOTERS: MR. RAJIV RAMESHCHANDRA KOTIA AND MR. RAJ RAJIV KOTIA



THE OFFER	
PUBLIC OFFER OF 13,50,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH (“EQUITY SHARES”) OF SUNGOLD MEDIA AND ENTERTAINMENT LIMITED (THE “COMPANY”) FOR CASH AT A PRICE OF RS. 10/- PER EQUITY SHARE (THE “OFFER PRICE”), AGGREGATING TO RS. 135.00 LACS (“THE OFFER”) THROUGH AN OFFER FOR SALE COMPRISING OF 13,50,000 EQUITY SHARES BY MR. RAJIV RAMESHCHANDRA KOTIA, OF WHICH 70,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 10/- PER EQUITY SHARE, AGGREGATING TO RS. 7.00 LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF 12,80,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS.10/- PER EQUITY SHARE, AGGREGATING TO RS. 128.00 LACS IS HEREAFTER REFERRED TO AS THE “NET OFFER”. THE OFFER AND THE NET OFFER WILL CONSTITUTE 27.00% AND 25.60% RESPECTIVELY OF THE FULLY DILUTED POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.	
THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE OFFER PRICE IS RS. 10 i.e. AT PAR WITH FACE VALUE	
THIS OFFER FOR SALE IS BEING MADE IN TERMS OF CHAPTER X-B OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME. THIS OFFER IS A FIXED PRICE OFFER AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATIONS, 2009, AS AMENDED.	
For further details please refer the chapter titled “Offer Procedure” beginning on page 173 of this Draft prospectus	
All potential investors may participate in the Issue 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 “Offer Procedure” beginning on page 173 of the Draft prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.	
RISKS IN RELATION TO FIRST ISSUE	
This being the first offer for sale by selling shareholder of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs. 10 and the offer price is Rs. 10. The offer Price (as determined by our Company and Selling Shareholder in consultation with the Lead Manager, as stated under the chapter titled “Basis for offer Price” beginning on page 70 of the Draft prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.	
GENERAL RISKS	
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of the Draft prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 13 of the draft prospectus.	
COMPANY’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY	
Our Company and Selling Shareholder, having made all reasonable inquiries, accepts responsibility for and confirms that the Draft prospectus contains all information with regard to the Company and this Offer, which is material in the context of this Issue, that the information contained in the Draft prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes the Draft prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect.	
LISTING	
The Equity Shares offered through this Draft prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”). Our Company has received an approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE Limited (“BSE SME”). For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 FINSHORE Creating Enterprise Managing Values	 SATELLITE CORPORATE SERVICES PVT. LTD.
Finshore Management Services Limited Anandlok, Block-A, 2 nd Floor, Room No. 207, 227 A.J.C. Bose Road, Kolkata-700020, India Telephone: +91-33-22895101 Facsimile: +91-33-22895101 Email: ramakrishna@finshoregroup.com Investor grievance email: info@finshoregroup.com Contact Person: Mr. S. Ramakrishna Iyengar Website: www.finshoregroup.com SEBI Registration Number: INM000012185	Satellite Corporate Services Private Limited Unit. No 49, Building No. 13 AB, 2 nd Floor, Samhita Commercial Co-Op Society Ltd, Off Andheri Kurla Road, MTNL Lane, Saki naka, Mumbai – 400 072. Tel. : +91-22- 28520461/462, Fax: +91-22- 28511809 SEBI Registration No: INR000003639 Email Id: service@satellitecorporate.com Website: www.satellitecorporate.com Contact Person: Mr. Michael Monteiro
ISSUE PROGRAMME	
ISSUE OPENS ON:	[●]
ISSUE CLOSES ON:	[●]

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

In this Draft prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI (ICDR) Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made there under.

DEFINITIONS:

TERMS	DESCRIPTION
“Our Company”, “the Company”, “SMEL” “we”, “us”“the Issuer” or “Sungold Media and Entertainment Limited”	Sungold Media and Entertainment Limited, a Public Limited Company incorporated under the Companies Act, 1956 (Formerly known as Shree Krishna Holiday Home and Farms Limited).
"you", "your" or "yours"	Prospective investors in this Issue

CONVENTIONAL/GENERAL TERMS:

TERMS	DESCRIPTION
AOA/Articles/ Articles of Association	Articles of Association of Sungold Media and Entertainment Limited, as amended from time to time
Audit Committee	A Committee constituted in accordance with Clause 52 of the SME Listing Agreement (BSE) in the meeting of our Board of Directors held on May 17, 2018
Auditor – Peer Review & Statutory Auditor	Bhatter & Company, Chartered Accountants
Banker to the Issue	HDFC Bank Limited
Board of Directors / Board/ Our Board	The Board of Directors of Sungold Media and Entertainment Limited, including all duly constituted Committee(s) thereof.
BSE-SME	The SME platform of BSE Limited for listing of Equity Shares offered under Chapter X-B of the SEBI (ICDR) Regulations
Company Secretary & Compliance Officer	[●]
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 and amendments thereto and / or Provisions of the Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Director(s)	Director(s) of Sungold Media and Entertainment Limited, unless otherwise specified
Equity Shares / Shares	Equity Shares of our Company of face value of Rs. 10.00/- each unless otherwise specified in the context thereof
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offerings

TERMS	DESCRIPTION
Key Managerial Personnel / Key Managerial Employees	The officers vested with executive powers and the officers at the level immediately below the Board of Directors as described in the section titled “ Our Management ” beginning on page no 110 of this Draft prospectus.
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of Sungold Media and Entertainment Limited
Non Resident	A person resident outside India, as defined under FEMA
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability 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
Promoter/Promoters	Promoters of the Company being Mr. Rajiv Rameshchandra Kotia and Mr. Raj Rajiv Kotia
Promoter Group Companies /Group Companies / Group Enterprises	Unless the context otherwise specifies, refers to those entities mentioned in the section titled “ Our Promoters and Promoter Group / Group Entities of our company ” beginning on page no 119 of this Draft prospectus.
Registered office of our Company	13, Radhakrushna Mandir Compound, Rajpipla, Nandod, Narmada- 393145, Gujarat, India
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act,
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time
SEBI Regulation/ SEBI (ICDR) Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended from time to time.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME Platform of BSE/Stock Exchange	The SME platform of BSE Limited for listing of Equity Shares offered under Chapter X-B of the SEBI (ICDR) Regulations
SWOT	Analysis of strengths, weaknesses, opportunities and threats
ROC	Registrar of Companies, Ahmedabad, Gujarat

ISSUE/OFFER RELATED TERMS:

TERMS	DESCRIPTION
Allot/ Allotment/ Allotted	Unless the context otherwise requires, issue / allotment of Equity Shares pursuant to the Issue to successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/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 being / have been issued /allotted.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an application pursuant to the terms of the Draft prospectus and the Application Form.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.

TERMS	DESCRIPTION
Application Form/ ASBA Application	The form in terms of which the Applicant shall make an application to subscribe to the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by all Applicants to make application authorizing a SCSB to block the application amount in the ASBA Account maintained with such SCSB.
ASBA Account	Account maintained by an ASBA Bidder with a SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant.
Bankers to the Company	Such banks which are disclosed as bankers to our Company in the chapter titled " General Information " beginning on page no 38 of this Draft prospectus
Basis of Allotment	The basis on which the Equity Shares will be allotted as described in the section titled " Offer Information " beginning on page no 165 of this Draft prospectus.
Broker Centers	Broker Centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers, are available on the website of the BSE
BSE	BSE Limited.
Business Day	Monday to Friday (except public holidays)
CAN or 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.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on http://www.sebi.gov.in
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996.
Depository Participant/DP	A depository participant as defined under the Depositories Act.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on http://www.sebi.gov.in
Designated Date	The date on which funds are transferred from the ASBA Accounts to the Public Issue Account in terms of the Draft prospectus.
Draft prospectus	This Draft prospectus dated June 08, 2018 issued in accordance with Section 26 & 32 of the Companies Act, 2013.
Eligible NRI	NRIs from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft prospectus constitutes an invitation to subscribe for the Equity Shares on the basis of the terms thereof.
Banker to Issue Agreement	Agreement entered into on [●] amongst our Company, Selling shareholder, Lead Manager, the Registrar and the Banker to the Issue for collection of the Application Amounts and for remitting refunds (if any) of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and condition thereof.
Bankers to the Issue	The bank(s), which are clearing members and are registered with SEBI as Banker (s) to the Issue at which the Public Issue Account for the Issue will be opened, in this case being HDFC Bank Limited
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form

TERMS	DESCRIPTION
Issue Opening Date	[●]
Issue Closing Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Price	The price at which Equity Shares will be issued and allotted by our Company being Rs. 10/- per Equity Share
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter title “Objects of the Issue” beginning on page no. 68 of this Draft prospectus
Issue/Offer	The offer for sale to public of 13,50,000 Equity Shares of face value Rs. 10 each of Sungold Media And Entertainment Limited for cash at a price of Rs. 10 per Equity Share (the "Offer Price") aggregating up to Rs. 135.00Lakhs by the selling shareholder.
LM / Lead Manager	The Lead Manager for the Issue being Finshore Management Services Limited.
Market Maker	In our Case, [●] having its Registered Office at [●]
Market Making Agreement	The Market Making Agreement dated [●] between our Company and Market Maker.
Market Maker Reservation Portion	The reserved portion of 70,000 Equity Shares of Rs. 10 each at an Issue Price of Rs. 10 each to be subscribed by Market Maker.
MOU/ Issue Agreement	Issue Agreement dated May 26, 2018 between our Company and Lead Manager
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 12,80,000 Equity Shares of face value Rs. 10 each of Sungold Media and Entertainment Limited for cash at a price of Rs. 10 per Equity Share (the "Offer Price") aggregating up to Rs. 128.00 Lakhs.
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs).
OFS	Offer for sale by selling shareholders to Public shareholders
Other Investors	Investors other than Retail Individual Investors. 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.
Overseas Corporate Body / OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Draft prospectus	The Draft prospectus, to be filed with the ROC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013.
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers or QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital investor registered with the Board, a foreign institutional investor and sub-account (other than a subaccount which is a foreign corporate or foreign individual), registered with the Board; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered

TERMS	DESCRIPTION
	with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs. 25.00 Crore rupees; National Investment Fund set up by resolution No. F. No. 2/3/2005 - DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of BSE having right to trade in stocks listed on Stock Exchange, through which investors can buy or sell securities listed on stock exchange, a list of which is available on http://www.bseindia.com/members/MembershipDirectory.aspx
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended
Registrar/ Registrar to this Issue/RTI	Registrar to the Issue being Satellite Corporate Services Private Limited.
Reserved Category / Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Individual Bidders (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs. 2,00,000 in this Issue.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
Self-Certified Syndicate Bank or SCSB	A Bank which is registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA including blocking of bank account, a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Selling Shareholder	Mr. Rajiv Rameshchandra Kotia
SME Exchange	SME Platform of the BSE Limited i.e. BSE-SME
Stock Exchange	BSE Limited (BSE SME Platform)
Underwriters	The Lead Manager and the Market Maker who have underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the SEBI (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated [●] entered into between the Underwriters, Selling Shareholder and our Company.
Working Days	All days, other than second and fourth Saturday of a month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Issue Closing Date and the listing of the Equity Shares on the SME Exchange of BSE, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

COMPANY/INDUSTRY RELATED TERMS/TECHNICAL TERMS:

TERMS	DESCRIPTION
2D	Two dimensional
3D	Three dimensional
Bollywood	Terminology for Hindi Film Industry
D-Cinema	Digital Cinema
E-Cinema	A commonly used term to describe various technologies used to digitally deliver movie content other than through D-Cinema.
Motion Pictures	Audiovisual works consisting of a series of related images which when shown in succession, impart an impression of motion
Pre-Production	Preparation for the shoot, in which cast and crew are hired, locations are selected, and sets are built
Post-Production	The film is edited, sound effects, music and any computer effects are added, and the film is completed
Script	The dialogue and instructions for a performance work
VHS	Video Home System

ABBREVIATIONS:

ABBREVIATION	FULL FORM
ACS	Associate Company Secretary
A/C	Account
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
AOA	Articles of Association
ASBA	Application Supported by Blocked Amount
B.Com	Bachelor of Commerce
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
B.Sc.	Bachelor of Science
B. Tech.	Bachelor of Technology
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CB	Controlling Branch
CC	Cash Credit

ABBREVIATION	FULL FORM
CENVAT	Central Value Added Tax
C. A.	Chartered Accountant
CIN	Corporate Identification Number
CST	Central Sales Tax
CAIIB	Certified Associate of the Indian Institute of Bankers
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
C.S.	Company Secretary
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identification Number
DNB	Diplomat of National Board
ECS	Electronic Clearing System
EBIDTA	Earnings before Interest, Depreciation, Tax and Amortisation
EGM / EOGM	Extra Ordinary General Meeting of the shareholders
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per Equity Share
ESOP	Employee Stock Option Plan
ESIC	Employee's State Insurance Corporation
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 issued there under.
FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
FPIs	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992
FIs	Financial Institutions.
FIPB	Foreign Investment Promotion Board, Department of Economic Affairs, Ministry of Finance, Government of India
FY / Fiscal	The period of twelve (12) months ended on March 31 of that particular year

ABBREVIATION	FULL FORM
FV	Face Value
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI/ Government	Government of India
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
i.e.	That is
IFRS	International Financial Reporting Standards
IRDA	Insurance Regulatory and Development Authority
Indian GAAP	Generally Accepted Accounting Principles in India
I. T. Act	The Income Tax Act, 1961, as amended.
IT Authorities	Income Tax Authorities
I. T. Rules	The Income Tax Rules, 1962, as amended, except as stated otherwise
INR / Rs./ Rupees/₹	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offer
KMP	Key Managerial Personnel
LM	Lead Manager
MICR	Magnetic Ink Character Recognition
Mn	Million
MNC	Multi National Company
MOA	Memorandum of Association
MOF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
MBA	Master's in Business Administration
N.A.	Not Applicable
NAV	Net Asset Value
No.	Number
NR	Non Resident
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited

ABBREVIATION	FULL FORM
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NRE Account	Non-Resident (External) Account
NRO Account	Non-Resident (Ordinary) Account
NI Act	Negotiable Instruments Act, 1881
OCB	Overseas Corporate Bodies
p.a	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
Pvt	Private
P/E Ratio	Price/Earnings Ratio
QIB	Qualified Institutional Buyer
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC/Registrar of Companies	The Registrar of Companies, Ahmedabad, Gujarat
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement Indian Rupees, the official currency of the Republic of India
SARFAESI	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts Regulations Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small And Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number

ABBREVIATION	FULL FORM
USD/ \$/ US\$	The United States Dollar, the legal currency of the United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
USD/US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value added tax
w.e.f	With effect from
YoY	Year on Year

Notwithstanding the foregoing:

1. In the section titled “**Main Provisions of Articles of Association**” beginning on page no 211 of the Draft prospectus , defined terms shall have the meaning given to such terms in that section;
2. In the chapters titled “**Summary of Our Business**” and “**Industry Overview**” beginning on page no 27 and 74 respectively, of the Draft prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled “**Risk Factors**” beginning on page no 13 of the Draft prospectus, defined terms shall have the meaning given to such terms in that section;
4. In the chapter titled “**Statement of Tax Benefits**” beginning on page no 72 of the Draft prospectus, defined terms shall have the meaning given to such terms in that section;
5. In the chapter titled “**Management’s Discussion and Analysis of Financial Conditions and Results of Operations**” beginning on page no 138 of the Draft prospectus, defined terms shall have the meaning given to such terms in that section.

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

CERTAIN CONVENTION:

All references in this Draft prospectus to "India" are to the Republic of India. All references in this Draft prospectus to the "U.S.", "USA" or "United States" are to the United States of America.

In this Draft prospectus, the terms "we", "us", "our", "the Company", "our Company", "Sungold Media and Entertainment Limited", unless the context otherwise indicates or implies, refers to Sungold Media and Entertainment Limited. In this Draft prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore". In this Draft prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

USE OF FINANCIAL DATA:

Unless stated otherwise, the financial data in this Draft prospectus is derived from our financial statements prepared and restated for the financial year ended 31st March 2013, 2014, 2015, 2016, 2017 and for the period ended 28th February 2018 in accordance with Indian GAAP, Accounting Standards, the Companies Act, as stated in the reports of our Peer Auditors and SEBI (ICDR) Regulations, 2009 included under Section titled "**Financial Information of the Company**" beginning on page no 123 of this Draft prospectus. In this Draft prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. Our Company has no subsidiaries. Accordingly, financial information relating to us is presented on a Standalone basis. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, US GAAP and IFRS. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian Accounting Practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft prospectus should accordingly be limited.

CURRENCY OF FINANCIAL PRESENTATION AND EXCHANGE RATES

All references to "Rupees" or "Rs." or "INR" or ₹ are to Indian Rupees, the official currency of the Republic of India. All references to "\$", "US\$", "USD", "U.S.\$" or "U.S. Dollar(s)" are to United States Dollars, if any, the official currency of the United States of America. This Draft prospectus contains translations of certain U.S. Dollar and other currency amounts into Indian Rupees (and certain Indian Rupee amounts into U.S. Dollars and other currency amounts). These have been presented solely to comply with the requirements of the SEBI Regulations. These translations should not be construed as a representation that such Indian Rupee or U.S. Dollar or other amounts could have been, or could be, converted into Indian Rupees, at any particular rate, or at all.

In this Draft prospectus, throughout all figures have been expressed in Lacs, except as otherwise stated. The word "Lacs", "Lac", "Lakhs" or "Lakh" means "One Hundred Thousand".

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operation" and elsewhere in this Draft prospectus, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with Indian GAAP.

INDUSTRY & MARKET DATA

Unless stated otherwise, industry and market data and forecast used throughout this Draft prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Although, we believe industry and market data used in this Draft prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

FORWARD LOOKING STATEMENTS

Our Company has included statements in this Draft prospectus, that contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "project", "shall", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will continue", "will pursue" and similar expressions or variations of such expressions that are "forward-looking statements". However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our Company objectives, plans or goals, expected financial condition and results of operations, business plans and prospects are also forward-looking statements.

These forward-looking statements include statements as to business strategy, revenue and profitability, planned projects and other matters discussed in this Draft prospectus regarding matters that are not historical fact. These forward-looking statements contained in this Draft prospectus (whether made by us or any third party) involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

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 Media & Entertainment industry in India in which we have our business 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:

1. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
2. Changes in laws and regulations relating to the Sectors in which we operate;
3. Realization of Contingent Liabilities;
4. Occurrence of Environmental Problems & Uninsured Losses;
5. Increased competition in industries / sector in which we operate;
6. Factors affecting the industry in which we operate;
7. Our ability to meet our capital expenditure requirements
8. Our ability to successfully implement our growth strategy and expansion plans and to successfully launch and implement various projects and business plans;
9. Fluctuations in operating costs;
10. Our ability to attract and retain qualified personnel;
11. Our failure to keep pace with rapid changes in technology;
12. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices.
13. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
14. Any adverse outcome in the legal proceedings in which we/our group companies are involved;
15. Other factors beyond our control;
16. Our ability to manage risks that arise from these factors;
17. Changes in Government policies and Regulatory actions that apply to or affect our business;
18. Conflicts of interest with affiliated companies, the promoter group and other related parties; and
19. The performance of the financial markets in India and globally.

For further discussion of factors that could cause our actual results to differ, see the Section titled "Risk Factors", "Our Business" & "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page no 13, 91 & 138 respectively of this Draft prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, our Directors, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved.

Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business.

If any of the following risks, or other risks that is not currently known or is now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

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 implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 91, “Industry Overview” beginning on page no 744, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no 138 and “Outstanding litigation and Material developments” beginning on page no 147 respectively, of this Draft prospectus as well as other financial information contained herein.

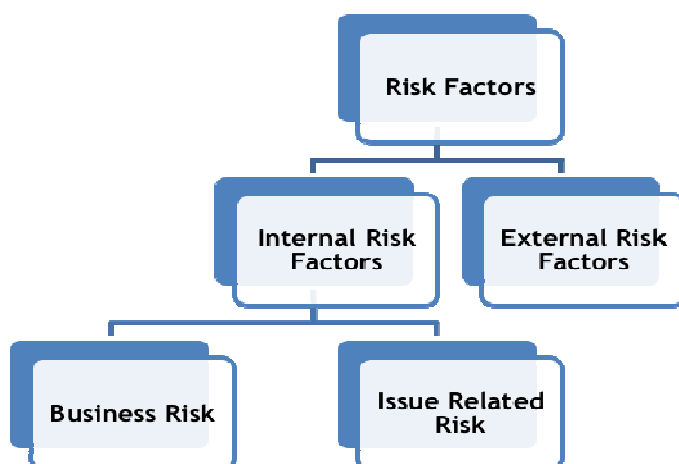
The following factors have been considered for determining the materiality of Risk Factors:

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein.

For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviations” beginning on page no 1 of this Draft prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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



INTERNAL RISK FACTORS:**A: Business Risk / Company Specific Risk****1. Certain of our Promoter group and our Promoter, Directors are involved in certain legal proceedings.**

A. Certain of our Promoter Group and our Promoter, Directors, are involved in certain legal proceedings. Market Regulator SEBI has imposed penalty on our Promoter, promoter group and directors for wrong disclosure of shareholding, non disclosure as per SEBI (Prohibition of Insider Trading) Regulation 1992, non disclosure as per SEBI (SAST) 1997 and violation of Section 11 C (3) read with Section 11(2) (I) of SEBI Act 1992. The details are as follows:

Sr. No	Name & Relationship	Date of Order	Particulars	Amount (In Rs)
1	Sungold Capital Limited (NOTE-1)	30 th June 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/49-57/2017-18]]	Section 23E of the SCRA, 1956, for the violation of provisions of Section 21 of SCRA read with Clause 35 of Listing Agreement, on Sungold Capital Limited, notice no. 1 herein for wrongly classifying the shareholding of the 'promoter group' as 'public holding' and making wrong disclosures of the shareholding of Ravi Rajiv Kotia.	500,000
2	Sungold Capital Limited, Rajiv R Kotia, Ashok Modi, Sharadchandra Gandhi (NOTE-2)	30 th June 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/49-57/2017-18]	Section 15HA of the SEBI, 1992, for the violation of provisions of Regulation 3 (d) of SEBI PFUTP Regulations, 2003, payable jointly and severally by the notices i.e. Sungold Capital Limited and its executive Directors namely Shri Rajiv R Kotia, Shri Ashok Modi and Shri Sharad Gandhi for providing false and misleading information to the stock exchanges by classifying the shareholding of the 'promoter group' as 'public holding'	1,000,000
3	Rajiv R Kotia in the case of Sungold Capital Limited.	30 th June 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/49-57/2017-18]	Section 15A (b) of the SEBI Act, 1992, for the violation of Regulation 13 (4) read with Regulation 13 (5) of SEBI (Prohibition of Insider Trading) Regulations, 1992, on the notice no. 2, Shri Rajiv R Kotia, Promoter, Chairman & Managing Director of Sungold Capital Limited for failure to disclose to the Company and to the stock exchange the change in the shareholding of his Wife and Son under the aforesaid PIT Regulations.	12,00,000
4	Shilpa Amit Kotia, Dhaval Ramesh Kotia, Shwetha Dhaval Kotia, Seema Rajiv Kotia, Ravi Rajiv Kotia, under (NOTE-3)	30 th June' 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/58-62/2017-18]	Section 15I of the SEBI Act, 1992 read with Rule 5 of the Adjudication Rules, hereby impose, a penalty of ` 10,00,000/- (Rupees Ten Lakhs Only) payable jointly and severally by the notices namely Smt. Shilpa Amit Kotia, Shri Dhaval Ramesh Kotia, Smt. Shwetha Dhaval Kotia, Smt. Seema Rajiv Kotia and Shri Ravi Rajiv Kotia, under Section 15A (b) of the SEBI Act, 1992, for the violation of Regulation 7 (1A) read with Regulation 7 (2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997	10,00,000
5	Sungold Capital Limited,	19 th July 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/82-86/2017-18]	Section 15I of the SEBI Act, 1992 read with Rule 5 of the SEBI Adjudication Rules, whereby penalty is impose, under Section 15A (a) of the SEBI Act, 1992, for the violation of Section 11C (3) read with Section 11 (2) (I) of SEBI Act, 1992 by the notices.	500,000
6	Shilpa Amit Kotia, Shwetha Dhaval Kotia, Ravi Rajiv Kotia, Seema Rajiv	19 th July 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/82-	Section 15I of the SEBI Act, 1992 read with Rule 5 of the SEBI Adjudication Rules, whereby penalty is impose under Section 15A (a) of the SEBI Act, 1992, for the violation of Section 11C (3) read with Section	800,000

Kotia (NOTE-3)	86/2017-18]	11 (2) (I) of SEBI Act, 1992 by each of the notice no. 2 to 5 namely Smt. Shilpa Amit Kotia, Smt. Shwetha Dhaval Kotia, Shri Ravi Rajiv Kotia and Smt. Seema Rajiv Kotia.
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On the basis of aforesaid order, the appellant has made appeal to Securities Appellate Tribunal vide latter dated 31st August, 2017 & 20th September 2017 respectively. It is under process.

NOTE 1: Mr. Rajiv Rameshchandra Kotia Promoter of Sungold Media & Entertainment Ltd is also the promoter, Chairman and Managing Director of Sungold Capital Limited, listed in BSE.

NOTE 2: Mr. Sharadchandra Gandhi is father of Mr Keyur Sharadchandra Gandhi who holds 43,880 shares consisting of 0.88% in of Sungold Media & Entertainment Ltd and is also is Non-Executive Director in the company

NOTE 3: Smt. Shilpa Amit Kotia is wife of Mr. Amit Kotia (Director of SMEL), Smt. Shwetha Dhaval Kotia step sister-in-law of Mr. Rajiv Kotia (one of promoters in SMEL), Shri Ravi Rajiv Kotia son of Mr. Rajiv Kotia and Smt. Seema Rajiv Kotia is wife of Mr. Rajiv Kotia)

B. A criminal case against Mr. Amit Kotia is pending before Metropolitan Magistrate Court, Ahmedabad under 27/2001 (Sec 304A of IPC i.e. Culpable Homicide not amounting to murder). The said application has been filed by the applicant accused u/s 439 of the criminal procedure code and prayed for enlargement in connection with the CR No. 1st 27/01 registered at Sabarmati Police Station relating to the offence punishable u/s 304, 120(B), 308 and also for the offence u/s 3(2) (c)(d) and 7(1)(I)(II) of the Gujarat Ownership Flat Act 1073.

2. We require certain approvals, permits and licenses in the ordinary course of business, and any failure or delay to obtain or renew them may adversely affect our operations.

We require certain statutory and regulatory permits and approvals for our business. Additionally, we may need to apply for more approvals in the future including renewal of approvals that may expire from time to time. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. Failure by us to renew, maintain or obtain the required permits or approvals within the requisite time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. Further, these permits, licenses and approvals are subject to several conditions, and we cannot assure you that we shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits/licenses/approvals. Any such failure or delay in obtaining such approvals permits and licenses may have an adverse effect on our business and results of operations. The following licenses are not available with us:

Sr. No.	Particulars	Authority
1	Registration for GST	Government of India, Ministry of Finance, Department of Revenue

3. Earlier the company was engaged in the business of marketing, development and maintenance of Farm Houses, Holidays Resorts, Housing Society etc. but no such statutory approvals, licenses, registration etc available. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.

4. There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 1956/2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.

Mr. Rajiv Rameshchandra Kotia has ceased to be a promoter from the company as per Board Resolution dated 12th May 2016. No promoters in the company as per MGT-9 of FY 2016-17. Again Mr. Rajiv Rameshchandra Kotia and Mr. Raj Rajiv Kotia have been appointed as Promoters of the company on 03rd April 2017.

5. Any downturn in the Indian or international cinema industries could materially adversely affect our business, financial condition, results of operations and prospects.

Our success is highly dependent upon our ability to provide services to, and generate revenues from, movie producers, distributors and exhibitors, as well as from advertisers through in-cinema advertising. These parties are dependent on the health of the Indian and international cinema industries, which are significantly impacted by factors entirely outside of our control. Such factors include:

Alternative sources of entertainment and entertainment delivery: The cinema industry competes with many other sources of entertainment and entertainment delivery, including television and the internet. Technological advancements such as video on demand, mobile and internet streaming and downloading have increased the number of entertainment and information delivery choices available to consumers and have intensified the challenges posed by audience fragmentation. Movies may also be released under alternative methods, such as DVD or HD DVD, cable television, downloads via the internet, video discs, video on demand, satellite and pay-per-view services. The increasing number of choices available to audiences could negatively impact consumer demand for viewing movies in a cinema, and there can be no assurance that occupancy rates at cinemas will not fall.

The success of movies shown in cinemas. The success of first-run movies that are shown in cinemas depends upon the production and marketing efforts of movie studios and the attractiveness and value proposition of the movies to consumers compared to other forms of entertainment.

General economic conditions. A decline in general economic conditions may negatively impact consumer spending, and any reduction in consumer confidence or disposable income in general could lead to a decline in cinema attendance. A decline in attendance at cinemas may reduce the number of movies produced, distributed and screened, which would directly affect the revenue that we receive from content producers and distributors, as well as reduce the number of cinemas and screens in operation, which could impact the amount of revenues we generate from exhibitors. Further, a sustained decline in economic conditions could result in closure or downsizing by or otherwise adversely impact, content producers, distributors and exhibitors on whom we rely for revenue. The value of our in-cinema advertising business could also be adversely affected by a long-term multi-year decline in cinema attendance or even the perception by advertisers that our platform is no longer suitable for their needs due to the decreases in attendance and geographic coverage. Therefore, any downturn in the overall Indian and international cinema industries would materially adversely affect our business, financial condition, results of operations and prospects.

6. One of director Mr. Kamlesh Hirapara was disqualified u/s 164 (Director Report 2016) as per Auditor remarks in ABS 2015-16 and vacate the office u/s 167 of companies act in May 2016 (Director Report 2016-2017).

7. The Registered Office of Our Company is not owned by us.

We operate from our registered office situated at 13, Radhakrushna Mandir Compound, Rajpipla, Nandod, Narmada- 393145, Gujarat, India. The registered office of our Company belongs to Mr. Pranavbhai Kanchanbhai Patel and we have taken the same on leave and license basis from him. Any discontinuance of such arrangement will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

8. The entertainment industry is subject to shifts in tastes and preferences of audiences.

The entertainment industry is prone to unforeseen shifts in tastes and preferences of audiences, which could have an impact on the operations of our Company. Our success will depend on our ability to understand the business environment and adapt/change our business strategy accordingly.

9. Our Company has not registered any Trade Mark till the date of filling of this draft prospectus. Any delay in making an application and/or granting registration or in obtaining registration could result in loss of brand equity and the company's right to use the said brand.

Our Company has made an application to the Trade Mark Registry, Gujarat to register its company logo. The company depending on the future requirements may make further application to the Trade Mark Registry, Gujarat to register its brand/logo for different products. While filing application for registration if

the same is not accepted or if the oppositions filed against the trademark application if any, are successful, and our company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks. For further details please refer to the chapter titled "Government and Other Key Approvals" beginning on page no. 152 of the draft prospectus.

10. Our Company has not taken any insurance coverage which may protect us against certain operating hazards and from all losses and this may have an adverse impact on the financial conditions of the business.

Our Company has not taken any insurance cover at present. Hence we may not be able to protect ourselves from any damage or loss suffered by us. To the extent that we suffer any loss or damage, the operational results of the company could be adversely affected. Our Company does not maintain a directors and officers liability insurance policy for the directors or key managerial personnel of the Company.

11. We have reported negative cash flows.

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

(Rs. In Lakh)

Particulars	28.02.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Net Cash Flow from Operating Activities	(0.12)	5.34	7.95	(299.40)	70.47	(93.47)
Net Cash Flow from Investing Activities	(64.54)	(21.49)	10.34	30.00	(30.00)	0.00
Net Cash Flow from Financing Activities	63.59	0.00	0.00	265.00	(33.14)	93.75
Net Increase / (Decrease) in Cash & Cash Equivalents	(1.07)	(16.16)	18.29	(4.39)	7.32	0.28

12. Our success depends largely on our senior management and our ability to attract and retain our key personnel.

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of our Promoter could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition. We do not maintain keyman life insurance for our Promoter, senior members of our management team or other key personnel.

13. Our ability to acquire desired programming and artistic talent might be adversely affected by competition and costs.

The success of our operations would depend largely upon the quality of our content. Retention and enhancement of our viewership would depend upon our ability to acquire popular contents and in the production of popular films at a reasonable price. We may face competition in acquiring rights of popular films and from entertainment companies in the film industry for arrangements with popular artists, technicians, directors, producers and writers for our in-house production of films. Inability to obtain / produce high quality programming content, high cost associated with competition may adversely affect our financials and business condition.

14. Public Image of lead artists working in films produced / events managed by Our Company may affect the success of film and event.

Since the lead artists are usually public figures, their image in public is very crucial to their popularity. Any dent to their public image for any reason whatsoever may impact the performance of the film and event and consequently our financials may be affected.

15. There is no monitoring agency appointed by Our Company and the deployments of funds are at the discretion of our Management and our Board of Directors.

As per SEBI (ICDR) Regulations, 2009 appointment of monitoring agency is required only for Issue size above Rs. 100.00 crores, provided that nothing contained in this clause shall apply to an offer for sale or an issue of specified securities made by a bank or public financial institution. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. Since this being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency for the Offer.

16. *Our operations are considerably located in Gujarat and failure to expand our operations may restrict our growth and adversely affect our business.*

Currently, we are carrying our business mainly in the Gujarat hence our major revenues are generated from operations in this region only. Geographical and functional expansion of our business domain requires establishment of adequate network. As we seek to diversify our regional focus, we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers. Our lack of exposure in geographical boundaries outside our operating regions could impact our future revenues, our operating results and financial conditions.

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

We operate in an industry, which faces intense competition from established as well as unorganized players. Our competition depends on several factors, which include quality, price and our pace in keeping up with the changing trends. Competition emerges from both organized as well as unorganized sector.

18. *Our contracts/arrangements with artist/ technicians etc can typically be terminated without cause and with little or no notice or penalty, which could negatively impact our revenues and profitability.*

Most of our arrangements/contracts with private parties, artist/ technicians can be terminated with or without cause, usually at short notice and without termination related penalties. Additionally, most of our agreements with customers are without any commitment to future work. Our business is dependent on the decisions and actions of our customers, and there are number of factors relating to our customers that are outside our control and which might result in the termination of a project or the loss of a customer. Any of these factors could adversely affect our revenues and profitability.

19. *Upon completion of the Issue, our Promoters / Promoter Group may continue to retain significant control, which will allow them to influence the outcome of matters submitted to the shareholders for approval.*

After completion of the Issue, our Promoters and Promoter Group will collectively own 50.32% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

20. *Our Company has entered into certain related party transactions.*

Our Company has entered into certain transactions with related parties, including our Promoters and Promoter Group. While we believe that such transactions are carried on arms length basis, however any transactions with our related parties may potentially involve conflicts of interest and impose certain liabilities on our Company. For more details, please refer to chapter titled "Related Party Transactions" on page no 122 of the Draft prospectus.

21. *Our growth strategies are subject to execution risks. If not implemented effectively, our business and financial performance will be adversely affected.*

The success of our business will depend greatly on our ability to effectively implement our growth strategies. Our growth strategies include expanding our service offerings, use of technological platform to deliver our services, expanding our own network and new product offerings in a cost effective and timely manner. The expansion of our services in terms of the type of offerings and the geographic locations may not succeed due to competition, our failure to effectively market our new offerings and our failure to maintain quality and consistency of our services. In addition, we may fail to identify new cities with sufficient growth potential to expand our network, and we may fail to attract customers. Failure in implementing any of our growth strategies effectively might have an adverse effect on our business and profitability.

22. *The requirements of being a listed company may strain our resources.*

We were not a listed Company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies which may adversely affect the financial position of our Company.

23. *Our Company will not receive any proceeds from the Offer for Sale portion. Further, the deployment of the net proceeds is entirely at our discretion and is not subject to any monitoring by any independent agency.*

This Offer includes an Offer for Sale of 13,50,000 Equity Shares by the Selling Shareholder. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholders and our Company will not receive any proceeds from such Offer for Sale. For further details, please refer to the chapter "Objects of the Offer" at the beginning of page no 68

B: Risk related to this Issue and our Equity Shares

24. *Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditure and other factors.*

Our Company has not yet paid any dividends. For further details please refer to chapter titled "Dividend Policy" beginning on page no 122 of the Draft prospectus. However, the amount of our future dividend payments, if any, will depend upon our future earnings, financial conditions, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all.

25. *Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.*

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

26. *There is no guarantee that the Equity Shares offered pursuant to this Issue will be listed on the BSE SME in a timely manner.*

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are required to obtain in-principle approval for listing of our Equity Shares issued. We have applied to BSE Limited to use its name as the Stock Exchange in this Offer Document for listing our Equity Shares on the SME Platform of BSE Limited. Permission for listing of the Equity Shares will be granted only after the Equity Shares offered in this Issue have been allotted. Approval from BSE Limited will require all relevant documents authorizing the issuing of the Equity Shares to be submitted to it. There could be a failure or

delay in listing the Equity Shares on the SME Platform of BSE. Further, certain procedural and regulatory requirements of SEBI and the Stock Exchanges are required to be completed before the Equity Shares are listed and trading commences. Trading in the Equity Shares is expected to commence within 6 Working Days from the Issue closing Date. However, we cannot assure you that the trading in the Equity Shares will commence in a timely manner. Any failure or delay in obtaining the approvals would restrict your ability to dispose off your equity shares.

27. *Non conversion of physical shares into demat:*

Till the date of filing of this draft prospectus, all the physical shares held by Promoters / public categories shareholders have not been transferred into Demat account and are under process. This may affect the category of our listing into separate category/grade and trading of shares may be effected. Non conversion of 100% equity shares from physical form to demat account before getting final approval from BSE may impose certain restriction of trading by the exchange.

EXTERNAL RISK FACTORS

28. *Natural calamities and force majeure events may have an adverse impact on our business.*

Natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of deficient or abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy, which could adversely affect our business and results of operations.

29. *We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards (“IFRS”). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.*

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the “IFRS Convergence Note”). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders’ equity may appear materially different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal/period.

30. *Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.*

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company’s business could cause its results of operations to suffer. Any significant change in India’s economic policies could disrupt business and economic conditions in India generally and the Company’s business in particular.

31. *Financial instability in Indian financial markets could adversely affect our company’s results of operations and financial condition.*

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, 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. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

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

Under the foreign exchange regulations currently in force in India, transfers of shares between nonresidents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

The Issue Price of our Equity Shares shall be determined by Fixed Price method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" of this Draft prospectus) and may not be indicative of the market price of 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. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

34. There are restrictions on daily / weekly / monthly movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time

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

Prior to this Issue, there has been no public market for our Equity Shares. Our Company will appoint Market Makers to the Issue. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian capital markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

36. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.*

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

37. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.*

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the Mumbai terrorist attacks and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

38. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.*

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include GST, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

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

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

PROMINENT NOTES:

1) SIZE OF THE ISSUE:

Public Issue of 13,50,000 Equity Shares of Rs. 10/- each (the "Equity Shares") for cash at a price of Rs. 10/- per Equity Share aggregating to Rs. 135.00 Lakhs ("the Issue") by Sungold Media and Entertainment Limited ("Company" or the "Issuer"). Out of the Issue, 70,000 Equity Shares of Rs. 10 each at a price of Rs. 10/- each per Equity Share aggregating to Rs. 7.00 Lacs, which will be reserved for subscription by Market Makers to the issue (the "market maker reservation portion") and Net Issue to the Public of 12,80,000 Equity Shares of Rs. 10 each at a price of Rs. 10/- each per Equity Share aggregating to Rs. 128.00 Lacs (hereinafter referred to as the "Net Issue"). The Issue and the Net Issue will constitute 27.00% and 25.60%, respectively, of the post issue paid up Equity Share capital of the Company.

- 2) The average cost of acquisition of Equity Shares by the Promoter:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (In Rs.)
Mr. Rajiv Rameshchandra Kotia	16,53,550	10.36
Mr. Raj Rajiv Kotia	16,11,132	10.00

**The average cost of acquisition of our Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares, including the issue of bonus shares to them, if any. For more information, please refer to the section titled "Capital Structure" beginning on page no 45.*

- 3) Our Net worth as on March 31, 2017 was Rs. 484.43 Lakh and as on February 28, 2018 is Rs. 557.85 Lakh as per Restated Financial Statements.
- 4) The Book - Value per share as on March 31, 2017 was Rs. 11.29 and as on February 28, 2018 is Rs. 11.16 as per Restated Financial Statements.
- 5) The name of our Company since incorporation was Shree Krishna Holiday Home and Farms Limited, with effect from 30th June, 2017 and pursuant to Certificate of change of name received from Registrar of Companies, Ahmedabad the name of the Company was changed to Sungold Media and Entertainment Limited.
- 6) Investors may please note that in the event of over subscription, allotment shall be made on proportionate basis in consultation with the BSE, the Designated Stock Exchange. For more information, please refer to section "Basis of Allotment" beginning on page no 204 of the Draft prospectus. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
- 7) Investors are advised to refer to the paragraph on "Basis for offer Price" beginning on page no 70 of this Draft prospectus before making an investment in this Issue.
- 8) This being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency for the Offer.
- 9) Investors may contact the Lead Manager or the Company secretary and the Compliance Officer for any complaint/clarifications/information pertaining to the Issue. For contact details of the Lead Manager and the Compliance Officer, refer the front cover page.
- 10) Other than as stated in the chapter titled "Capital Structure" beginning on page no 45 of this Draft prospectus, our Company has not issued any Equity Shares for consideration other than cash.
- 11) Except as mentioned in the chapter titled "Capital Structure" beginning on page no 45 of this Draft prospectus, we have not issued any Equity Shares in the last twelve months.
- 12) Except as disclosed in the sections titled "Our Management" or "Our Promoters" beginning on pages no 110 and 119 respectively of this Draft prospectus, none of our Promoters, our Directors and our Key Managerial Employees have any interest in our Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding.
- 13) Any clarification or information relating to the Issue shall be made available by the LM and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the Lead Manager or the Company secretary and the Compliance Officer for any complaints pertaining to the Issue. Investors are free to contact the Lead Manager or the Company secretary and the Compliance Officer for any clarification or information relating to the Issue who will be obliged to provide the same to the investor.

- 14) For transactions in Equity Shares of our Company by the Promoter Group and Directors of our Company in the last six (6) months, please refer to paragraph under the chapter titled "*Capital Structure*" beginning on page no 45 of this Draft prospectus.
- 15) There are contingent liabilities as on date of filing of this draft prospectus for the outstanding Income Tax Demand of Rs. 20,160/-.
- 16) For details of any hypothecation, mortgage or other encumbrances on the movable and immovable properties of our Company please refer to the section titled "*Financial Information of the Company*" beginning on page no 123 of this Draft prospectus.
- 17) Except as disclosed in the section titled "*Our Promoter and Promoter Group / Group Entities of our Company*" beginning on page no 119, none of our Group Companies have business interest in our Company.
- 18) For interest of Promoters/Directors, please refer to the section titled "*Our Promoters and Promoters Group*" beginning on page no 122 of this Draft prospectus.
- 19) The details of transactions with the Group Companies/ Group Enterprises and other related party transactions are disclosed as Annexure 21 of restated financial statement under the section titled "*Financial Information of the Company*" beginning on page no 123 of the Draft prospectus

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

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

This is only the summary and does not contain all information that you shall consider before investing in Equity Shares. You should read the entire Draft prospectus, including the information on “Risk Factors” and related notes beginning on page no 13 of this Draft prospectus before deciding to invest in Equity Shares.

INDUSTRY OVERVIEW

Introduction

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

The Indian advertising industry is projected to be the second fastest growing advertising market in Asia after China. At present, advertising revenue accounts for around 0.38 per cent of India’s gross domestic product.

Market Dynamics

Indian media and entertainment (M&E) industry grew at a CAGR of 18.55 per cent from 2011-2017; and is expected to grow at a CAGR of 13.9 per cent to touch US\$ 37.55 billion by 2021 from US\$ 22.75 billion in 2017. The industry provides employment to 3.5-4 million people, including both direct and indirect employment in CY 2017.

Over FY 2016-21, radio will likely grow at a CAGR of 16.1 per cent, while digital advertising will grow at 30.8 per cent. The largest segment, India’s television industry, is expected to grow at a CAGR of 14.7 per cent, while print media is expected to grow at a CAGR of 7.3 per cent.

The number of newspaper readers in India has increased by 38 per cent between CY 2014 and CY 2017 to reach 407 million. India is one of the highest spending and fastest growing advertising market globally. The country’s expenditure on advertising is expected to grow at 12.1 per cent to Rs 68,334 crore (US\$ 10.59 billion) by the end of 2018. Mobile advertisement spending in India is estimated to grow to Rs 10,000 crore (US\$ 1.55 billion) by the end of 2018.

Recent development/Investments

The Foreign Direct Investment (FDI) inflows in the Information and Broadcasting (I&B) sector (including Print Media) in the period April 2000 – September 2017 stood at US\$ 6.86 billion, as per data released by Department of Industrial Policy and Promotion (DIPP).

- ❖ The Indian digital advertising industry is expected to grow at a Compound Annual Growth Rate (CAGR) of 32 per cent to reach Rs 18,986 crore (US\$ 2.93 billion) by 2020, backed by affordable data and rising smart phone penetration.
- ❖ India is one of the top five markets for the media, content and technology agency Wave maker where it services clients like Hero MotoCorp, Paytm, IPL and Myntra among others
- ❖ After bagging media rights of Indian Premier League (IPL), Star India has also won broadcast and digital rights for New Zealand Cricket upto April 2020.

Government Initiatives

The Telecom Regulatory Authority of India (TRAI) is set to approach the Ministry of Information and Broadcasting, Government of India, with a request to fast track the recommendations on broadcasting, in an attempt to boost reforms in the broadcasting sector.

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

Road Ahead

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

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

Exchange Rate Used: INR 1 = US\$ 0.0155 as on January 4, 2017

Executive Summary

Second Largest TV Market

- Household televisions increased to 183 million in 2017* from 181 million in 2016 with 780 million TV viewing individuals.
- In 2017, television market generated revenue of Rs 660 billion (US\$ 10.14billion).

One of the largest broadcasting markets

- As of 2016, India had one of the largest broadcasting industries in the world with approximately 892 private satellite television channels. As of 2016, there are 243 FM radio channels and 190 operational community radio networks.
- The Ministry of Information and Broadcasting (MIB) has officially completed all the four phases of digitization, As of March 2017, a total of 64.4 million set-top boxes (excluding Tamil Nadu) were set up in Phase 3 and Phase 4 areas
- Total of 243FM channels (21 from the Phase-I and 222 from Phase-II) are operational. Under the phase-III, the Cabinet has already given permission to 135 FM channels in 69 cities to operate
- Telecom Regulatory Authority of India (TRAI) plans to introduce a policy for broadcasting sector with a vision of 2020. The policy aims to usher a new era in the broadcasting sector where MRP of the TV channel will be declared by broadcasters directly to the consumers, and will bring more transparency and choices to the consumers.
- **Note:** * March 2017
- **Source:** KPMG – FICCI Report, 2016 and 2018; Dish TV Investor Presentation, Ministry of Information and Broadcasting (MIB), NASSCOM, Telecom Regulatory Authority of India (TRAI), Aranca Research

Fast Growing Animation Industry

- The animation and Visual Effects (VFX) industry showcased a growth of 24.07 per cent, largely led by a 34.91 per cent growth in VFX industry in 2017
- During 2016-21, the segment is expected to grow at a higher CAGR of 17.2 percent, largely led by the continued growth in outsourced services and the swelling use of animation and VFX services in the domestic television and film space, respectively.

Exceptional Growth in Film Industry

- The Indian film industry is expected to grow at a rate of 10.4 per cent to become the third largest cinema market, after US and China by 2021.
- Digitalization has played the major role in the growth of Indian film industry
- By 2019, cinema exhibition industry in India is expected to have over 3,000 multiplex screens

Rising no. of Subscribers

- Total subscriber base for Indian television industry is expected to increase to 195 million by 2019 from 183 million in 2017.
- As of December 2016, registered DTH subscriber base in India stood at around 97.05 million. As of December 2017 active DTH subscriber base in the country stood at around 67.56million.

SUMMARY OF OUR BUSINESS

In this section, unless the context otherwise requires, a reference to "we", "us" and "our" refers to Sungold Media and Entertainment Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our restated financial information. This section should be read together with "Risk Factors" beginning on page no 13 and "Industry Overview" beginning on page no 74.

BUSINESS OVERVIEW

Our Company was incorporated as “Shree Krishna Holiday Home and Farms Limited” in Ahmedabad, Gujarat under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 09, 1995 bearing Registration Number 024944 issued by the Registrar of Companies, Ahmedabad, Gujarat. We have obtained the Certificate of Commencement dated March 22, 1995.

Subsequently, the name and the object clause of the Company was changed from Shree Krishna Holiday Home And Farms Limited to Sungold Media and Entertainment Limited pursuant to a special resolution passed by our Shareholders at the EGM held on April 24, 2017. A fresh certificate of incorporation consequent upon change of name and object clause was issued on June 30, 2017 by Registrar of Companies, Ahmedabad, Gujarat. The Corporate Identification Number of our Company is U22100GJ1995PLC024944.

Earlier The Company was engaged in the business of marketing, development and maintenance of Farm Houses, Holidays Resorts, and Housing Society etc. Pursuant to the change of object, we are currently engaged in the media and entertainment services.

We provide a complete solution for branding of clients business. We do graphics design, web site design, Video Editing, Digital Marketing, Photography, Videography, Mobile App Development, Celebrity Management and distribution services. We design and develop optimal solutions that maximize our clients brand image. We deliver value in terms of Quality and Cost. We excel in customer service and support and intend to increase our visibility through use of digital channel as well as social media platforms to provide extensive and end to end services to clients

Our Services includes:

Development of Web Portals

We are developing a number of web portals like www.liveupdates.co.in, www.entertainment365.in, and www.gujaratdevelopment.com etc which is owned and maintained by the company for the promotions of different area of business activities. Further, we also develop web portals for third party owned by them and maintained by us.

Digital Marketing Services:

We do digital marketing and promotions for our clients in several social media sites like:

- Blog
- Face book
- YouTube
- Whatsapp
- Twitter
- Instagram etc

Designing Services:

- Files
- Envelopes
- Booklets
- Fex, Flyers
- Logo
- Letterheads
- Challan Book
- Leaflets etc
- I-Cards
- Copy Book and Receipt Book
- Catalogue
- Registration Pads
- Bill Books
- Brochure

Website Designing

- .NET
- Php
- E-Commerce website
- Word press
- Static
- Dynamic
- Umbraco
- Majento
- Responsive

Video Editing Services:

- Product Video
- Animation
- TV Serial
- Music Album
- Corporate Video
- Movie
- Advertisement
- Colour Grading

Photography Services:

- High Fashion
- Advertising
- Marriage Shoot and more
- Beauty
- Celebrities

Some of the Ongoing projects of Sungold Media & Entertainment Limited:

- www.liveupdates.co.in: The Company has developed a News portal - Live Updates, a News Portal for Sports, Movie & Technology which features positive news across India and showcase the little known good things about our country and much more.



LIVE UPDATES

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- www.entertainment365.in: The Company has developed an Entertainment portal. Entertainment 365 is a platform for the people around India who are related to gujarati community working as an individual or team who have the best and creative concept but don't get a proper platform to showcase their creativity and looking for the place from where they can showcase their talent to the Film and Entertainment Industry people in the State of Gujarat and India as a whole as a result this Website gives opportunity to find the right talent and one can find a right avenue to progress their career. This website provides the digital platform to Gujarati film and entertainment industry and audience at large to connect with the all the latest updates.



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- www.gujaratdevelopment.com: The Company is in the process of development of a portal wherein the current developments in the state of Gujarat will be available.



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Our Competitive Strength

Experienced Management Team

Our Company is managed by a team of young and dynamic professionals, having experience in the media and Entertainment industry. Mr. Raj Rajiv Kotia, the Managing Director of the Company has cleared Final Cut Pro-7 software examination from Arena Animation, Mumbai. He has worked as an Assistant Editor at Studio Sound N Vision, Mumbai for six months and have managed 15 south Movies, Mastering work for Zee TV, edited several promos for regional movies and also experience in poster designing work. He was Assistant Editor at Balaji Telefilms for six months.

Quality Assurance and Standards

We always aim to offer quality products to our customers. We believe in providing our customers the best possible quality of services.

Leveraging our Market Skills and Relationships

This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

Established relationship with customers and employees

As an established entity, in various aspects of the entertainment industry in India, we believe that we have managed to create, maintain and build our goodwill with customers.

Established operations

Our Management team has capability and experience with respect to operations in Media and entertainment.

Our growth strategy:

Our vision is to emerge as a leading entertainment and media house that balances various platforms in a dynamically changing media environment, by establishing a sustainable connection with audiences and with our content library 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.

To undertake or carry on business of publishers, editors, selling and distributing books, periodicals, magazines , journals, house magazines , newspapers daily, weekly monthly.

We plan to own, undertake, carry on and operate directly or indirectly in India and abroad the business of publishers, editors, writers, printing, publishing, producing, selling and distributing books, periodicals, magazines, journals, house magazines, newspapers daily, weekly monthly or whatever manner and in any language for own account or for others such as trading, commercial and industrial houses or for public in general in the interest of public relations which may include any or all subject of common interest and to carry on the business of multilevel marketing, network marketing, digital marketing of products/services/consultancy and other forms of marketing and electronic services or devices including applications relating to media and entertainment.

Continue to develop client relationships

We plan to grow our business primarily by growing the number of client relationships, as we believe that increased client relationships will add stability to our business. We seek to build on existing relationships and also focus on bringing into our portfolio more clients. Our Company believes that business is a by-product of relationship. Our Company believes that a long-term client relationship with large clients reap fruitful returns. Long-term relations are built on trust and continuous meeting with the requirements of the customers.

Pursue strategic acquisitions

In order to expand, we seek to identify acquisition targets and/or joint venture partners whose resources, capabilities, technologies and strategies are complementary to and are enabling us to establish our presence in new geographical locations.

Penetration in to global markets

We are looking forward to enter into global markets and we plan to target countries where we can leverage our track record and experience in India to compete effectively and expand our revenue base.

Strengthening our brand

We intend to invest in developing and enhancing recognition of our brands, through brand building efforts, communication and promotional initiatives such as exhibitions, fairs, organizing food events, participation in industry events, public relations and investor relations efforts. This will help us to maintain and improve our global and local reach. We believe that our branding exercise will enhance the recall value and trust in the minds of our customers and will help in increasing demand for our products.

SWOT

Strengths

- Cordial relations with Customers
- In depth knowledge of Industry – Commercial & Technical
- Low overhead cost
- Experienced management team
- Cordial relations across entertainment industry

Weaknesses

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

Opportunities

- Growing acceptance by consumers
- Opportunities in the Asian market
- Listing the company under a stock exchange will open up huge avenues of capital for the company to support its expansion plans and allows it to venture into new businesses
- The increasing interest of the global investors in the sector.
- Technological innovations like animations, multiplexes, etc and new distribution channels like mobiles and Internet have opened up the doors of new opportunities in the sector.

Threats

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

MANPOWER

The details of manpower employed as on the date of filing of Draft Prospectus are as under:

Sr. No.	Category	No. of Employees
1	Managing Director cum C.F.O	1
2	Marketing, Production & Distribution Head	1
3	Cameraman	1
4	Video Editor	1
5	Production In charge	1
6	Makeup Artist	1
7	Content Writer	1
8	Human Resource Manager	1
9	Accountant	1
10	Office Boy	1

COMPETITION

The market for media and entertainment are rapidly growing. We face competition from new entrants as well as existing established domestic and foreign companies in India. Market realities continue to reshape the media and entertainment industry. Our competition depends on several factors: technology platforms are evolving rapidly, new business models are emerging, consumer viewing habits are changing, growing viewer base outside India, but lack luster appeal at international film festivals and new competition is arising from multiple sectors.

MARKETING ARRANGEMENT

We provide a full range of services to help find, qualify, close and retain lucrative customer relationships. Our dedicated team guide creative and execution activities to ensure complete management of all marketing activities. We help partners manage marketing as an ongoing process improving the consistency and success for demand generation efforts, and speeding the time-to revenue for opportunities across the sale cycle. Our marketing services are designed with an objective of enhancing brand awareness, spreading geographical reach for our service offerings and enabling marketing team through lead generation program. Our marketing service offering includes:

- Direct Mailer Campaigns, Micro sites
- Market Surveys
- Meets
- PR releases
- Seminars and Webinars

FUTURE PROSPECTS:

The future plans of our Company are in line with the way the industry is thinking and planning ahead. Our Company is trying to increase the geographical areas of operations to cater to the growing market.

CAPACITY AND CAPACITY UTILIZATION:

Our Company is engaged in media and entertainment services and hence capacity and capacity utilization is not applicable to us.

EXPORT POSSIBILITY AND OBLIGATION

Our Company doesn't have any export obligation as we are not exporting any material.

OUR PROPERTIES

Our Registered Office is located at 13, Radhakrushna Mandir Compound, Rajpipla, Nandod, Narmada- 393145, India.

The details are as under:

Sr. No.	Location	Title(Leased /Owned/ Rental)	Agreement Valid from	Agreement Valid till	Rent / Acquisition Cost
1.	13, Radhakrushna Mandir Compound, Rajpipla, Nandod, Narmada- 393145, India	Rental	March 15,2017	March 14, 2020	Rs. 7,500 per month


INSURANCE:

At present, we do not have any insurance policy for protecting us against any material hazards

INTELLECTUAL PROPERTY

Details of Trademark & Copyright

The company has already applied for its registered Logo and Trademark vide its application No 3848242 dated 31st May 2018 which is under process for approval.

Sr. No.	Trademark Image	Registration/Application No.	Class	Registration/Application Date including Renewal Date	Status/Validity
1		3848242	41	Application Date: 31 st May 2018	Applied For

The details of the Domain name registered in the name of our company are:

Sr. No	Domain name	Sponsoring Registrar and IANA ID	Creation Date	Expiry Date
1.	www.sungoldmediaent.com	Domain Registered at Big rock	January 24, 2018	January 23, 2019
2	www.liveupdates.co.in	Domain Registered at Big rock	March 29, 2018	March 28, 2019
3	www.gujaratdevelopment.com	Domain Registered at Big rock	December 21, 2017	December 20, 2018
4	www.entertainment365.in	Domain Registered at Big rock	May 08, 2018	May 07, 2019

Note: All the above domains have been purchased in the name of Mr. Raj Rajiv Kotia (Promoter & Managing Director of SMEL.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the Restated Financial Statements as at and for the period ended February 28, 2018, March 31, 2017, 2016, 2015, 2014, and 2013 and are presented under section titled "Financial Information of the Company" beginning on page no 123 of this Draft prospectus. The summary financial statements presented below should be read in conjunction with the Restated Financial Statements, the notes and annexures thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page no 138 of this Draft prospectus

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Equity & Liabilities						
Shareholders' Funds						
Share Capital	500.00	429.25	429.25	429.25	164.25	54.75
Reserve & Surplus	57.85	55.18	49.86	41.59	35.28	0.46
Total (A)	557.85	484.43	479.11	470.84	199.53	55.21
Non Current Liabilities						
Share Application Money	-	-	-	-	-	-
Long Term Borrowings	-	-	-	-	-	-
Deferred Tax Liabilities (Net)	0.03	-	-	-	-	-
Other Long Term Liabilities	-	-	-	-	-	-
Total (B)	0.03	-	-	-	-	-
Current Liabilities						
Short Term Borrowings	-	-	-	-	-	176.54
Trade Payables	-	-	-	-	-	-
Other Current Liabilities	1.09	-	-	-	-	-
Short Term Provisions	9.89	2.42	4.10	3.04	0.57	0.17
Total (C)	10.98	2.42	4.10	3.04	0.57	176.71
Total (D=A+B+C)	568.86	486.85	483.21	473.88	200.10	231.93
Assets						
Fixed Assets:						
Tangible Assets	1.08	1.36	1.66	-	-	-
Intangible Assets	-	-	-	-	-	-
Long Term Loans & Advances	394.17	447.60	439.26	467.91	109.92	145.40
Non Current Investments	-	29.25	16.35	-	30.00	-
Deferred Tax Assets (Net)	-	-	-	-	-	-
Total (E)	395.25	478.21	457.27	467.91	139.92	145.40
Current Assets						
Current Investments	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Trade Receivables	10.50	-	-	-	51.86	86.06
Cash & Bank Balances	4.41	5.48	21.64	3.34	7.74	0.41
Short Term Loans & Advances	-	-	-	-	-	-
Other Current Assets	158.70	3.16	4.30	2.62	0.58	0.05
Total (F)	173.61	8.64	25.94	5.97	60.18	86.52
Total (G=E+F)	568.86	486.85	483.21	473.88	200.10	231.93

STATEMENT OF PROFIT AND LOSS, AS RESTATED

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Income						
Revenue from Operations	44.73	59.71	56.31	34.96	14.93	10.80
Increase in Stock of Finished Goods and Stock in Progress	-	-	-	-	-	-
Other Income	0.01	0.13	0.02	-	-	-
Total	44.74	59.85	56.34	34.96	14.93	10.80
Expenditure						
Purchases of Stock in Trade	-	-	-	-	-	-
Decrease in Stock of Finished Goods and Stock in Progress	-	-	-	-	-	-
Employees Costs	24.45	17.48	23.02	11.91	6.70	4.64
Operating, Administrative, Selling and Other Expenses	16.06	34.57	20.32	13.80	6.91	5.79
Total	40.51	52.05	43.34	25.71	13.61	10.43
Profit before Depreciation, Interest and Tax	4.23	7.79	13.00	9.25	1.32	0.37
Depreciation & Amortization	0.28	0.30	0.30	-	-	-
Preliminary Expenses Written Off	-	-	-	-	-	-
Profit before Interest & Tax	3.95	7.49	12.70	9.25	1.32	0.37
Interest & Finance Charges	-	-	-	-	-	-
Exceptional Items	-	-	-	-	-	-
Net Profit before Tax	3.95	7.49	12.70	9.25	1.32	0.37
Less: Provision for Taxes:						
Current Tax	1.25	2.17	3.89	2.94	0.41	0.12
Deferred tax	0.03	-	-	-	-	-
Net Profit After Tax & Before Extraordinary Items	2.67	5.32	8.81	6.31	0.91	0.26
Extra Ordinary Items	-	-	-	-	-	-
Net Profit	2.67	5.32	8.81	6.31	0.91	0.26

STATEMENT OF CASH FLOW, AS RESTATED

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
CASH FLOW FROM OPERATING ACTIVITIES						
Net profit before taxes	3.95	7.49	12.70	9.25	1.32	0.37
Adjustment for:						
Less : Expenses of earlier year			(0.61)			
Add: Depreciation & Amortizations	0.28	0.30	0.30	-	-	-
Add: Preliminary Expenses Written Off	-	-	-	-	-	-
Add: Interest on FDR	(0.008)	-	-	-	-	-
Profit on sale of investment						
Operating Profit before Working capital changes	4.22	7.79	12.39	9.25	1.32	0.37
Adjustments for:						
Decrease (Increase) in Inventories	-	-	-	-	-	-
Decrease (Increase) in Trade & Other Receivables	(10.50)	-	-	51.86	34.20	0.51
Decrease (Increase) in Short Term Loans &				(358)	35.49	(94.15)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Advances (Excl Taxes)						
Decrease (Increase) in Other Current Assets		1.39	(1.69)	0.53	-	-
Increase (Decrease) in Trade Payables			-	-	-	-
Increase (Decrease) in Short Term Provisions (Excl Taxes)	6.22	(1.34)	1.10	(0.47)	(0.01)	(0.14)
Increase (Decrease) in Other Current Liabilities			-	-	-	-
Net Changes in Working Capital	(4.28)	0.05	(0.59)	(306.08)	(69.68)	(93.79)
Cash Generated from Operations	(0.06)	7.84	11.80	(296.83)	71.00	(93.42)
Taxes	(0.06)	(2.50)	(3.85)	(2.57)	(0.53)	(0.05)
Net Cash Flow from Operating Activities (A)	(0.12)	5.34	7.95	(299.40)	(70.47)	(93.47)
CASH FLOW FROM INVESTING ACTIVITIES						
Share Application Money – Paid	(117.98)	-	-	-	-	-
Sale /(Purchase) of Fixed Assets			(1.97)	-	-	-
Decrease (Increase) in Investments		(12.90)	(16.35)	30.00	30.00	-
Decrease (Increase) in Other Non Current Assets & Deposits		(0.25)	-	-	-	-
Decrease (Increase) in Other Loans & Advances	53.43	8.34	28.66			
Interest on FDR	0.008					
Net Cash Flow from Investing Activities (B)	(64.54)	(21.49)	(10.34)	30.00	30.00	-
CASH FLOW FROM FINANCING ACTIVITIES						
Issue of share capital and Proceeds / (Refund) from Share Application Money	-	-	-	265.00	143.4	-
Interest & Finance Charges	-	-	-	-	-	-
Increase / (Repayment) of Long Term Borrowings	-	-	-	-	-	-
Increase / (Repayment) of Short Term Borrowings	63.59	-	-	-	(176.54)	93.75
Decrease (Increase) in Long Term Loans & Advances	-	-	-	-	-	-
Net Cash Flow from Financing Activities (C)	63.58	-	-	265.00	33.14	93.75
Net Increase / (Decrease) in Cash & Cash Equivalents	(1.07)	(16.15)	18.29	(4.39)	7.32	0.28
Cash and cash equivalents at the beginning of the year	5.48	21.64	3.34	7.74	0.41	0.13
Cash and cash equivalents at the end of the year	4.41	5.48	21.64	3.34	7.74	0.41

THE OFFER

The following table summarizes the Offer details:

Particulars	Details of Equity Shares
Public Offer of Equity Shares	Upto 13,50,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. 10 per Equity Share aggregating Rs. 135.00 Lakhs.
<i>Of which:</i>	
Offer for Sale	13,50,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. 10 per Equity Share aggregating Rs. 135.00 Lakhs
The offer consist of:	
Market Maker Reservation Portion	70,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 10 per Equity Share aggregating Rs. 7.00 Lakhs
Net Offer to the Public*	12,80,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. 10 per Equity Share aggregating to Rs. 128.00 Lakhs
	<i>Of which:</i>
	6,40,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 10 per Equity Share aggregating to Rs. 64.00 Lakhs will be available for allocation for allotment to Retail Individual Investors of up to Rs. 2 Lakhs
	6,40,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 10 per Equity Share aggregating to Rs. 64.00 Lakhs will be available for allocation for allotment to other Investors of above Rs. 2 Lakhs
Pre and Post Offer Equity Shares	
Equity Shares outstanding prior to the Offer	5,00,00,000 Equity Shares
Equity Shares outstanding after the Offer	5,00,00,000 Equity Shares
Use of Proceeds(Objects of the Offer)	For further details please refer chapter titled “ <i>Objects of the Offer</i> ” beginning on page no 68 of this Draft prospectus for information on use of Offer Proceeds

Notes

- The Offer for sale has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 17, 2018 and by the shareholders of our Company vide a special resolution passed pursuant to section 28 of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on May 22, 2018.*
- This Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.*

**As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present Offer is a fixed price issue, the allocation in the net Offer to the public category shall be made as follows:*

- 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.

3. Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer 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 and the Selling Shareholder 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

4. The Offer for sale has been authorized by the selling shareholder by his consent letter dated 27th February 2018 as follows:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1.	Rajiv Rameshchandra Kotia	13,50,000
	Total No. of shares for offer for sale	13,50,000

For further details please refer to chapter titled "Offer Structure" beginning on page no 170 of this Draft prospectus.

The Selling Shareholder Mr. Rajiv Rameshchandra Kotia has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that he has not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholder has also confirmed that he is the legal and beneficial owner of the Equity Shares being offered by him under the Offer for Sale.

The Selling Shareholder, also confirm that the Equity Shares being offered by him in the Offer for sale, has been held by him for a period of at least one year prior to the filing of the Draft prospectus with exchange, and are eligible for being offered for sale in the Offer as required by Regulation 26(6) of the SEBI (ICDR) Regulations.

GENERAL INFORMATION

SUNGOLD MEDIA AND ENTERTAINMENT LIMITED

“Our Company was incorporated as Shree Krishna Holiday Home And Farms Limited on 09th Day of March, 1995 under Companies Act, with Registrar of Companies, Gujarat bearing Registration No. 024944 having its registered office in Gujarat. Subsequently, the name and the object clause of the Company was changed from Shree Krishna Holiday Home And Farms Limited to Sungold Media and Entertainment Limited pursuant to the Certificate of Name change obtained by Registrar of Companies, Gujarat on 30th Day of June, 2017”. The Corporate Identification Number of our Company is U22100GJ1995PLC024944.

REGISTERED OFFICE:

13, Radhakrushna Mandir Compound, Village- Rajpipla,
Nandod Narmada- 393145,
Gujarat, India.
Tel: +91 9099018633
Email: info@[sungoldmediaent.com](mailto:info@sungoldmediaent.com)
Website: www.sungoldmediaent.com

REGISTRAR OF COMPANIES:

Registrar of Companies, Ahmedabad, Gujarat
ROC Bhavan, Vijaynagar, Naranpura,
Ahmedabad, Gujarat- 380013
Tel: 079-27437597
Fax: 079-27438371
Email: roc.ahmedabad@mca.gov.in
Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE:

BSE LIMITED
(SME PLATFORM OF BSE)
P.J. Towers, Dalal Street,
Mumbai-400 001,
Maharashtra, India

For details in relation to the changes to the name of our Company, please refer to the section titled “*History and Certain Corporate Matters*” beginning on page 106 of this Draft prospectus.

BOARD OF DIRECTORS:

Our Board of Directors comprise of the following members:

NAME	Age	DESIGNATION	DIN	RESIDENTIAL ADDRESS
Mr. Raj Rajiv Kotia	26 Years	Managing Director cum C.F.O.	06360347	A-73, 7th Floor, Avani Comp Naranpura Gam, Ahmedabad -380013, India
Mr. Keyur Sharadchandra Gandhi	43 Years	Non-Executive Director	03494183	Alankar Darbar Road, Rajpipla Nandod, Narmada – 393145
Mr. Amit Rameshbhai Kotia	52 Years	Non-Executive Director	07499192	2/B, Sbi Soc Naranpura Ahmedabad- 380013
Mr. Harsh Bhupendra Mehta	30 Years	Independent Director	08093048	A/5, Cecil Apartment, Pusp kunj Society, Kankaria Shah Alam Roza, Ahmedabad- 380028, Gujarat, India
Ms. Resham Ajit Maniyar	25 Years	Independent Woman Director	08093059	Maldad Road, Survey No. 469, Aashirwad State Bank Colony, Sangamner- 422605, Maharashtra, India

For further details of Directors of our Company, please refer to section titled "Our Management" beginning on page no 110 of this Draft prospectus.

**COMPANY SECRETARY &
COMPLIANCE OFFICER:**

[•]

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs to whom the Application was submitted (at ASBA Locations), giving full details such as name, address of applicant, number, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of relevant SCSBs to whom the Application was submitted (at ASBA Location) where the ASBA Application Form was submitted by the ASBA Applicants.

CHIEF FINANCIAL OFFICER

Mr. Raj Rajiv Kotia

A-73 7th Floor,
Avani Comp Naranpura Gam,
Ahmedabad 380013

Email: info@sungoldmediaent.com

Website: www.sungoldmediaent.com

STATUTORY & PEER REVIEW AUDITORS

Bhatter & Company,

Chartered Accountants
307, Tulsiani Chamber, Nariman Point
Mumbai – 400 021

Tel: +91-22-22853039

E-mail: dhhbatter@gmail.com

Firm Registration No- 131092W

Contact Person: Mr. Daulal. H. Bhattar

Bhatter & Company is a peer review auditor of our Company in compliance with section IX of part A of Schedule VIII of SEBI (ICDR) and hold a valid peer review certificate No. 009643 dated February 07, 2017 issued by the "Peer Review Board" of the ICAI.

LEAD MANAGER

Finshore Management Services Limited

Anandlok, 2nd Floor, Block - A

Room No. 207, 227,

A.J.C. Bose Road,

Kolkata, West Bengal- 700020

Tel No: +91 033 22895101

Website: www.finshoregroup.com

Email: ramakrishna@finshoregroup.com

Investor Grievance ID: info@finshoregroup.com

SEBI Registration No: INM000012185

Contact Person: Mr. S. Ramakrishna Iyengar

LEGAL ADVISORS TO THE ISSUE

Mr. Sudhir R. Mishra

Advocates, High Court,

B-1, Tel. No.: 079-22720409,

Dayanand Apartment, Opp. Sundaram Appt.,

Nr. Maniyasa Soc., Maninagar(E), Ahmedabad-08R-6/304,

Ishan CHS Limited,

MIDC, Dombivali (East)-421203

Tel. No.: 079-22720409/ +91 96191 79908

E-mail: advocate.sudhir1999@gmail.com

Contact Person: Mr. Sudhir R. Mishra

REGISTRAR TO THE ISSUE

SATELLITE CORPORATE SERVICES PRIVATE LIMITED

Unit No 49, Building No. 13 AB,

2nd Floor, Samhita Commercial Co-Op Society Ltd,

Off Andheri Kurla Road, MTNL Lane,

Saki naka, Mumbai – 400 072.

Tel: +91-22- 28520461/462,

Fax: +91-22- 28511809

SEBI Registration No.: INR000003639

Email Id: service@satellitecorporate.com

Website: www.satellitecorporate.com

Contact Person: Mr. Michael Monteiro

PRINCIPAL BANKER TO THE COMPANY

HDFC Bank Limited

Usha Maternity & Surgical Hospital,

Station Road, Rajpipla

Nandod Narmada- 393145,

Gujarat, India.

BANKER TO THE OFFER

HDFC Bank Limited

HDFC Bank Limited,

FIG-OPS Department – Lodha

I Think Techno Campus O-3 Level

Kanjurmarg (East), Mumbai – 400042

Tel No: 022-30752927

Email ID: Vincent.dsouza@hdfc bank.com

Contact Person: Vincent Dsouza

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES FOR THE OFFER

Finshore Management Services Limited is the sole Lead Manager to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount ("ASBA") Process are provided on <http://www.sebi.gov.in/pmd/scsb.pdf>. For details on designated branches of SCSBs collecting the ASBA Application Form, please refer to the above-mentioned SEBI link.

REGISTERED BROKERS

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE www.bsesme.com, as updated from time to time.

REGISTRAR TO THE OFFER AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange www.bsesme.com, 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 websites of Stock Exchange www.bsesme.com, 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.

EXPERTS OPINION

Except for the Reports in the section "Financial Information of the company" and the "Statement of Tax Benefits" Available to our Company and its shareholders beginning on page no 123 and page no 72 respectively of this Draft Prospectus, our Company has not obtained any expert opinions under the Companies Act. The term expert as used in the Draft Prospectus is not intended to be considered "expert" within the meaning of Section 11 of the U.S. Securities Act.

BROKERS TO THE ISSUE

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

CREDIT RATING

As the Issue is of Equity shares, credit rating is not required.

TRUSTEES

As this issue is of Equity Shares, the appointment of trustees is not required.

DEBENTURE TRUSTEES

As this issue is not a debenture issue, the appointment of debenture trustees is not required.

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.

MONITORING AGENCY

Since this being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency for the Offer.

APPRAISING ENTITY

Since this being an offer for sale, our Company will not receive any proceeds from the Offer and there is no objects of the offer other than as stated under section titled "Objects of the Offer" beginning on page no 68 of this Draft Prospectus.

WITHDRAWAL OF THE OFFER

Our Company in consultation with the Lead Manager, reserve the right not to proceed with the Offer at any time before the Offer Opening Date without assigning any reason thereof.

If our Company withdraws the Offer any time after the Offer Opening Date but before the allotment of Equity Shares, a public notice within two (2) Working Days of the Offer Closing Date, providing reasons for not proceeding with the Offer shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-offer advertisements have appeared and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Offer after the Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Draft Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Draft Prospectus.

UNDERWRITING AGREEMENT

The Company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The Issue is 100% underwritten by the Lead Manager- Finshore Management Services Limited in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreements dated [●] entered into by us with Underwriter–Finshore Management Services Limited, the obligations of the Underwriters are subject to certain conditions specified therein. In the opinion of our Board of Directors the resources of the above mentioned Underwriters are sufficient to enable them to discharge their underwriting obligation in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers.

Name and Address of the Underwriter	Number of Equity Shares Underwritten	Amount Underwritten (Rupees In Lacs)	% of Total Issue Size Underwritten
Finshore Management Services Limited Anandlok, 2nd Floor, Block - A Room No. 207, 227, A.J.C. Bose Road, Kolkata, West Bengal- 700020 Tel No:+91 033 22895101 Website: www.finshoregroup.com Email: ramakrishna@finshoregroup.com Investor Grievance ID:info@finshoregroup.com SEBI Registration No: INM000012185 Contact Person: Mr. S. Ramakrishna Iyengar	12,80,000 Equity shares of Rs. 10 Each	128.00	94.81
Market Maker [●]	70,000 Equity shares of Rs. 10 Each	7.00	5.19
TOTAL	13,50,000	135.00	100.00

As per Regulation 106P (2) of SEBI (ICDR) Regulations, the Lead Manager has agreed to underwrite 100% of Issue out of its own account.

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

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER:

Our Company has entered into an agreement dated [●] with the following Market Maker to fulfill the obligations of Market Making for this offer for sale.

Name	[●]
Correspondence Address:	[●]

Tel No.:	[•]
Email:	[•]
Website:	[•]
Contact Person:	[•]
SEBI Registration No.:	[•]
Market Maker Registration No. (SME segment of BSE)	[•]

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

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

- 1) The Market Maker(s) (*individually or jointly*) shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE SME Platform and SEBI from time to time.
- 3) 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(s) (*individually or jointly*) 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.
- 4) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is 10,000 equity shares; however the same may be changed by the SME Platform of BSE from time to time).
- 5) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing two (2) way quotes.
- 6) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- 7) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 8) There would not be more than five (5) Market Makers for scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 9) On the first day of the listing, there will be pre-opening session (Call Auction) and thereafter the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre open call auction.
- 10) The Market maker may also be present in the opening call auction but, there is no obligation on him to do so.
- 11) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 12) The Market Maker(s) shall have the right to terminate said arrangement by giving a three (3) months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above mentioned Market Making agreement

prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five (5) 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.

- 13) **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- 14) 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 and the same shall be updated in the Prospectus.
- 15) **Punitive Action in case of default by Market Makers:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- 16) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

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

- 17) 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 at the date of this Draft prospectus, before and after the Issue, is set forth below.

(Rs. in Lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	Authorized Share Capital		
	50,00,000 Equity Shares of ₹ 10 each	500.00	-
B	Issued, Subscribed and Paid-up Share Capital prior to the Offer		
	50,00,000 Equity Shares of ₹ 10 each	500.00	-
C	Present Offer in terms of this Draft prospectus		
	13,50,000 Equity Shares of ₹ 10 each at price of ₹ 10 per share	135.00	135.00
	<i>Which comprises:</i>		
	Reservation for Market Maker Portion 70,000 Equity Shares of ₹ 10 each at price of ₹ 10 per equity share	7.00	7.00
	Net Offer to the Public 12,80,000 Equity Shares of ₹ 10 each at price of ₹ 10 per share	128.00	128.00
	of which		
	6,40,000 Equity Shares of ₹ 10 each at price of ₹ 10 per equity share will be available for allocation for allotment to Retail Investors of up to ₹ 2.00 Lakh	64.00	64.00
	6,40,000 Equity Shares of ₹ 10 each at price of ₹ 10 per equity share will be available for allocation for allotment to Other Investors of above ₹ 2.00 Lakh	64.00	64.00
D	Paid up Equity Capital after the Offer For Sale		
	50,00,000 Equity Shares of ₹ 10 each	500.00	500.00
E	Securities Premium Account		
	Before the issue		33.95
	After the issue		33.95

- (1) *The present Offer of 13,50,000 Equity Shares (Offer for sale) in terms of Draft prospectus has been authorized pursuant to a resolution of our Board of Directors dated May 17, 2018 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the EOGM of the shareholders held on May 22, 2018.*
- (2) *The Offer has been authorized by Mr. Rajiv Rameshchandra Kotia (Selling Shareholder) by letters dated 27th February 2018.*

Details of changes in Authorized Share Capital of Our Company since incorporation:

Sr. No.	Date of Shareholders Approval	EGM/AGM/ Postal Ballot	Authorized Share Capital (₹)	Details of Change
1	On Incorporation	-	₹ 200,000	Incorporation with Authorized Share Capital of ₹ 2,00,000 comprising of 20,000 Equity Shares of ₹ 10 each
2	March 29, 1996	EGM	₹ 5,00,000	Increase in Authorized Share Capital from ₹ 2,00,000 comprising of 20,000 Equity Shares of ₹ 10 each to ₹ 5,00,000 comprising of 5,00,000 Equity Shares of ₹ 10 each
3	February 8, 2013	EGM	₹ 5,55,000	Increase in Authorized Share Capital from ₹ 5,00,000 comprising of 5,00,000 Equity Shares of ₹ 10 each to ₹ 5,55,000 comprising of 5,55,000 Equity Shares of ₹ 10 each
4	March 25, 2014	EGM	₹ 16,50,000	Increase in Authorized Share Capital from ₹ 5,55,000 comprising of 5,55,000 Equity Shares of ₹ 10 each to ₹ 1,65,00,000, comprising of 16,50,000 Equity Shares of ₹ 10 each
5	July 31, 2014	EGM	₹ 45,00,000	Increase in Authorized Share Capital from ₹ 1,65,00,000 comprising of 16,50,000 Equity Shares of ₹ 10 each to ₹ 4,50,00,000, comprising of 45,00,000 Equity Shares of ₹ 10 each
6	February 19, 2018	EGM	₹ 50,00,000	Increase in Authorized Share Capital from ₹ 4,50,00,000 comprising of 4,50,000 Equity Shares of ₹ 10 each to ₹ 5,00,00,000, comprising of 50,00,000 Equity Shares of ₹ 10 each

NOTES FORMING PART OF CAPITAL STRUCTURE:**1. Share Capital History of our Company.****a. Equity Share Capital history of Our Company.**

The following is the history of the equity share capital of our company.

Date of Allotment Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature / Reason of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
March 7, 1995	70	10	10	Cash	Subscription to MOA (A)	70.00	700	-
March 29, 1996	323,000	10	10	Cash	Further Allotment (B)	323,070	3,230,700	-
April 13, 1996	110,000	10	10	Cash	Further Allotment (C)	433,070	4,330,700	-
February 19, 2004	46,000	10	25	Cash	Further Allotment (D)	479,070	4,790,700	690,000
February 18, 2013	68,440	10	10	Other than Cash	Bonus Issue (E)	547,510	5,475,100	5,600
March 31,	1,095,020	10	13.1	Cash	Further	1,642,530	16,425,300	3,395,400

Sungold Media and Entertainment Limited

Date of Allotment Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature / Reason of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
2014					Allotment (F)			
September 29, 2014	2,650,000	10	10	Cash	Further Allotment (G)	4,292,530	42,925,300	3,395,400
February 26, 2018	707,470	10	10	Conversion of loan to Equity Shares	Further Allotment (H)	5,000,000	50,000,000	3,395,400

The above records have been certified by M/s Bhattar & Company, Chartered Accountants, Peer Review Auditor vide certificate dated 31.03.2018.

A. Initial Subscribers to Memorandum of Association subscribed 70 Equity Shares of face value of ₹ 10 each as per the details given below:

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Amit Kotia	10
2	Ashok Modi	10
3	Sharad Gandhi	10
4	Jignesh Sheth	10
5	Rajesh Patel	10
6	Ankur Gajjar	10
7	Vinay Shah	10
	Total	70

B. Further Allotment of 323,000 Equity Shares of face value of ₹. 10 at par as per the details given below:-

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Rajiv Rameshchandra Kotia	79,500
2	M- Touch Finance Limited	120,000
3	Magic Touch Infotech Limited	120,000
4	Seema Kotia	3,500
	Total	323,000

C. Further Allotment of 1,10,000 Equity Shares of face value of ₹. 10 each as per the details given below:-

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Shree Krishna Infrastructure Limited	110,000
	Total	110,000

D. Further Allotment of 46,000 Equity Shares of face value of ₹. 10 each at the premium of ₹. 15.00 each as per the details given below:-

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Magic Touch Infotech Limited	46,000
	Total	46,000

E. Further Allotment of 68,440 Equity Shares of face value of ₹. 10 each as per the details given below:-

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Prajakta Giri	1,470
2	Meghna S Wani	5,570
3	Suhas Sridev	1,610
4	Rohini Wani	7,700

Sr. No.	Name of Allottees	No. of Shares Allotted
5	Suriya S. Dayma	1,300
6	Sikandar Dayma	1,400
7	Shital Wani	8,650
8	Harsh Mehta	1,450
9	Tanvi Sinha	1,600
10	Chittubha Rathod	2,790
11	Sungold Capital Limited	34,900
	Total	68,440

F. Further Allotment of 10,95,020 Equity Shares of face value of ₹.10 each at the premium of ₹. 3.10/- as per the details given below:-

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Sungold Capital Limited	1,095,020
	Total	1,095,020

G. Further Allotment of 26,50,000 Equity Shares of face value of ₹. 10 as per the details given below:-

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Ravikant Takwani	20,000
2	Prabhudas Takwani	20,000
3	Bhanumatiben Parbudas Takwani	20,000
4	Kishorkumar Takwani	30,000
5	Miraben K Takwani	20,000
6	Bharatkumar Takwani	30,000
7	Anjanaben Takwani	20,000
8	Pravinkumar Takwani	30,000
9	Chetna Takwani	20,000
10	Kartikkumar Takwani	30,000
11	Dhara Takwani	20,000
12	Dipa Takwani	20,000
13	Nimesh Takwani	20,000
14	Mira N Takwani	20,000
15	Kartikumar Takwani -Huf	20,000
16	Ravikant Takwani - Huf	20,000
17	Nimesh Takwani - Huf	20,000
18	Bansi Takwani	20,000
19	Reena Madhogaria	100,000
20	Sushil Madhogaria	100,000
21	Aman Madhogaria	100,000
22	Sushil Madhogaria HUF	100,000
23	Falguni Thakkar	50,000
24	Samir Thakkar HUF	50,000
25	Daxaben Hadwani	50,000
26	Bipin Hadwani	50,000
27	Nayan Mevada	100,000
28	Bhagabhai S Patel	100,000
29	Parvatiben B Patel	100,000
30	Dinesh B Chaudhary	60,000

Sr. No.	Name of Allottees	No. of Shares Allotted
31	Dinesh B Chaudhary HUF	40,000
32	Hansa Rajendra Chandarana	20,000
33	Manoj K Sharma HUF	20,000
34	Charul Sharma	20,000
35	Kantaben H Patel	20,000
36	Ketanbhai H Dholu HUF	20,000
37	Siddharth M Dholu	20,000
38	Kalpanaben K Dholu	30,000
39	Ketanbhai H Dholu	90,000
40	Maheshkumar R Patel	90,000
41	Hasmukh H Patel	20,000
42	Vijaybhai N Patel	100,000
43	Bhartiben V Patel	100,000
44	Vijaybhai N Patel - HUF	100,000
45	Naranbhai M Patel	200,000
46	Chandrikaben M Patel	100,000
47	Kaushikbhai C Patel	100,000
48	Ansuyaben K Patel	100,000
49	Ishita Mahesh Gala	100,000
	Total	2,650,000

H. Further Allotment of 7,07,470 Equity Shares of face value of ₹. 10 as per the details given below:-

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Shree Krishna Infrastructure Limited	601,090
2	Rajiv Rameshchandra Kotia	106,380
	Total	707,470

Note: The above allotments have been made after conversion of Loans into equity shares vide Board meeting dated February 26, 2018.

I. As on date of this draft prospectus, our company does not have any preference Share Capital. Our Company have not issued any Equity Shares for consideration other than cash except as detailed below:-

Date of Allotment	Number of Equity Shares	Name of the Allottees	Nature of allotment	Face Value (In ₹.)
18-Feb-13	1,470	Prajakta Giri	Bonus in the ratio of 1:7	10
18-Feb-13	5,570	Meghna S Wani	Bonus in the ratio of 1:7	10
18-Feb-13	1,610	Suhas Sridev	Bonus in the ratio of 1:7	10
18-Feb-13	7,700	Rohini Wani	Bonus in the ratio of 1:7	10
18-Feb-13	1,300	Suriya S. Dayma	Bonus in the ratio of 1:7	10
18-Feb-13	1,400	Sikandar Dayma	Bonus in the ratio of 1:7	10
18-Feb-13	8,650	Shital Wani	Bonus in the ratio of 1:7	10
18-Feb-13	1,450	Harsh Mehta	Bonus in the ratio of 1:7	10
18-Feb-13	1,600	Tanvi Sinha	Bonus in the ratio of 1:7	10
18-Feb-13	2,790	Chittubha Rathod	Bonus in the ratio of 1:7	10
18-Feb-13	34,900	Sungold Capital Limited	Bonus in the ratio of 1:7	10
TOTAL	68,440			

2. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
3. **Build-up of our Promoter’s Shareholding, Promoter’s Contribution and Lock-in**
- a. **Capital Build-up of our Promoter’s / Selling Shareholder in Our Company.**

The Current promoters of our Company are 1) Mr. Rajiv Rameshchandra Kotia and 2) Mr. Rajiv Kotia

As on date of draft prospectus, our promoter collectively holds 32,64,682 Equity Shares, which constitutes approximately 65.29% of the issued, subscribed and paid-up Equity Share capital of our Company. The details are as under:

Sr. No.	Name of the Promoters	No of Equity Shares Holds	In %
1	Mr. Rajiv Rameshchandra Kotia	16,53,550	33.07
2	Mr. Rajiv Kotia	16,11,132	32.22
	Total	32,64,682	65.29

None of the Equity Shares held by our promoters are subject to pledge.

Set forth below is the build-up of the equity Shareholding of our promoters and selling shareholder, since the incorporation of our company.

1. MR. RAJIV RAMESHCHANDRA KOTIA (Promoter & Selling Shareholder)

Date of Allotment / Transfer	Consideration*	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/ Transfer price (Rs.)	Nature of Transactions	Source of Fund*	Pledge
29-Mar-96	Cash	79,500	10	10	Direct Allotment	Owned Fund	No
10-Sep-07	Cash	(79,500)	10	10	Transfer of Shares (Refer Note)	Owned Fund	No
31-Dec-14	Cash	397,170	10	11.50	Transfer of Shares (Refer Note)	Owned Fund	No
12-May-16	Cash	1,150,000	10	10	Transfer of Shares (Refer Note)	Owned Fund	No
26-Feb-18	Allotment by way of Conversion of loan to Equity Shares.	106,380	10	10	Direct Allotment	Owned Fund	No
	Total	1,653,550					

Note: Transfer Details:

Date of Transfer	Name of Transferor	Name of Transferee	No of Shares
29-03-96	Through Direct Allotment	Rajiv Rameshchandra Kotia	79500
10-09-07	Rajiv Rameshchandra Kotia	Malti S Wani	(79500)
31-12-14	Sungold Capital Limited	Rajiv Rameshchandra Kotia	397170
12-05-16	Aman Madhogaria	Rajiv Rameshchandra Kotia	100,000
12-05-16	Anjanaben Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Bansi Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Bhagabhai S Patel	Rajiv Rameshchandra Kotia	100,000
12-05-16	Bhanumatiben Parbudas Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Bharatkumar Takwani	Rajiv Rameshchandra Kotia	30,000

Date of Transfer	Name of Transferor	Name of Transferee	No of Shares
12-05-16	Chetna Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Daxaben Hadwani	Rajiv Rameshchandra Kotia	50,000
12-05-16	Dhara Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Dipa Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Falguni Thakkar	Rajiv Rameshchandra Kotia	50,000
12-05-16	Kartik Kumar Takwani	Rajiv Rameshchandra Kotia	30,000
12-05-16	Karti Kumar Takwani -Huf	Rajiv Rameshchandra Kotia	20,000
12-05-16	Kishor Kumar Takwani	Rajiv Rameshchandra Kotia	30,000
12-05-16	Mira N Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Miraben K Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Nimesh Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Nimesh Takwani – Huf	Rajiv Rameshchandra Kotia	20,000
12-05-16	Parvatiben B Patel	Rajiv Rameshchandra Kotia	100,000
12-05-16	Prabhudas Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Pravinkumar Takwani	Rajiv Rameshchandra Kotia	30,000
12-05-16	Ravikant Takwani	Rajiv Rameshchandra Kotia	20,000
12-05-16	Ravikant Takwani – Huf	Rajiv Rameshchandra Kotia	20,000
12-05-16	Reena Madhogaria	Rajiv Rameshchandra Kotia	100,000
12-05-16	Samir Thakkar HUF	Rajiv Rameshchandra Kotia	50,000
12-05-16	Sushil Madhogaria	Rajiv Rameshchandra Kotia	100,000
12-05-16	Sushil Madhogaria HUF	Rajiv Rameshchandra Kotia	100,000
26-02-18	Through Direct Allotment	Rajiv Rameshchandra Kotia	106,380
TOTAL			1,653,550

The above records pertaining to promoters buildup have been certified by M/s Bhatler & Company, Chartered Accountants, Peer Review Auditor vide certificate dated 31.03.2018.

Out of the total Pre-offer Capital consisting of 16,53,550 Equity Shares, 13,50,000 will be offered for sale. The balance entire post offer capital consisting of 3,03,550 Equity Shares comprising of 6.07% of post issue capital will be locked in for 3 years.

2. MR. RAJ RAJIV KOTIA (Promoter)

Date of Allotment/ Transfer	Consideration*	No. of Equity Shares	Face value per Share(Rs.)	Issue / Acquisition/Transfer price (Rs.)	Nature of Transactions	Source of Fund*	Pledge
1-Apr-17	Refer Note	1,611,132	10	10	Transfer of Shares	Refer Note	No
	Total	1,611,132					

Note: Transfer Details:

Date of Transfer	Name of Transferor	Name of Transferee	No of Shares
01-04-17	Amit Prajapati	Raj Rajiv Kotia	184,000
01-04-17	Anesh Shah	Raj Rajiv Kotia	200,000
01-04-17	Bhumika Sidhapura	Raj Rajiv Kotia	217,132
01-04-17	Heena Shah	Raj Rajiv Kotia	200,000
01-04-17	Hitesh Suthar	Raj Rajiv Kotia	100,000
01-04-17	Ishita Mahesh Gala	Raj Rajiv Kotia	100,000
01-04-17	Kapil Shah	Raj Rajiv Kotia	60,000
01-04-17	Prem Lata Shah	Raj Rajiv Kotia	200,000

01-04-17	Rohini Wani	Raj Rajiv Kotia	200,000
01-04-17	Shree Krishna Infrastructure Limited	Raj Rajiv Kotia	50,000
01-04-17	Vishal Shah	Raj Rajiv Kotia	100,000
TOTAL			1,611,132

Note:

- All the above transfers have been made by way of Share Transfer Form signed by the parties and Share Purchase Agreement on deferred payment terms.
- For the following Transfers, Purchase Consideration has already been made till the date of filing of this prospectus:

Date of Payment	Name of Transferor	Name of Transferee	No of Shares	Consideration (In Rs.)
12-04-18	Prem Lata Shah	Raj Rajiv Kotia	4900	49000
12-04-18	Kapil Shah	Raj Rajiv Kotia	4900	49000
12-04-18	Rohini Wani	Raj Rajiv Kotia	4900	49000
12-04-18	Vishal Shah	Raj Rajiv Kotia	4900	49000
13-04-18	Amit Prajapati	Raj Rajiv Kotia	4900	49000
13-04-18	Heena Shah	Raj Rajiv Kotia	4900	49000
13-04-18	Anesh Shah	Raj Rajiv Kotia	4900	49000
16-04-18	Prem Lata Shah	Raj Rajiv Kotia	4800	48000
16-04-18	Rohini Wani	Raj Rajiv Kotia	4100	41000
16-04-18	Vishal Shah	Raj Rajiv Kotia	4400	44000
16-04-18	Kapil Shah	Raj Rajiv Kotia	4700	47000
21-04-18	Anesh Shah	Raj Rajiv Kotia	4900	49000
21-04-18	Amit Prajapati	Raj Rajiv Kotia	4900	49000
21-04-18	Heena Shah	Raj Rajiv Kotia	4900	49000
23-04-18	Hitesh Suthar	Raj Rajiv Kotia	4900	49000
23-04-18	Hitesh Suthar	Raj Rajiv Kotia	4900	49000
24-04-18	Prem Lata Shah	Raj Rajiv Kotia	4900	49000
24-04-18	Kapil Shah	Raj Rajiv Kotia	4900	49000
24-04-18	Vishal Shah	Raj Rajiv Kotia	4900	49000
24-04-18	Rohini Wani	Raj Rajiv Kotia	4900	49000
30-04-18	Shree Krishna Infrastructure Limited	Raj Rajiv Kotia	50000	500000
01-05-18	Ishita Gala	Raj Rajiv Kotia	10000	100000
01-05-18	Heena Shah	Raj Rajiv Kotia	10000	100000
01-05-18	Bhumika Sidhpura	Raj Rajiv Kotia	14200	142000
19-05-18	Ishita Gala	Raj Rajiv Kotia	20000	200000
19-05-18	Bhumika Sidhpura	Raj Rajiv Kotia	20000	200000
21-05-18	Premlata Shah	Raj Rajiv Kotia	20000	200000
21-05-18	Vishal Shah	Raj Rajiv Kotia	15000	150000
21-05-18	Kapil Shah	Raj Rajiv Kotia	15000	150000
22-05-18	Rohini Wani	Raj Rajiv Kotia	20000	200000
22-05-18	Amit Prajapati	Raj Rajiv Kotia	20000	200000
28-05-18	Anesh Shah	Raj Rajiv Kotia	19000	190000
28-05-18	Hitesh Suthar	Raj Rajiv Kotia	15000	150000
28-05-18	Heena Shah	Raj Rajiv Kotia	15000	150000
29-05-18	Bhumika Sidhpura	Raj Rajiv Kotia	20000	200000
29-05-18	Anesh Shah	Raj Rajiv Kotia	20000	200000

Date of Payment	Name of Transferor	Name of Transferee	No of Shares	Consideration (In Rs.)
30-05-18	Bhumika Sidhpura	Raj Rajiv Kotia	20000	200000
30-05-18	Anesh Shah	Raj Rajiv Kotia	20000	200000
31-05-18	Anesh Shah	Raj Rajiv Kotia	20000	200000
31-05-18	Rohini Wani	Raj Rajiv Kotia	20000	200000
31-05-18	Amit Prajapati	Raj Rajiv Kotia	4400	44000
01-06-18	Bhumika Sidhpura	Raj Rajiv Kotia	20000	200000
02-06-18	Premlata Shah	Raj Rajiv Kotia	9000	90000
02-06-18	Bhumika Sidhpura	Raj Rajiv Kotia	10000	100000
05-06-18	Premlata Shah	Raj Rajiv Kotia	10000	100000
05-06-18	Premlata Shah	Raj Rajiv Kotia	19000	190000
05-06-18	Premlata Shah	Raj Rajiv Kotia	19000	190000
05-06-18	Anesh Shah	Raj Rajiv Kotia	1000	10000
05-06-18	Heena Shah	Raj Rajiv Kotia	20000	200000
05-06-18	Heena Shah	Raj Rajiv Kotia	20000	200000
05-06-18	Heena Shah	Raj Rajiv Kotia	15000	150000
05-06-18	Hitesh Shah	Raj Rajiv Kotia	3000	30000
05-06-18	Rohini Wani	Raj Rajiv Kotia	20000	200000
05-06-18	Rohini Wani	Raj Rajiv Kotia	20000	200000
05-06-18	Bhumika Sidhpura	Raj Rajiv Kotia	10000	100000
05-06-18	Bhumika Sidhpura	Raj Rajiv Kotia	20000	200000
	Total		700000	7000000

The above payments have been certified by M/s Bhatler & Company, Chartered Accountants, Peer Review Auditor vide certificate dated 05.06.2018.

Out of the total Pre-offer Capital consisting of 16,11,132 Equity Shares, 6,96,450 Equity Shares comprising of 13.93% of post issue share capital will be locked in for 3 years and the balance 9,14,682 Equity Share will be locked in for 1 year.

The Selling Shareholder Mr. Rajiv Rameshchandra Kotia has confirmed that Equity Shares proposed to be offered and sold in the Offer is eligible in term of SEBI (ICDR) Regulations and that he has not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholder has also confirmed that he is the legal and beneficial owner of the Equity Shares being offered by him under the Offer for Sale.

Except as mentioned for Mr. Raj Rajiv Kotia above, all the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for such purpose.

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

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations, 2009, All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 33 of the SEBI ICDR Regulations, 2009, and are being locked in for 3 years as per Regulation 36(a) of the SEBI ICDR Regulations, 2009 i.e. for a period of three years from the date of allotment of Equity Shares in this Offer.

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

Our Promoters have by a written undertaking letter dated 31.03.2018, consented to have 10,00,000 Equity Shares to be locked in as Minimum Promoters Contribution for a period of 3 (three) years from the date of allotment in this

Offer and will not be disposed/sold/transferred by the promoter during the period starting from the date of filing this Draft prospectus with SME Platform of BSE till the date of commencement of lock-in period as stated in this Draft prospectus. The details are as under:

Sl. No.	Name of Promoter Shareholders	No. of Shares for Lock in
1	Mr. Rajiv Rameshchandra Kotia	3,03,550
2	Mr. Raj Rajiv Kotia	6,96,450
	Total No. of Shares to be lock in as minimum promoters contribution	10,00,000

Our Promoters have also consented that the Promoters contribution under Regulation 32 of the SEBI ICDR Regulations will not be less than 20% of the Post Offer paid up capital of our Company.

c. Details of Equity Shares Locked-in for one (1) year

In terms of Regulation 36 and 37 of the SEBI (ICDR) Regulations, other than the Equity Shares offered by the Promoters for the Minimum Promoter’s Contribution, which will be locked-in as minimum Promoters’ contribution for three (3) years, all the Pre-Offer Equity Shares shall be subject to lock-in for a period of one (1) year from the date of Allotment. The details are as under:

Sr. No.	Name of the shareholder	Type of shares	No. of Shares held before IPO	Offer for Sale (No. of Shares)	No. of Shares held after IPO	No. of Shares held for lock in for 3 years	No. of Shares held for lock in for 1 years
	Promoters (A)		3,264,682	(1350000)	1,914,682	1,000,000	914,682
1	Rajiv Rameshchandra Kotia		1,653,550	(1350000)	303,550	303,550	-
2	Raj Rajiv Kotia		1,611,132	-	1,611,132	696,450	914,682
	Promoters Group(B)		601,090	-	601,090	-	601,090
3	Shree Krishna Infrastructure Ltd		601,090	-	601,090	-	601,090
	Total Promoter & Promoters Group (C=A+B)		3,865,772	(1350000)	2,515,772	1,000,000	1,515,772
	Public Shareholder(D)	Equity Shares	1,134,228	-	1,134,228	-	1,134,228
4	Keyur Gandhi		43,880	-	43,880	-	43,880
5	Amit Prajapati		348	-	348	-	348
6	Dorothy Dsouza		15,000	-	15,000	-	15,000
7	Magic Touch Securities (P) Ltd		390,000	-	390,000	-	390,000
8	Shree Manibhadra Broking (P) Ltd		640,000	-	640,000	-	640,000
9	Roma Dsouza		15,000	-	15,000	-	15,000
10	Rose Dsouza		15,000	-	15,000	-	15,000
11	Rahul Dsouza		15,000	-	15,000	-	15,000
	Total Share Holders (C+D)		5,000,000	(1350000)	3,650,000	1,000,000	2,650,000

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

d. Other requirements in respect of lock-in

In terms of Regulation 39 of the SEBI (ICDR) Regulations, locked-in Equity Shares for one (1) year held by our Promoters may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity

Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Promoters' contribution can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than our Promoters prior to the Offer may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations") and such transferee shall not be eligible to transfer them until the lock-in period stipulated in the SEBI (ICDR) Regulations has elapsed.

Further, in terms of Regulation 40 of SEBI (ICDR) Regulations, the Equity Shares held by our Promoters may be transferred to and among the Promoter Group or to new promoters 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 the Takeover Regulations and such transferee shall not be eligible to transfer them until the lock-in period stipulated in the SEBI (ICDR) Regulations has elapsed.

e. We further confirm that our Promoter's Contribution of 20% of the Post-Offer Equity Share capital does not include any contribution from Alternative Investment Fund.

f. Shareholding of our Promoters & Promoter Group

The table below presents the shareholding of our Promoters and Promoter Group who hold Equity Shares as on the date of filing of this Draft prospectus:

Particulars	PRE-OFFER		POST-OFFER	
	Number of Shares	Percentage (%) holding	Number of Shares	Percentage (%) holding
<i>Promoters</i>				
Rajiv Rameshchandra Kotia *	16,53,550	33.07	3,03,550	06.07
Raj Rajiv Kotia	16,11,132	32.22	16,11,132	32.22
TOTAL (A)	32,64,682	65.29	1,054,640	38.29
<i>Promoters Group</i>				
Shree Krishna Infrastructure Limited	6,01,090	12.02	6,01,090	12.02
TOTAL (B)	6,01,090	12.02	6,01,090	12.02
Grand Total (A+B)	38,65,772	77.32	25,15,772	50.32

* Out of the above Mr. Rajiv Rameshchandra Kotia is offering 13,50,000 equity shares as Offer for Sale through this Draft prospectus.

As on the date of filing of this Draft prospectus, our Promoters and members of the Promoter Group do not hold any preference shares in our Company.

4. No acquisition and sale/transfer of Equity Shares by our Promoters during the preceding one year at price lower than the price at which equity shares are being offered for sale.

5. Shareholding Pattern of our Company

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

Table I - Summary Statement holding of specified securities on the date of this Draft 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)	Shareholding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)			No of 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 Demat form(XIV)	
								Class-Equity	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-Equity								
(A)	Promoters & Promoter Group	3	38,65,772	-	-	38,65,772	77.32	38,65,772	-	38,65,772	77.32	-	-	-	-	-	-	
(B)	Public	8	11,34,228	-	-	11,34,228	22.68	11,34,228	-	11,34,228	22.68	-	-	-	-	-	-	
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	11	5,000,000	-	-	5,000,000	100	5,000,000	-	5,000,000	100	-	-	-	-	-	-	

Table II – Statement showing Shareholding Pattern of the Promoter and Promoter Group

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of share holder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
		(Not to be Disclosed)							Class X	Class Y	Total							
(1)	Indian																	
(a)	Individual / HUF																	

	Mr. Rajiv Rameshchandra Kotia		1	1,653,550	-	-	1,653,550	33.07	-	-	-	-	-	33.07	-	-	-	-	-
	Mr. Raj Rajiv Kotia		1	1,611,132	-	-	1,611,132	32.22	-	-	-	-	-	32.22	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c.)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (Corporate / LLP)	-																	
	Shree Krishna Infrastructure Limited		1	601,090	-	-	601,090	12.02	-	-	-	-	-	12.02	-	-	-	-	-
	Sub Total (A-1)		3	38,65,772	-	-	38,65,772	77.32	-	-	-	-	-	77.32	-	-	-	-	-
(2)	Foreign																		
(a)	Individuals (Non- Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c.)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (A-2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		3	38,65,772	-	-	38,65,772	77.32	-	-	-	-	-	77.32	-	-	-	-	-

Table III - Statement showing Shareholding Pattern of the Public shareholder

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
		(Not to be Disclosed)							Class X	Class Y	Total							
(1)	Institutions																	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c.)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/ State Government(s)/ President of India Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non-institutions																		
(a)	i. Individual shareholders holding nominal share capital up to Rs. 2 Lakhs.	-	5	60,348	-	-	60,348	1.21	-	-	-	-	-	1.21	-	-	-	-	-
	Amit Prajapati			348			348	0.01											
	Dorothy Dsouza			15,000	-		15,000	0.30											

	Roma Dsouza			15,000			15,000	0.30											
	Rose Dsouza			15,000			15,000	0.30											
	Rahul Dsouza			15,000			15,000	0.30											
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	-	1	43,880	-	-	43,880	0.88	-	-	-	-	-	0.88	-	-	-	-	-
	Keyur Sharad Chandra Gandhi			43,880			43,880	0.88											
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c.)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Corporates):		2	10,30,000			10,30,000	20.60						20.60					
	Magic Touch Securities Private Limited	-	1	390,000	-	-	390,000	7.80	-	-	-	-	-	7.80	-	-	-	-	-
	Shree Manibhadra Broking Private Limited	-	1	640,000	-	-	640,000	12.80	-	-	-	-	-	12.80	-	-	-	-	-
	Sub-Total (B)(3)	-	8	1,134,228	-	-	1,134,228	22.68	-	-	-	-	-	22.68	-	-	-	-	-
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	-	8	1,134,228	-	-	1,134,228	22.68	-	-	-	-	-	22.68	-	-	-	-	-

Table IV - Statement showing Shareholding Pattern of the Non Promoter- Non Public shareholder

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights	Total as a % of Total Voting Rights				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
		(Not to be Disclosed)							C	Class	Total							
									l	Y								

									a s s X		al								
(1)	Custodian/DR Holder																		
(a)	Name of DR Holder (if available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Subtotal (C)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter-Non Public Shareholding (C)= (C)(1)+(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: Till the date of this draft prospectus, all the physical shares held by Promoters / public categories shareholders have not been dematerialized and the same is under process of dematerialization.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.

5. Except as set out below, none of the directors of our Company are holding any Equity Shares in our Company.

Particulars	Number of Shares	Percentage (%) holding
Raj Rajiv Kotia	16,11,132	32.20
Keyur Sharad Chandra Gandhi	43,880	0.88
Total	16,55,012	33.18

6. None of the Equity Shares of Our Company is subject to any pledge as on the date of this Draft prospectus.
7. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on date of this Draft prospectus.
8. Details of the persons belonging to the category Public holding more than 1% of the total number of shares (including shares, warrants, convertible securities) as on the date of this Draft prospectus:

Particulars	Number of Shares	Percentage (%) holding
Magic Touch Securities Private Limited	390,000	7.80
Shree Manibhadra Broking Private Limited	640,000	12.80
Total	1,030,000	20.60

9. None of the Key Managerial Personnel holds Equity Shares in our Company as on the date of this Draft prospectus.
10. Top Ten Shareholders of our Company.

1. The top ten (10) shareholders of our Company as of the date of the filing of the Draft prospectus with the Stock Exchange are as follows:

Sr. No.	Name of the Shareholders	No. of Shares of Face Value of Rs. 10	% age of Pre-Issue Capital
1	Mr. Rajiv Rameshchandra Kotia	1,653,550	33.07
2	Mr. Raj Rajiv Kotia	1,611,132	32.22
3	Shree Manibhadra Broking Private Limited	640,000	12.80
4	Shree Krishna Infrastructure Limited	601,090	12.02
5	Magic Touch Securities Private Limited	390,000	7.80
6	Mr. Keyur Sharad Chandra Gandhi	43,880	0.88
7	Rahul Dsouza	15,000	0.30
8	Roma Dsouza	15,000	0.30
9	Rose Dsouza	15,000	0.30
10	Dorothy Dsouza	15,000	0.30
	Total	4,999,652	99.99

2. The top ten (10) shareholders of our Company as of ten (10) days prior to the filing of the Draft prospectus with the Stock Exchange are as follows:

Sr. No.	Name of the Shareholders	No. of Shares of Face Value of Rs. 10	% age of Pre-Issue Capital
1	Mr. Rajiv Rameshchandra Kotia	1,653,550	33.07
2	Mr. Raj Rajiv Kotia	1,611,132	32.22
3	Shree Manibhadra Broking Private Limited	640,000	12.80
4	Shree Krishna Infrastructure Limited	601,090	12.02
5	Magic Touch Securities Private Limited	390,000	7.80

Sr. No.	Name of the Shareholders	No. of Shares of Face Value of Rs. 10	% age of Pre-Issue Capital
6	Mr. Keyur Sharad Chandra Gandhi	43,880	0.88
7	Rahul Dsouza	15,000	0.30
8	Roma Dsouza	15,000	0.30
9	Rose Dsouza	15,000	0.30
10	Dorothy Dsouza	15,000	0.30
	Total	4,999,652	99.99

3. The top ten (10) shareholders of our Company as of two (2) years prior to the filing of the Draft prospectus with the Stock Exchange are as follows:

Sr. No.	Name of the Shareholders	No. of Shares of Face Value of Rs. 10	% age of Share Capital
1	Rajiv Rameshchandra Kotia	397,170	9.25
2	Manibhadra Broking Pvt Ltd	384,348	8.95
3	Accuworks Infrastructure Pvt Ltd	300,000	6.99
4	Namra Traders & Distributors LLP	300,000	6.99
5	Bhumika Sidhapura	217,132	5.06
6	Naranbhai M Patel	200,000	4.66
7	Aman Madhogaria	100,000	2.33
8	Ansuyaben K Patel	100,000	2.33
9	Bhagabhai S Patel	100,000	2.33
10	Bhartiben V Patel	100,000	2.33
11	Chandrikaben M Patel	100,000	2.33
12	Ishita Mahesh Gala	100,000	2.33
13	Kaushikbhai C Patel	100,000	2.33
14	Nayan Mevada	100,000	2.33
15	Parvatiben B Patel	100,000	2.33
16	Reena Madhogaria	100,000	2.33
17	Sushil Madhogaria	100,000	2.33
18	Sushil Madhogaria HUF	100,000	2.33
19	Vijaybhai N Patel	100,000	2.33
20	Vijaybhai N Patel - HUF	100,000	2.33
	Total	3,198,650	63.97

11. Except as mentioned above, there has been no subscription to or sale or purchase of our Equity Shares, within the three (3) years immediately preceding the date of this Draft prospectus, by our Promoters, Directors or Promoter Group which in aggregate equals or exceeds 1% of the Pre-Offer Equity Share capital of our Company.
12. Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft prospectus.
13. Our Company has not issued and allotted Equity Shares in terms of scheme(s) approved under Section 391-394 of the Companies Act, 1956.
14. Our Promoters, Promoter Group, our Directors and their relatives has not entered into any financing arrangements or financed the purchase of the Equity shares of our Company by any other person during the period of six (6) months immediately preceding the date of filing of the Draft prospectus.
15. We hereby confirm that there will be no further issue of capital whether by the way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft

prospectus until the Equity shares offered have been listed or application money unblocked on account of failure of Offer.

16. Our Company, its Directors, Promoters or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of our Company.
17. No Promoter group and their relatives have purchase and sold their Equity Shares during the period of six (6) months immediately preceding the date of filing of this Draft prospectus with the Stock Exchange.
18. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
19. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft prospectus.
20. The Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Draft prospectus.
21. Our Company has not issued Equity Shares out of Revaluation Reserves.
22. Our Company shall comply with such disclosures and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
23. The Equity Shares issued pursuant to this Offer shall be fully paid-up.
24. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this Draft prospectus, except as mentioned in Chapter “*Capital Structure*”, beginning on page no 45
25. As on date of this draft prospectus, our Company has 11 shareholders.
26. Since this is an Offer for Sale by the existing shareholder of our Company, we have not raised any bridge loan.
27. Our Company, Directors, the Selling Shareholder, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this offer except as disclosed in the Draft prospectus.
28. Our Company does not have any proposal or intention to alter the equity capital structure by way of split/ consolidation of the denomination of the Equity Shares, or the issue of securities on a preferential basis or issue of bonus or rights or further public issue of securities or qualified institutions placement within a period of six (6) months from the date of opening of the Offer. However, if business needs of our Company so require, our Company may alter the capital structure by way of split / consolidation of the denomination of the Equity Shares / issue of Equity Shares on a preferential basis or issue of bonus or rights or public or preferential issue of Equity Shares or any other securities during the period of six (6) months from the date of opening of the Offer or from the date the application moneys are refunded on account of failure of the Offer, after seeking and obtaining all the approvals which may be required.
29. Our Company has not revalued its assets during the last five (5) financial years.
30. An over-subscription to the extent of 10% of the Offer 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 Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Offer, as a result of which, the Post-Offer paid up capital after the Offer 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 three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the Post Offer paid-up capital is locked in.
31. 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 i.e. BSE Limited (SME Platform). Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

32. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 43(4) of SEBI (ICDR) Regulations.
33. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
34. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
35. There are no Equity Shares against which depository receipts have been issued.
36. Other than the Equity Shares, there is no other class of securities issued by our Company.
37. This Offer is being made through Fixed Price method.
38. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the Post-Offer paid-up Equity Share capital of our Company. Further, this Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. As per Regulation 43(4) of the SEBI (ICDR) Regulations, since our is a fixed price Offer 'the allocation' is the Net Offer to the public category shall be made as follows:

- a) Minimum fifty percent (50%) to retail individual investors; and
- b) Remaining to other than retail individual investors.

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 percent (50%) on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

39. Our Promoters and members of our Promoter Group will not participate in the Offer.
40. The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this Draft prospectus.
41. The details of equity shares being offered for sale are as follows:

Sr. No	Particulars	Number of Shares	Percentage (%) holding
1	Rajiv Rameshchandra Kotia	13,50,000	27.00
	Total	13,50,000	27.00

SECTION-IV: PARTICULARS OF THE OFFER**OBJECTS OF THE OFFER**

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the SME Platform of BSE and to carry out the sale of 13,50,000 Equity Shares by the Selling Shareholder. The listing of the Equity Shares will enhance our visibility, brand name and provide liquidity to the existing shareholders. The listing of the Equity Shares will also provide a public market for the Equity Shares in India. Our Company will not receive any proceeds from the Offer. All proceeds from the Offer will go to the Promoter Selling Shareholder Mr. Rajiv Rameshchandra Kotia. For further details, see the section titled “*The Offer*” beginning on page no 36 of this Draft prospectus.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ 15 Lakh. The expenses of this Offer include, among others, underwriting and lead management fees, selling commissions, SCSBs’ commissions/ fees, printing and distribution expenses, legal fees, Offer related advertisements and publicity, registrar and depository fees and listing fees.

Other than listing fees, which will be paid by the Company, all costs, fees and expenses with respect to the Offer will be paid by the Selling Shareholder, upon successful completion of the Offer. Upon the successful completion of the Offer, the Selling Shareholder agrees that he will reimburse the Company, for any expenses incurred by the Company on behalf of such Selling Shareholder.

The break-up for the Offer expenses is as follows:

Activity	Expenses (Rs. in Lakhs)	% of offer size
Payment to Merchant Banker including underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses	15.00	11.11%
TOTAL	15.00	11.11%

MONITORING OF UTILIZATION OF FUNDS

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

BASIC TERMS OF THE OFFER**Authority for the Offer**

The offer in terms of this Draft prospectus has been authorized pursuant to the resolution passed by the Board of Directors dated May 17, 2018 and by the shareholders pursuant to the special resolution passed in an Extra Ordinary General Meeting dated May 22, 2018 under section 28 of the Companies Act, 2013

Ranking of Equity Shares

The Equity Shares being offered under the Issue shall be subject to the provisions of our Memorandum and Articles and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividends. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends or any other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please refer to the chapter “*Main Provisions of the Articles of Association*” beginning on page no 211 of this Draft prospectus.

Terms of the Offer

The Equity Shares, now being offered, are subject to the terms and conditions of this Draft prospectus, Application form, Confirmation of Allocation Note (“*CAN*”), 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, Stock Exchange, 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.

Face Value	Each Equity Share shall have the face value of Rs.10/- each.
Offer Price	Each Equity Share is being offered at a price of Rs. 10/- each and is one time or at par of the Face Value.
Market and Trading Lot	The Market lot and Trading lot for the Equity Share is 10,000 (Ten Thousand) and the multiple of 10,000 subject to a minimum allotment of 10,000 Equity Shares to the successful applicants.
Terms of Payment	100% of the Issue price of Rs. 10/- shall be payable on Application. For more details please refer to “offer Procedure” beginning on page no 173 of this Draft prospectus.
Ranking of the Equity Shares	The Equity Shares shall be subject to the Memorandum and Articles of Association of our Company and shall rank pari passu in all respects including dividends with the existing Equity Shares of our Company.

MINIMUM SUBSCRIPTION

In accordance with Regulation 106P (1) of SEBI ICDR Regulations, this Offer is 100% underwritten. Also, in accordance with explanation to Regulation 106P (1) of SEBI ICDR Regulations the underwriting shall not be restricted up to the minimum subscription level.

If our Company does not receive the subscription of 100% of the Offer including devolvement on Underwriters within 60 (Sixty) days from the date of closure of the issue, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond 8 (eight) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed in the Companies Act.

Further, in accordance with Regulation 106R of SEBI ICDR Regulations, no allotment shall be made pursuant to the Offer, if the number of prospective allottees is less than 50 (fifty). For further details, please refer to section titled “Terms of the Offer” beginning on page no 165 of this Draft prospectus.

BASIS FOR OFFER PRICE

Investors should read the following summary with the section titled "Risk Factors", the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information of the company" beginning on pages 13, pages 91 and pages 123 respectively of the Draft prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Offer Price of Rs, 10.00 per equity share has been determined by the Company and selling shareholder in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10.00 each and the Offer Price is ₹ 10.00 per Equity Share which is 1 (one) time of the face value.

QUALITATIVE FACTORS

- ❖ Established marketing set-up
- ❖ Tremendous Goodwill and Trust of the Company amongst investors
- ❖ Scalable business model
- ❖ Management expertise

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to section titled "Our Business" beginning on page no 91 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic & Diluted Earnings Per Share (EPS), as adjusted

S. No	Period	Basic & Diluted (₹)	Weights
1.	FY 2014-15	0.22	1
2.	FY 2015-16	0.21	2
3.	FY 2016-17	0.12	3
	Weighted Average	0.16	
4.	For the period ended February 28, 2018 [^]	0.06	

[^]Not Annualized

Notes:

- i. The figures disclosed above are based on the restated financial statements of the Company.
- ii. The face value of each Equity Share is ₹ 10.00.
- iii. Earnings per Share has been calculated in accordance with Accounting Standard 20 – "Earnings per Share" issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure 4.

2. Price Earning (P/E) Ratio in relation to the Offer Price of ₹10:

S. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2016-17	83.33
2	P/E ratio based on the Weighted Average EPS, as restated for FY 2016-17	62.50

3. Peer Group P/ E*

S. No	Particulars	P/E
1	Highest	150.4
2	Lowest	9.8
3	Average	27.7

*Source: Industry data is of Entertainment/Electronic Media Software as per Capital Market data of Vol. XXXIII/07, May 21 – Jun 03, 2018

Return on Net worth (RoNW)*

S. No	Period	RONW (%)	Weights
1.	FY 2014-15	1.34	1
2.	FY 2015-16	1.84	2
3.	FY 2016-17	1.10	3
	Weighted Average	1.39	
4.	For the period ended February 28, 2018 [^]	0.48	

*Restated Profit after tax/Net Worth

[^] Not Annualized**4. Minimum Return on Net Worth after Offer to maintain Pre-Offer basic & diluted EPS for the FY 2016 17.**

There will be no change in the Net worth Post-Offer as the Offer is by way of Offer for Sale by the Selling Shareholders.

5. Net Asset Value (NAV) per Equity Share:

Sr. No.	As at	NAV (₹)
1.	March 31, 2015	10.97
2.	March 31, 2016	11.16
3.	March 31, 2017	11.29
4.	February 28, 2018	11.16
5.	NAV after Offer	11.16
	Offer Price	10.00

6. Comparison of Accounting Ratios with Industry Peers¹

S. No.	Name of Company	Face Value (₹)	EPS (₹) ³	PE ⁴	RoNW (%)	NAV per Share (₹)
1.	Sungold Media and Entertainment Limited	10.00	0.09	111.11	0.48	11.16
2.	Balaji Telefilms Limited	2.00	2.80	31.9	4.9	105.50
3.	Cineline India Limited	5.00	3.80	18.3	11.9	33.6
4.	Eros International Media Limited	10.00	13.7	21.6	10.2	142.10

¹*Source: Industry data is of Entertainment/Electronic Media Software as per Capital Market data of Vol. XXXIII/07, May 21 – Jun 03, 2018

²Based on February 28, 2018 restated financial statements and not annualized.

³Basic & Diluted Earnings per share (EPS), as adjusted

⁴Price Earning (P/E) Ratio in relation to the Offer Price of ₹100

The peer group identified is broadly based on the different service lines that we are into but our scale of operations is not comparable to them.

7. The face value of our shares is ₹10.00 per share and the Offer Price is of ₹10 per share

8. Our Company in consultation with the Lead Manager believes that the Offer Price of ₹ 10 per share for the Public Offer 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 Auditors' Report in the offer Document to have more informed view about the investment.

9. Investors should read the above mentioned information along with sections titled "Our Business", "Risk Factors" and "Financial Information of the company" beginning on page no 91, page no 13 and page no 123 respectively including important profitability and return ratios, as set out in "Annexure 6" to the Financial Information of our Company beginning on page no 132 of this Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Sungold Media and Entertainment Limited
13, Radhakrushna Mandir Compound, Rajpipla, Nandod,
Narmada- 393145, Gujarat, India

Sub: Statement of Possible Special Tax Benefits Available to the Company and its shareholders prepared in accordance with the requirements under Schedule VIII-Clause (VII) (L) of the SEBI (ICDR) Regulations, 2009, as amended (the "Regulations")

We hereby report that the enclosed annexure prepared by Sungold Media and Entertainment Limited, states the possible special tax benefits available to Sungold Media and Entertainment Limited ("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 provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil. The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company Further , the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares ("the Offer") by the Company.

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

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

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

For M/s. Bhatler & Company
Chartered Accountants
Firm Registration No - 131092W

Sd/-

Daulal H Bhatler
Proprietor
Membership No: 016937
Place: Mumbai
Dated: 31.03.2018

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

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

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

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 do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement

SECTION V: ABOUT THE COMPANY AND THE INDUSTRY**INDUSTRY OVERVIEW**

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

OVERVIEW OF THE GLOBAL AND INDIAN ECONOMY**Global Scenario:**

Global growth has gained further momentum, supported by both advanced and emerging market economies. World trade growth has outpaced global growth after lagging behind for two years. Inflation remains subdued and below target levels across most regions despite improving demand and firming up of crude oil prices.

The US economy slowed in Q4:2017 on surging imports and depleting inventories, after growing at a robust pace in Q3 on the back of strong private consumption, investment activity and net exports. For the year 2017 as a whole, GDP grew at 2.3 per cent, accelerating from 1.5 per cent in the preceding year. Labor market conditions improved further with the unemployment rate falling to a low of 4.1 per cent. Industrial production also registered a robust growth driven largely by mining activity. These developments in conjunction with rising consumer confidence and higher disposable incomes due to tax cuts should support growth. However, the impact of the tax cuts on the fiscal balance and the ramifications from a potential trade war remain major risks to the outlook.

Real GDP Growth (q-o-q, annualized)							
(Per cent)							
Country	Q4- 2016	Q1- 2017	Q2- 2017	Q3- 2017	Q4- 2017	2018 (P)	2019 (P)
Advanced Economies							
Canada	2.2	3.7	4.3	1.5	1.7	2.3	2.0
Euro area	2.4	2.4	2.8	2.8	2.4	2.2	2.0
Japan	1.1	1.9	2.4	2.4	1.6	1.2	0.9
South Korea	2.8	4.0	2.4	5.6	-0.8	3.0	3.0
UK	2.8	1.2	0.8	2.0	1.6	1.5	1.5
US	1.8	1.2	3.1	3.2	2.9	2.7	2.5
Emerging Market Economies							
Brazil	-2.8	5.2	2.4	0.8	0.4	1.9	2.1
China	6.8	5.6	7.6	7.2	6.4	6.6	6.4
Malaysia	5.2	7.2	5.2	7.2	3.6	4.8	4.8
Mexico	3.9	2.5	1.0	-0.7	3.1	2.3	3.0
Russia*	0.3	0.5	2.5	2.2	0.9	1.7	1.5
South Africa	0.4	-0.5	2.9	2.3	3.1	0.9	0.9
Thailand	3.2	4.8	5.2	4.0	2.0	3.5	3.4
Memo:	2017 (E)			2018 (P)			2019 (P)
World Output	3.7			3.9			3.9
World Trade Volume	4.7			4.6			4.4
E: Estimate P: Projection *: y-o-y growth							
Source: Bloomberg and International Monetary Fund (IMF).							

Economic activity in the euro area continued to expand at a solid pace in H2, marking 2017 as one of the best years for the area in over a decade, although consumer spending and factory activity slowed down, possibly weighed down by political uncertainty and the strengthening of the currency. However, consistently falling unemployment rate and elevated consumer confidence continued to point to the underlying strength of the economy. The outlook for the euro area remains upbeat with still accommodative monetary policy and rising global demand, although the strong euro could act as a drag on net exports and growth.

Despite some slowdown more recently, Japan recorded eight consecutive quarters of growth up to Q4:2017, with the unemployment rate remaining subdued at 2.5 per cent in February. Incoming data, however, point to a slowdown in momentum as the Japanese economy entered 2018. Manufacturing purchasing managers' indices (PMI) eased in Q1: 2018, reflecting the strengthening of the yen, and this could take its toll on export orders. The strong currency has also hurt business sentiment in Q1: 2018, amidst rising concerns about potential trade wars.

Economic activity also continued to expand in major EMEs. China's economy grew by 6.9 per cent in 2017, above both the official target of 6.5 per cent and 6.7 per cent recorded in 2016. Notwithstanding financial risks, a government-led economic restructuring is underway, transitioning China from an export-driven path to a more balanced one that is driven by domestic demand. The economy began 2018 on a firm note, with buoyant retail sales indicating robust consumption and increasing industrial production in Q1, though investment in fixed assets remain subdued on efforts by authorities to contain local government debt. Risks emanating from a potential trade war with the US have, however, clouded the economic outlook.

(Source: RBI Monetary Policy Report -April 2018)

Indian Economy:

Introduction

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

Market size

India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organization (CSO). Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial.

The tax collection figures between April 2017- February 2018 show an increase in net direct taxes by 19.5 per cent year-on-year and an increase in net direct taxes by 22.2 per cent year-on-year.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.

India's labor force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labor force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India's foreign exchange reserves were US\$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI.

Recent Developments

With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India increased 53.3 per cent to US\$ 77.6 billion in 2017 while private equity (PE) deals reached US\$ 24.4 billion. Some of the important recent developments in Indian economy are as follows:

- India's merchandise exports and imports grew 11.02 per cent and 21.04 per cent on a y-o-y basis to US\$ 273.73 billion and US\$ 416.87 billion, respectively, during April-February 2017-18.
- India's Foreign Direct Investment (FDI) inflows reached US\$ 208.99 billion during April 2014 - December 2017, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.
- India's Index of Industrial Production (IIP) rose 7.5 per cent year-on-year in January 2018 while retail inflation reached a four month low of 4.4 per cent in February 2018.
- Employment on net basis in eight key sectors in India including manufacturing, IT and transport increased by 136,000 in July-September quarter of 2017-18.
- The average salary hike of Indian employees is estimated to be 9.4 per cent and that of key talents is estimated to be nearly 15.4 per cent in 2018, backed by increased focus on performance by companies, according to Aon Hewitt.
- Indian merchandise exports in dollar terms registered a growth of 4.48 per cent year-on-year in February 2018 at US\$ 25.83 billion, according to the data from Ministry of Commerce & Industry.

- Indian companies raised Rs 1.6 trillion (US\$ 24.96 billion) through primary market in 2017.
- Moody's upgraded India's sovereign rating after 14 years to Baa2 with a stable economic outlook.
- The top 100 companies in India are leading in the world in terms of disclosing their spending on corporate social responsibility (CSR), according to a 49-country study by global consultancy giant, KPMG.
- The bank recapitalization plan by Government of India is expected to push credit growth in the country to 15 per cent, according to a report by Ambit Capital.
- India has improved its ranking in the World Bank's Doing Business Report by 30 spots over its 2017 ranking and is ranked 100 among 190 countries in 2018 edition of the report.
- India's ranking in the world has improved to 126 in terms of its per capita GDP, based on purchasing power parity (PPP) as it increased to US\$ 7,170 in 2017, as per data from the International Monetary Fund (IMF).
- India is expected to have 100,000 startups by 2025, which will create employment for 3.25 million people and US\$ 500 billion in value, as per Mr. T V Mohan Das Pai, Chairman, Manipal Global Education.
- The World Bank has stated that private investments in India is expected to grow by 8.8 per cent in FY 2018-19 to overtake private consumption growth of 7.4 per cent, and thereby drive the growth in India's gross domestic product (GDP) in FY 2018-19.
- The Niti Aayog has predicted that rapid adoption of green mobility solutions like public transport, electric vehicles and car-pooling could likely help India save around Rs 3.9 trillion (US\$ 60 billion) in 2030.
- Indian impact investments may grow 25 per cent annually to US\$ 40 billion from US\$ 4 billion by 2025, as per Mr. Anil Sinha, Global Impact Investing Network's (GIIN's) advisor for South Asia.
- The Union Cabinet, Government of India, has approved the Central Goods and Services Tax (CGST), Integrated GST (IGST), Union Territory GST (UTGST), and Compensation Bill.
- The Nikkei India manufacturing Purchasing Managers' Index increased at the fastest pace in December 2017 to reach 54.7, signaling a recovery in the economy.

Government Initiatives

The Union Budget for 2018-19 was announced by Mr. Arun Jaitley, Union Minister for Finance, Government of India, in Parliament on February 1, 2018. This year's budget will focus on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education of the country. As per the budget, the government is committed towards doubling the farmers' income by 2022. A total of Rs 14.34 lakh crore (US\$ 225.43 billion) will be spent for creation of livelihood and infrastructure in rural areas. Budgetary allocation for infrastructure is set at Rs 5.97 lakh crore (US\$ 93.85 billion) for 2018-19. All-time high allocations have been made to the rail and road sectors.

India's unemployment rate is expected to be 3.5 per cent in 2018, according to the International Labor Organization (ILO).

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Some of the recent initiatives and developments undertaken by the government are listed below:

- The Union Cabinet gave its approval to the North-East Industrial Development Scheme (NEIDS) 2017 in March 2018 with an outlay of Rs 3,000 crores (US\$ 460 million) up to March 2020.
- In March 2018, construction of 321,567 additional houses across 523 cities under the Pradhan Mantri Awas Yojana (Urban) has been approved by the Ministry of Housing and Urban Poverty Alleviation, Government of India with an allocation of Rs 18,203 crore.
- The Ministry of Power, Government of India has partnered with the Ministry of Skill Development & Entrepreneurship to provide training to the manpower in six states in an effort to speed up the implementation of SAUBHAGYA (Pradhan Mantri Sahaj Bijli Har Ghar Yojna).
- Prime Minister's Employment Generation Programme (PMEGP) will be continued with an outlay of Rs 5,500 crore (US\$ 844.81 million) for three years from 2017-18 to 2019-20, according to the Cabinet Committee on Economic Affairs (CCEA).
- In February 2018, The Union Cabinet Committee has approved setting up of National Urban Housing Fund (NUHF) for Rs 60,000 crore (US\$ 9.3 billion) which will help in raising requisite funds in the next four years.
- The target of an Open Defecation Free (ODF) India will be achieved by October 2, 2019 as adequate funding is available to the Swachh Bharat Mission (Gramin), according to Ms Uma Bharti, Minister of Drinking Water and Sanitation, Government of India.

- The Government of India has succeeded in providing road connectivity to 85 per cent of the 178,184 eligible rural habitations in the country under its Pradhan Mantri Gram Sadak Yojana (PMGSY) since its launch in 2014.
- A total of 15,183 villages have been electrified in India between April 2015-November 2017 and complete electrification of all villages is expected by May 2018, according to Mr Raj Kumar Singh, Minister of State (IC) for Power and New & Renewable Energy, Government of India.
- The Government of India has decided to invest Rs 2.11 trillion (US\$ 32.9 billion) to recapitalize public sector banks over the next two years and Rs 7 trillion (US\$ 109.31 billion) for construction of new roads and highways over the next five years.
- The mid-term review of India's Foreign Trade Policy (FTP) 2015-20 has been released by Ministry of Commerce & Industry, Government of India, under which annual incentives for labor intensive MSME sectors have been increased by 2 per cent.
- The India-Japan Act East Forum, under which India and Japan will work on development projects in the North-East Region of India will be a milestone for bilateral relations between the two countries, according to Mr Kenji Hiramatsu, Ambassador of Japan to India.
- The Government of India will spend around Rs 1 lakh crore (US\$ 15.62 billion) during FY 18-20 to build roads in the country under Pradhan Mantri Gram Sadak Yojana (PMGSY).
- The Government of India plans to facilitate partnerships between gram panchayats, private companies and other social organizations, to push for rural development under its 'Mission Antyodaya' and has already selected 50,000 panchayats across the country for the same.
- The Government of India and the Government of Portugal have signed 11 bilateral agreements in areas of outer space, double taxation, and nano technology, among others, which will help in strengthening the economic ties between the two countries.
- India's revenue receipts are estimated to touch Rs 28-30 trillion (US\$ 436- 467 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetization and Goods and Services Tax (GST).

Road Ahead

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

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

Indian Media and Entertainment (M&E) industry

Introduction

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

The Indian advertising industry is projected to be the second fastest growing advertising market in Asia after China. At present, advertising revenue accounts for around 0.38 per cent of India's gross domestic product.

Market Dynamics

Indian media and entertainment (M&E) industry grew at a CAGR of 18.55 per cent from 2011-2017; and is expected to grow at a CAGR of 13.9 per cent to touch US\$ 37.55 billion by 2021 from US\$ 22.75 billion in 2017. The industry provides employment to 3.5-4 million people, including both direct and indirect employment in CY 2017.

Over FY 2016-21, radio will likely grow at a CAGR of 16.1 per cent, while digital advertising will grow at 30.8 per cent. The largest segment, India's television industry, is expected to grow at a CAGR of 14.7 per cent, while print media is expected to grow at a CAGR of 7.3 per cent.

The number of newspaper readers in India has increased by 38 per cent between CY 2014 and CY 2017 to reach 407 million. India is one of the highest spending and fastest growing advertising market globally. The country's expenditure on advertising is expected to grow at 12.1 per cent to Rs 68,334 crore (US\$ 10.59 billion) by the end of 2018. Mobile advertisement spending in India is estimated to grow to Rs 10,000 crore (US\$ 1.55 billion) by the end of 2018.

Recent development/Investments

The Foreign Direct Investment (FDI) inflows in the Information and Broadcasting (I&B) sector (including Print Media) in the period April 2000 – September 2017 stood at US\$ 6.86 billion, as per data released by Department of Industrial Policy and Promotion (DIPP).

- ❖ The Indian digital advertising industry is expected to grow at a Compound Annual Growth Rate (CAGR) of 32 per cent to reach Rs 18,986 crore (US\$ 2.93 billion) by 2020, backed by affordable data and rising smart phone penetration.
- ❖ India is one of the top five markets for the media, content and technology agency Wave maker where it services clients like Hero MotoCorp, Paytm, IPL and Myntra among others
- ❖ After bagging media rights of Indian Premier League (IPL), Star India has also won broadcast and digital rights for New Zealand Cricket upto April 2020.

Government Initiatives

The Telecom Regulatory Authority of India (TRAI) is set to approach the Ministry of Information and Broadcasting, Government of India, with a request to fast track the recommendations on broadcasting, in an attempt to boost reforms in the broadcasting sector.

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

Road Ahead

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

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

Exchange Rate Used: INR 1 = US\$ 0.0155 as on January 4, 2017

References: Media Reports, Press Releases, Press Information Bureau, Department of Industrial Policy and promotion (DIPP), Union Budget 2016-1, KPMG – FICCI Report 2017

Note: @ - according to a joint report titled 'Mobile Ecosystem and Sizing Report' by Mobile Marketing Association (MMA) and Group M, # - according to PwC's 2017 Global E&M Outlook.

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

Executive Summary

Second Largest TV Market

- Household televisions increased to 183 million in 2017* from 181 million in 2016 with 780 million TV viewing individuals.
- In 2017, television market generated revenue of Rs 660 billion (US\$ 10.14billion).

One of the largest broadcasting markets

- As of 2016, India had one of the largest broadcasting industries in the world with approximately 892 private satellite television channels. As of 2016, there are 243 FM radio channels and 190 operational community radio networks.
- The Ministry of Information and Broadcasting (MIB) has officially completed all the four phases of digitisation. As of March 2017, a total of 64.4 million set-top boxes (excluding Tamil Nadu) were set up in Phase 3 and Phase 4 areas

- Total of 243 FM channels (21 from the Phase-I and 222 from Phase-II) are operational. Under the phase III, the Cabinet has already given permission to 135 FM channels in 69 cities to operate
- Telecom Regulatory Authority of India (TRAI) plans to introduce a policy for broadcasting sector with a vision of 2020. The policy aims to usher a new era in the broadcasting sector where MRP of the TV channel will be declared by broadcasters directly to the consumers, and will bring more transparency and choices to the consumers.
- *Note: * March 2017*
- *Source: KPMG – FICCI Report, 2016 and 2018; Dish TV Investor Presentation, Ministry of Information and Broadcasting (MIB), NASSCOM, Telecom Regulatory Authority of India (TRAI), Aranca Research*

Fast Growing Animation Industry

- The animation and Visual Effects (VFX) industry showcased a growth of 24.07 per cent, largely led by a 34.91 per cent growth in VFX industry in 2017
- During 2016-21, this segment is expected to grow at a higher CAGR of 17.2 percent, largely led by the continued growth in outsourcing services and the swelling use of animation and VFX services in the domestic television and film space, respectively.

Exceptional Growth in Film Industry

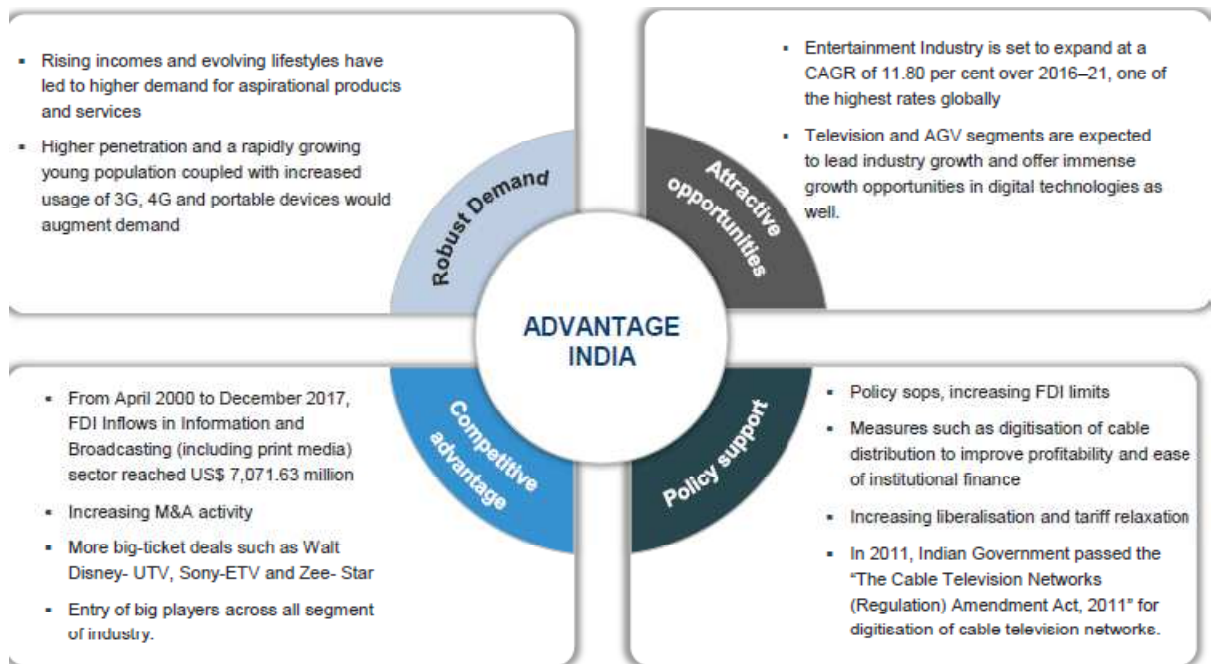
- The Indian film industry is expected to grow at a rate of 10.4 per cent to become the third largest cinema market, after US and China by 2021.
- Digitalization has played the major role in the growth of Indian film industry
- By 2019, cinema exhibition industry in India is expected to have over 3,000 multiplex screens

Rising no. of Subscribers

- Total subscriber base for Indian television industry is expected to increase to 195 million by 2019 from 183 million in 2017.
- As of December 2016, registered DTH subscriber base in India stood at around 97.05 million. As of December 2017 active DTH subscriber base in the country stood at around 67.56 million.

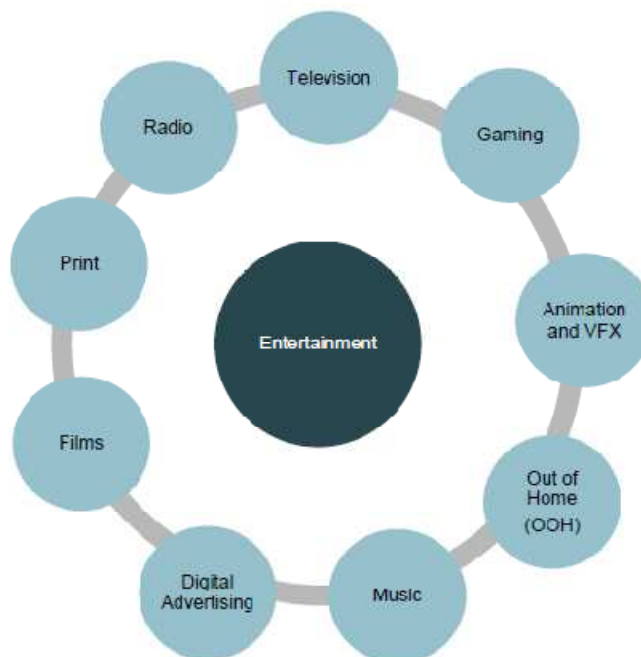
Source: KPMG – FICCI Report, 2016 and 2018; Dish TV Investor Presentation, Ministry of Information and Broadcasting (MIB), NASSCOM, Telecom Regulatory Authority of India (TRAI)

Advantage India



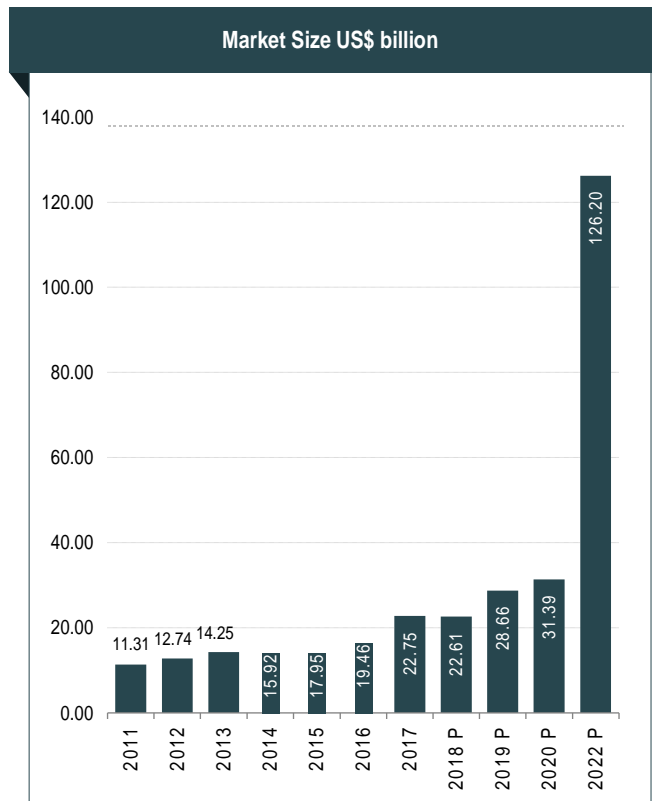
Source: KPMG Report 2015, KPMG – FICCI Report, 2016; Dish TV Investor Presentation, Ministry of Information and Broadcasting (MIB), Aranca Research

The Entertainment Sector is Split into nine segments:



The Indian Entertainment Industry is growing rapidly

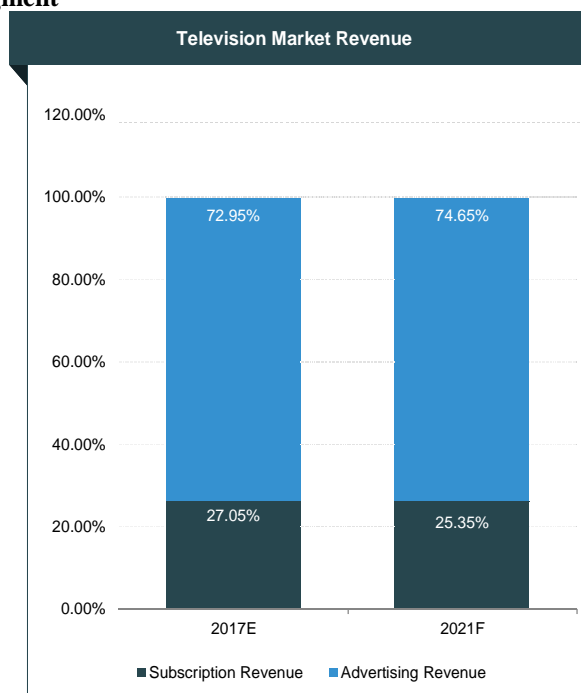
- Indian media and entertainment (M&E) industry grew at a CAGR of 18.55 per cent from 2011-2017; and is expected to grow at a CAGR of 13.9 per cent to touch US\$ 37.55 billion by 2021 from US\$ 22.75 billion in 2017.
- The next 5 years will see digital technologies increase their influence across the industry leading to a sea change in consumer behaviour across all segments
- The entertainment industry is projected to be more than US\$ 62.2 billion by FY25
- With an intent of ushering in an era of conversational computing, Microsoft has released an artificial intelligence chatbot known as Ruuh for Facebook Messenger. The English speaking chatbot is only available to users in India and is to be used for entertainment purposes.
- The industry provides employment to 3.5-4 million people, including both direct and indirect employment as of 2017.



Notes: CAGR - Compound Annual Growth Rate, P – Projected
 Source: : KPMG – FICCI Report 2018, Aranca Research

Television one of the Largest and Fastest Growing Segment

- Nonetheless, the share of subscription in the overall revenue of the TV segment is expected to increase to 66.18 per cent by 2021.
- In 2017, television market generated revenue of Rs 660 billion(US\$ 10.19 billion).

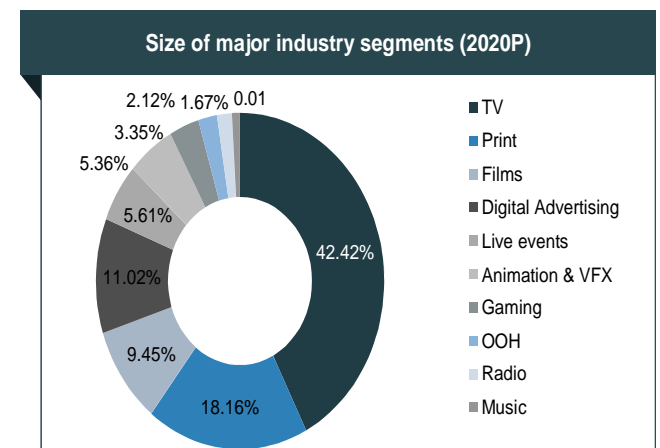
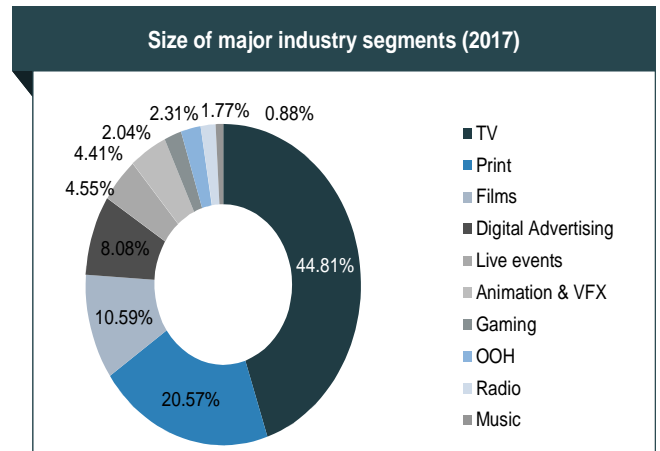


Notes: E – Estimated, F – Forecast, TV – Television
 Source: KPMG – FICCI Report 2018, Aranca Research

Segment of Indian Entertainment Industry

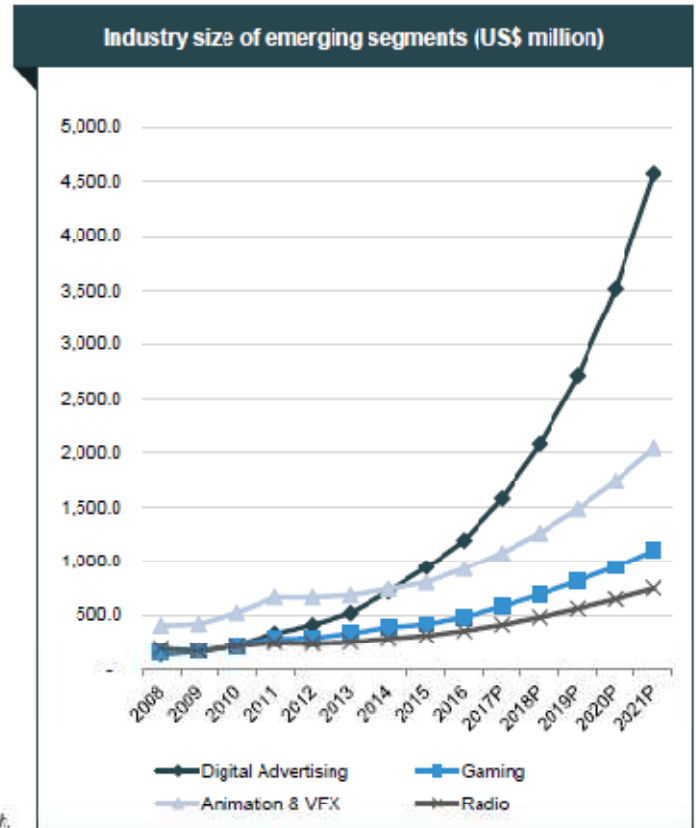
- The entertainment industry continues to be dominated by the television segment, with the segment accounting for 44.24 per cent of revenue share in 2016, which is expected to grow further to 48.18 per cent by 2021
- Television, print and films together accounted for 75.97 per cent of market share in 2017, in value terms
- Print media would be the second largest sector in the overall entertainment industry in India, following which sectors of Out of Home (OOH) and Radio are expected to contribute almost 2 per cent each to the entire industry by 2021
- India print media industry generated revenues worth Rs 303 billion (US\$ 4.65 billion in FY2017 (till December 2016).
- PVR Cinemas plans to add around 75 screens across India during FY 2017-18, thereby raising its capacity to 650 screens and has a target to achieve 1,000 screens in India by 2020. The number of screens increased to 612 in 2017.
- Google's video platform, YouTube, plans to increase its user base in India to 400 million, as rising internet penetration in the rural areas will enable the consumers to access videos on their smartphones.
- The Indian digital advertising industry is expected to grow at a Compound Annual Growth Rate (CAGR) of 32 per cent to reach Rs 18,986 crore (US\$ 2.93 billion) by 2020, backed by affordable data and rising smartphone penetration.

Notes: E – Estimated, P – Projected, OOH – Out of Home, TV – Television
 Source: KPMG – FICCI Report 2017, Economic Times, Aranca Research



Radio, Animation and VFX, Gaming and Digital Advertising on high Growth Phase

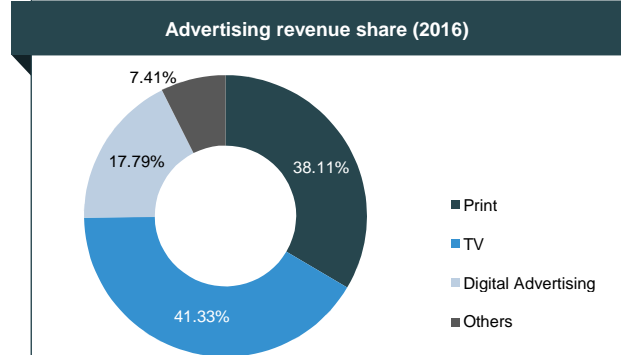
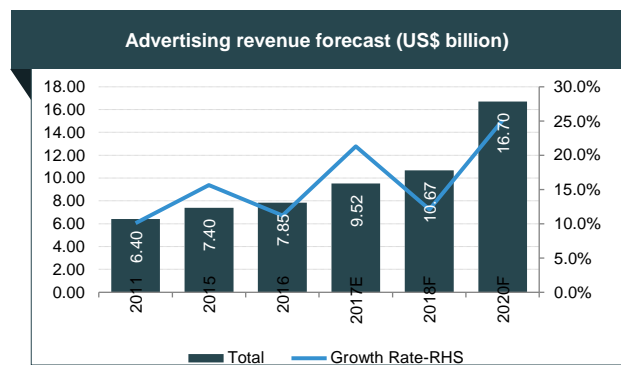
- Radio, animation and VFX, gaming and digital advertising are also emerging as fast growing segments.
- During 2008-21, these segments are expected to increase at CAGRs of:
 - Digital advertising (32 per cent)
 - Gaming (15.97 per cent)
 - Radio (10.93 per cent)
 - Animation (13.34 per cent)
- With increasing use of internet and other digital resources, Digital Advertising is expected to grow at the fastest rate among peers like print media, radio and outdoor advertising.
- India digital advertising market has reached US\$ 1 billion in FY 2016-17.
- Advertising expenditure in India is expected to grow 13 per cent year-on-year to Rs 69,346 crore (US\$ 10.71 billion) in 2018.
- Expenditure on digital advertisements in India is expected to increase at CAGR of 30.8 per cent between 2016-21^A, as internet penetration and data consumption increases in the country.



Note: VFX- Visual Effects; F – Projected, E – Estimated FICCI Report 2017, Aranca Research, ^A - according to Digital First Journey report by KPMG
 Source: FICCI Report 2017, Aranca Research

Advertising Revenues

- In 2016, total spending on advertising across all media across the entertainment industry in India stood at US\$ 7.85 billion, which is expected to touch Rs 60,972 crore (US\$ 9.52 billion) by the end of 2017 and Rs 68,334 crore (US\$ 10.67 billion) by 2018 and Rs 1.07 trillion (US\$ 16.70 billion) by 2020.
- Print was the largest contributor, accounting for 38.11 per cent of the advertising share in 2016 and is projected to be 40.7 per cent in 2017
- Print media and television together contributed for 76.2 per cent of total revenue from advertising in 2016.
- The number of newspaper readers in India has increased by 38 per cent between 2014 and 2017 to reach 407 million.
- Television advertising generated a revenue of Rs 267 billion (US\$ 4.12 billion) in 2017.
- Mobile advertising has emerged as the 3rd largest advertising medium in India after television and print advertising. Spending on mobile advertising in India is expected to grow to US\$ 1.53 billion by the end of 2018.
- India is one of the top five markets for the media, content and technology agency, Wavemaker, where it services clients like Hero MotoCorp, Paytm, IPL and Myntra among others.



Notes: E – Estimated, F – Forecast, P – Projected, OOH – Out of Home, TV – Television
 Source: KPMG – FICCI Report 2017, Economic Times, Aranca Research

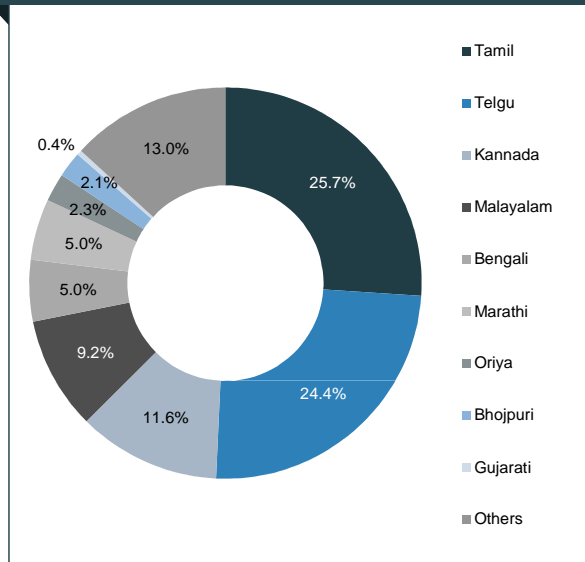
Regional entertainment

REGIONAL ENTERTAINMENT



- Regional Entertainment channels comprising mostly of regional GECs (General Entertainment Channels), regional movies and regional music.
- In print media, the rise in literacy rates, significant population growth, the rise in incomes in smaller towns and the entry of big players in regional markets is likely to drive future expansion of circulation and readership across India.
- Viewership in South India is dominant for regional entertainment as Tamil and Telugu channels together account for more than half of the total viewership. It is comparatively less for Oriya and Bhojpuri, which is equivalent to only 2 per cent each.
- Between 2015-2017, YouTube's regional viewership in India has tripled, with the top 10 regional YouTube channels having subscriber bases ranging between 300,000-800,000.

Viewership in regional channels in 2016

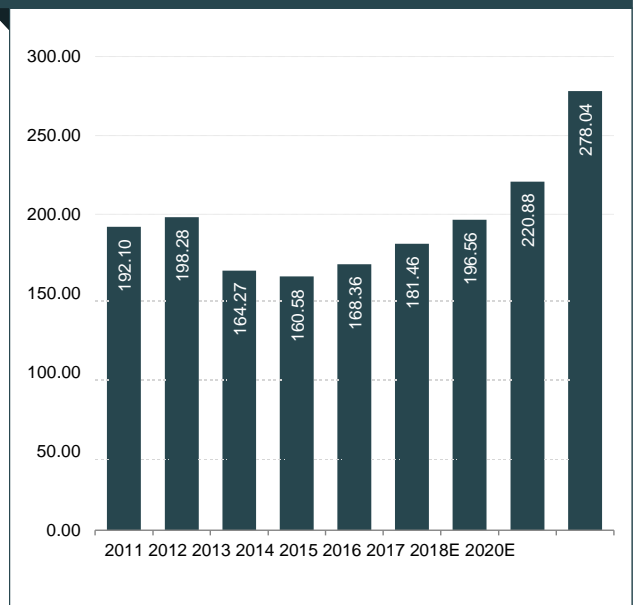


Source: KPMG – FICCI Report 2016 and 2017, Economic Times, Aranca Research

Music Industry













- Music entertainment revenues is expected to touch US\$ 278.04 million by 2020 from US\$ 192.10 million in 2011, registering a growth of 4.19 per cent
- By 2020, the number of online music listeners in India will reach 273 million, while the digital music revenues is likely to cross US\$ 507.7 million.

Revenues for the music industry (US\$ Million)



Note: E Estimate
Source: FICCI Report 2017 and 2018, Aranca Research

Key Players in the Media and Entertainment Industry

Television	Print	Films	Music
Star India Pvt Ltd 	Bennett, Coleman and Co Ltd 	Yash Raj Films Studios 	Saregama India Ltd 
Zee Entertainment Enterprises Ltd 	HT Media Ltd 	Eros International Media Ltd 	Super Cassettes Industries Ltd 
Multi Screen Media Pvt Ltd 	Living Media India Ltd 	Red Chillies Entertainments Pvt Ltd 	Tips Industries Ltd 

Source: Company websites

Porter's Five Forces Framework Analysis

Positive Impact

- i) Threat of Substitutes: Significant sporting events like World Cup, T20, etc and other cultural events
- ii) Bargaining Power of Suppliers: Low - The number of suppliers is very high which leads to the low bargaining power with them. Increasing number of content providers
- iii) Threat of New Entrants
 - Low - High sunk costs are involved
 - High capital requirements
 - Access to distribution is difficult

Negative Impact

- i) Competitive Rivalry
 - High - Highly fragmented industry that is no single enterprise has large enough share to influence the entire sector
 - High fixed costs and highly perishable products
- ii) Bargaining Power of Buyers
 - High - Due to increased globalization, consumers loyalty towards one channel is less, as variety of alternative sources of entertainment are available

(Source: www.ibef.org)

Notable Trends in the Media and Entertainment Industry

Television:

- The government announced digitization of cable television in India in 4 phases, which was slated for completion by the end of December 2016. Phase III was almost completed in December 2015, while Phase IV is under progress.
- The Direct-To-Home (DTH) subscription is growing rapidly driven by content innovation and product offerings
- The television industry grew to Rs 660 billion (US\$ 10.14 billion) in 2017 from Rs 594 billion (US\$ 8.84) in 2016 at a CAGR of 11.2 per cent.

Print:

- The print industry accounted for the second largest share in M&E to reach Rs 303 billion (US\$ 4.66 billion) in 2017, with a CAGR of 7 per cent till 2020.
- The Print market is expected to reach US\$6.69 billion by 2021.
- Increasing income levels and evolving lifestyles have led to robust growth in niche magazines segment.
- Considering the huge potential in regional print markets, national advertisers are entering these markets to increase their advertising share.

Film:

- The Indian film industry is largest producer of films globally with 400 production and corporate houses involved in film production.
- The revenues earned by the Indian film industry in 2018 would reach Rs 165.7 billion (US\$ 2.56 billion) and are expected to further grow at a CAGR 4.98 per cent during 2018-2020. Increasing share of Hollywood content in the Indian box office and 3D cinema is driving the growth of digital screens in the country

Out of Home and Digital:

- With increasing penetration of internet and digital mediums, digital segment is expected to outperform other sectors of entertainment.
- Although Out-of-Home segment has a low contribution to the total of entertainment industry, in coming years it is going to witness a significant growth.
- The market size for Out of Home (OOH) entertainment reached Rs 34.3 billion (US\$ 526.72) million in 2017.

(Source: KPMG – FICCI Report, 2018, Economic Times, Aranca Research)

Radio:

- Increasing FM enabled phones and car music systems
- As of December 2015, 243 channels are operational in 86 cities in India. Further, 21 private FM channels were set up during Phase-I and an additional 222 channels were set up during Phase-II
- The government is planning to auction 1,000 new FM channels by the end of 2016. Liberalization of policy on community radio took place in 2008 which led to 29 community radio stations getting operational in the country
- In 2017, the radio industry in India accounted for a market size of Rs 26 billion (US\$ 399.26 million), registering growth of CAGR 8.33 per cent during 2016-17.

Animation, Online Gaming and VFX (AGV):

- Growing focus on the 'kids genre' and rise in dedicated TV channels for them. As the advertising industry grows, the share of animation driven advertisements are expected to also grow
- Surge in 3D/HD animated movies in theatres and use of animation and VFX in TV advertising and gaming. Growing outsourcing of VFX and gaming to India is due to cost effectiveness of Indian players
- Content localization such as T20fever.com, IPL, Khel Kabaddi, etc.
- Animation and VFX industry in India is expected to grow at a CAGR of 20.4 per cent over 2016-2020 and the online gaming industry is expected to grow at a CAGR of 27.5 per cent during the same period.

Music:

- The music industry is on fast paced growth with increasing international associations. The Indian music industry is a consortium of 142 music companies
- Players are looking at new ways and mediums to monetise music, such as utilising social media to promote music. Mobile phones, iPods and mp3 players – devices that enable music on-the-go – are becoming the primary means to access music
- Digital music on mobile continues to drive music industry revenue and digital revenues are expected to reach US\$394.22 million by 2021. Digital revenues contribute 55 per cent of the music industry and is expected to contribute close to 62 per cent by 2018.

(Source: KPMG – FICCI Report, 2017 and 2018, Economic Times, Aranca Research)

STRATEGIES ADOPTED

Viewership in regional entertainment:

- Regional entertainment is growing and therefore, the suppliers are able to expand their forte in the products
- Zee Television, Star TV have their regional channels both for entertainment and news

- The South Indian television industry is one of the oldest operational television sectors across the nation and is further growing due to the regional content
- Marketing strategies: □ The manufacturing companies such as Videocon is offering combo deals such as LED/LCD sets with Videocon set-up boxes and dish services
- The Dish TV is also offering the set up boxes with many additional channels
- Increasing digitization in the country is helping such companies to further add up to their revenues

Television: A common medium:

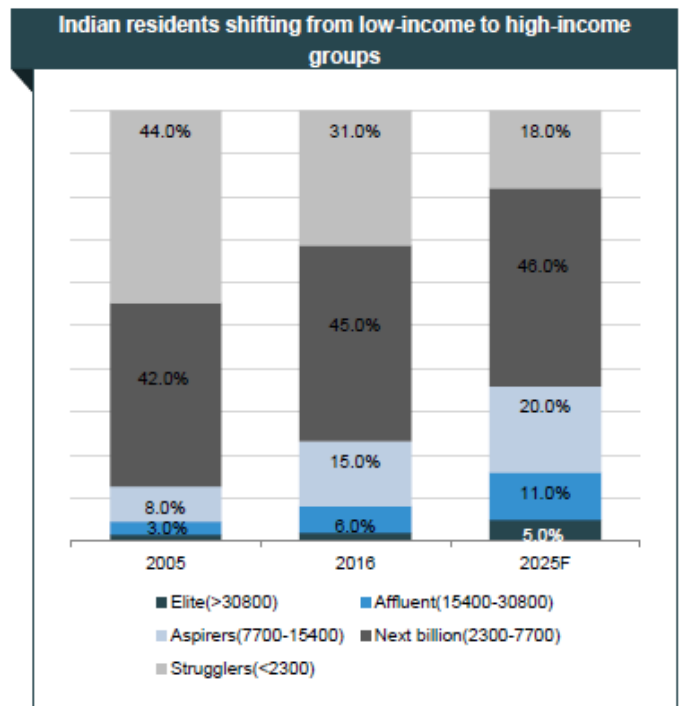
- As television industry is a dominant segment in the entertainment industry even the film makers promote their films at this platform so as to reach to the mass audiences for example the reality shows, TV advertisements, etc
- Many film producers, actors, etc have shifted to the television industry so as to remain in the race and maintain their fan following
- TV programmes being used as a medium of promoting films or other entertainment events
- After bagging media rights of Indian Premier League (IPL), Star India has also won broadcast and digital rights for New Zealand Cricket upto April 2020.

Audience the ultimate Consumer:

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

INCOME FACTOR DRIVING GROWTH

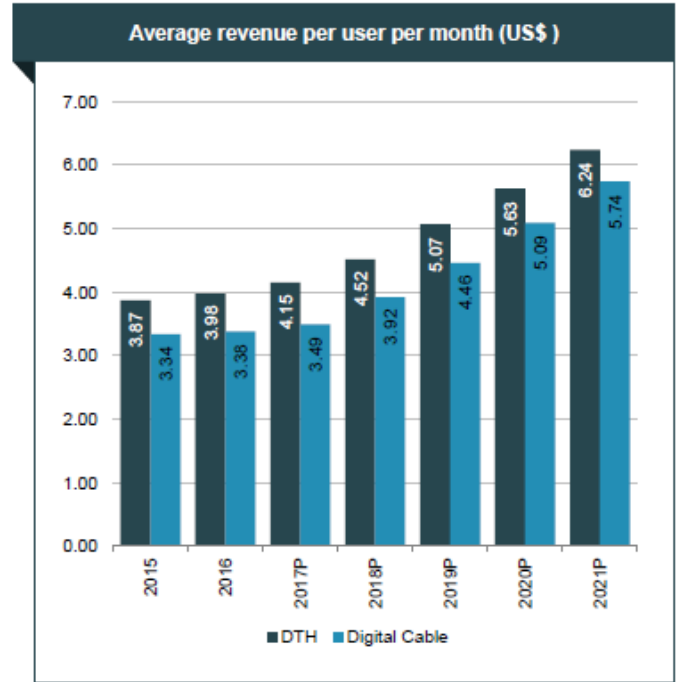
- Apart from the impact of rising incomes, widening of the consumer base will also be aided by expansion of the middle class, increasing urbanisation and changing lifestyles
- The entertainment industry will also benefit from continued rise in the propensity to spend among individuals; empirical evidence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



Note: Income distribution is calculated in constant 2015 dollars; \$1=65. Because of rounding, not all percentages add up to 100. F – Forecast. Source: McKinsey Quarterly Report

ARPU ON AN UPTREND POST-DIGITISATION

- With higher scope of introduction of new and niche channels with digitisation, ARPU levels are expected to increase in the coming years
- ARPU for DTH subscribers has seen an increase of around 2.84 per cent in 2016. The more promising trend is that DTH operators are able to increase collections from customers by providing additional services such as HD channels, premium channels and other value added services.
- HD adoptions continues to drive ARPU growth for DTH players with the average ARPU of a HD subscribers at ~1.5 to 2 times more the ARPU of non HD subscribers.
- Digital cable on the other hand, has not seen any significant ARPU increases as compared to the DTH ARPU. For digital cable, deployment of different channel packages will be the key driver to raise ARPUs
- As of December 2016, total number of DTH subscribers stood at around 97.05 million. As of September 2017, active DTH subscribers stood at 66.09 million.



Notes: E – Estimate, F - Forecast

Source: KPMG – FICCI Report 2015 and 2016

POLICY SUPPORT AIDING SECTOR GROWTH

Radio

- FDI limit in radio, including private FM channels have been increased from 26 per cent to 49 per cent
- Private operators allowed owning multiple channels in a city, subject to a limit of 40 per cent of total channels in the city
- Private players allowed to carry news bulletins of All India Radio
- Further boost may be given to the radio sector by charging license fees on the basis of ‘net income’ so as to provide relief to loss making radio players

Television

- Digitization of the cable distribution sector to attract greater institutional funding, improve profitability and help players improve their value chain
- FDI limit for DTH satellite and digital cable network was raised from 74 per cent to 100 per cent by the government
- No restriction on foreign investment for up-linking and down linking of TV channels other than news and current affairs

Film

- Co-production treaties with various countries such as Italy, Brazil, UK and Germany to increase the export potential of the film industry
- Granted 'industry' status in 2001 for easy access to institutional finance
- FDI of up to 100 percent through the automatic route has been granted by government
- Entertainment tax to be subsumed in the GST; this would create a uniform tax rate regime across all states and will also reduce the tax burden

Print

- FDI/NRI investment of up to 26 per cent in an Indian firm dealing with publication of newspaper and periodicals
- FDI/NRI investment of up to 26 per cent in publications of Indian editions of foreign magazines
- FDI/NRI investment of up to 100 per cent in publications of scientific and technical magazines/ specialty journals/periodicals

- Parliamentary approval on the Copyright Act (Amendment) Bill, 2012, which strengthens the royalty claims of musicians, lyricists and others in the field
- Policies are adopted against digital piracy and file-sharing to block illegal music websites
- Adoption of revenue sharing model by Copyright Board requiring FM radio companies to share 2.0 percent of their net advertising revenues with music companies

Animation, Gaming and VFX (AGV)

- 100 per cent FDI allowed in the sector through automatic route provided it is in compliance with RBI guidelines
- The government has carved out a National Film Policy to tap the potential of the film sector mainly for the animation segment
- State-level initiative by governments to encourage animation industry.

Source: PwC India Entertainment and Media Outlook 2011, KPMG – FICCI Report 2015 and 2016

GROWTH OPPORTUNITIES IN THE MEDIA AND ENTERTAINMENT INDUSTRY

Animation and VFX:

- The Indian animation industry was worth US\$ 928.16 billion in 2016 and is expected to expand at a CAGR of 17.2 per cent to US\$ 2.05 billion by 2021.
- Growth in international animation films, especially 3D productions and the subsequent work for Indian production houses will help the growth in this segment
- Animation and VFX industry is expected to reach Rs 80 billion (US\$ 1.24 billion) in 2018.

Television:

- Television industry is expected to grow at CAGR of 14.7 per cent during 2016-2021, increasing from US\$ 9.17 billion in 2016 and reaching US\$ 18.18 billion by 2021.

- Television is projected to reach Rs 734 billion (US\$ 11.34 billion) by 2018.

Print:

- The print industry was worth US\$ 4.73 billion in 2016 and with a CAGR of 7.3 per cent for 2016-2021, it is expected to reach US\$ 6.72 billion by 2021.
- Accelerated growth is forecasted in regional print and local news segments.
- Print industry will reach Rs 331 billion (US\$ 5.1 billion) in 2018

Film:

- Size of the Indian film industry is expected to touch US\$ 3.22 billion by 2021, up from US\$ 2.21 billion in 2016 at a CAGR of 7.7 per cent
- Increasing digital screens and 3D films are expected to help industry growth
- In order to promote India as a location destination for foreign production houses, the government is setting up a single window clearance system for shooting permissions
- To promote joint productions, co-production agreements have been signed with Italy, Germany, Brazil, UK, France, New Zealand, Poland, Spain and Canada

Radio:

- Size of the Indian radio industry is expected to reach US\$ 745.65 million by 2021, up from Rs 26 billion US\$ 399.26 million in 2017
- Phase III of e-auctions for FM radio licenses will provide an impetus to the segment
- Radio advertising is another area likely to experience accelerated growth

Music:

- Size of the music industry is expected to grow to US\$ 396.22 million by 2021, up from Rs 13 billion (US\$ 199.63 million) in 2017
- Mobile VAS and arrival of 3G are likely to lead to a surge in paid digital downloads
- Phase III radio licensing will also help in increasing music revenues from radio

Online Streaming Services:

- Recent investment of US\$ 3 billion was made by Amazon.com Inc., focusing primarily on the establishment of their online streaming service, Amazon Prime, in the country.
- The niche segment for Netflix in India is much bigger than the whole markets in most countries and the company has commissioned the highest number of shows in India after US, UK and Japan.

(Source: KPMG – FICCI Report 2018)

OUR BUSINESS

In this section, unless the context otherwise requires, a reference to "we", "us" and "our" refers to Sungold Media and Entertainment Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our restated financial information. This section should be read together with "Risk Factors" beginning on page no 13 and "Industry Overview" beginning on page no 74.

BUSINESS OVERVIEW

Our Company was incorporated as "Shree Krishna Holiday Home and Farms Limited" in Ahmedabad, Gujarat under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 09, 1995 bearing Registration Number 024944 issued by the Registrar of Companies, Ahmedabad, Gujarat. We have obtained the Certificate of Commencement dated March 22, 1995.

Subsequently, the name and the object clause of the Company was changed from Shree Krishna Holiday Home And Farms Limited to Sungold Media and Entertainment Limited pursuant to a special resolution passed by our Shareholders at the EGM held on April 24, 2017. A fresh certificate of incorporation consequent upon change of name and object clause was issued on June 30, 2017 by Registrar of Companies, Ahmedabad, Gujarat. The Corporate Identification Number of our Company is U22100GJ1995PLC024944.

Earlier The Company was engaged in the business of marketing, development and maintenance of Farm Houses, Holidays Resorts, and Housing Society etc. Pursuant to the change of object, we are currently engaged in the media and entertainment services.

We provide a complete solution for branding of clients business. We do graphics design, web site design, Video Editing, Digital Marketing, Photography, Videography, Mobile App Development, Celebrity Management and distribution services. We design and develop optimal solutions that maximize our clients brand image. We deliver value in terms of Quality and Cost. We excel in customer service and support and intend to increase our visibility through use of digital channel as well as social media platforms to provide extensive and end to end services to clients.

Our mission is continuous improvement through sustained and synchronized efforts and to maintain highest standards of customer satisfaction. We offer fully customized solutions that give shape to our clients' special preferences, their needs and vision for the program. Our strategy is designed to address predictability, scalability and sustainability, ultimately resulting in profitability.

Our Services includes:

Development of Web Portals:

We are developing a number of web portals like www.liveupdates.co.in, www.entertainment365.in, www.gujaratdevelopment.com etc which is owned and maintained by the company for the promotions of different area of business activities. Further, we also develop web portals for third party owned by them and maintained by us.

Digital Marketing Services:

We do digital marketing and promotions for our clients in several social media sites like:

- Blog
- Face book
- YouTube
- Whatsapp
- Twitter
- Instagram etc

Designing Services:

- Files
- Envelopes
- Booklets
- Fex, Flyers
- Logo
- Letterheads
- Challan Book
- Leaflets etc
- I-Cards
- Copy Book and Receipt Book
- Catalogs
- Registration Pads
- Bill Books
- Brochure

Website Designing

- .NET
- Php
- E-Commerce website

- Word press
- Umbraco
- Static
- Magento
- Dynamic
- Responsive

Video Editing Services:

- Product Video
- Corporate Video
- Animation
- Movie
- TV Serial
- Advertisement
- Music Album
- Colour Grading

Photography/Videography Services:

- High Fashion
- Beauty
- Advertising
- Celebrities
- Marriage Shoot and more

Some of the Ongoing projects of Sungold Media & Entertainment Limited:

- www.liveupdates.co.in: The Company has developed a News portal - Live Updates, a News Portal for Sports, Movie & Technology which features positive news across India and showcase the little known good things about our country and much more.



LIVE UPDATES

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- www.entertainment365.in: The Company has developed an Entertainment portal. Entertainment 365 is a platform for the people around India who are related to Gujarati community working as an individual or team who have the best and creative concept but don't get a proper platform to showcase their creativity and looking for the place from where they can showcase their talent to the Film and Entertainment Industry people in the State of Gujarat and India as a whole as a result this Website gives opportunity to find the right talent and one can find a right avenue to progress their career. This website provides the digital platform to Gujarati film and entertainment industry and audience at large to connect with all the latest updates.



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- www.gujaratdevelopment.com: The Company is in the process of development of a portal wherein the current developments in the state of Gujarat will be available.



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Our Competitive Strength

Experienced Management Team

Our Company is managed by a team of young and dynamic professionals, having experience in the media and Entertainment industry. Mr. Raj Rajiv Kotia, the Managing Director of the Company has cleared Final Cut Pro-7 software examination from Arena Animation, Mumbai. He has worked as an Assistant Editor at Studio Sound N Vision, Mumbai for six months and have managed 15 south Movies, Mastering work for Zee Tv, edited several promo's for regional movies and also experience in poster designing work. He was Assistant editor at Balaji Telefilms for six months.

Quality Assurance and Standards

We always aim to offer quality products to our customers. We believe in providing our customers the best possible quality of services.

Leveraging our Market Skills and Relationships

This is a continuous process in our organization and the skill that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

Established relationship with customers and employees

As an established entity, in various aspects of the entertainment industry in India, we believe that we have managed to create, maintain and build our goodwill with customers.

Established operations

Our Management team has capability and experience with respect to operations in Media and entertainment.

Our growth strategy:

Our vision is to emerge as a leading entertainment and media house that balances various platforms in a dynamically changing media environment, by establishing a sustainable connection with audiences and with our content library 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.

To undertake or carry on business of publishers, editors, selling and distributing books, periodicals, magazines, journals, house magazines , newspapers daily, weekly monthly.

We plan to own, undertake, carry on and operate directly or indirectly in India and abroad the business of publishers, editors, writers, printing, publishing producing, selling and distributing books, periodicals, magazines, journals, house magazines, newspapers daily, weekly monthly or whatever manner and in any language for own account or for others such as trading, commercial and industrial houses or for public in general in the interest of public relations which may include any all subject of common interest and to carry on the business of multilevel marketing, network marketing,

digital marketing of products/services/consultancy and other forms of marketing and electronic services or devices including applications relating to media and entertainment.

Continue to develop client relationships

We plan to grow our business primarily by growing the number of client relationships, as we believe that increased client relationships will add stability to our business. We seek to build on existing relationships and also focus on bringing into our portfolio more clients. Our Company believes that business is a by-product of relationship. Our Company believes that a long-term client relationship with large clients reap fruitful returns. Long-term relations are built on trust and continuous meeting with the requirements of the customers.

Pursue strategic acquisitions

In order to expand, we seek to identify acquisition targets and/or joint venture partners whose resources, capabilities, technologies and strategies are complementary to and are enabling us to establish our presence in new geographical locations.

Penetration into global markets

We are looking forward to enter into global markets and we plan to target countries where we can leverage our track record and experience in India to compete effectively and expand our revenue base.

Strengthening our brand

We intend to invest in developing and enhancing recognition of our brands, through brand building efforts, communication and promotional initiatives such as exhibitions, fairs, organizing food events, participation in industry events, public relations and investor relations efforts. This will help us to maintain and improve our global and local reach. We believe that our branding exercise will enhance the recall value and trust in the minds of our customers and will help in increasing demand for our products.

SWOT

Strengths

- Cordial relations with Customers
- In depth knowledge of Industry – Commercial & Technical
- Low overhead cost
- Experienced management team
- Cordial relations across entertainment industry

Weaknesses

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

Opportunities

- Growing acceptance by consumers
- Opportunities in the Asian market
- Listing the company under a stock exchange will open up huge avenues of capital for the company to support its expansion plans and allows it to venture into new businesses
- The increasing interest of the global investors in the sector.
- Technological innovations like animations, multiplexes, etc and new distribution channels like mobiles and Internet have opened up the doors of new opportunities in the sector.

Threats

- Piracy, violation of intellectual property rights poses a major threat to the Media and Entertainment companies.

- Industry is prone to changes in government policies, any material changes in the duty or may adversely impact our financials.
- Intense competitive pressure
- Fragmentation
- With technological innovations taking place so rapidly, the media sector is facing considerable uncertainty about success in the marketplace.

MANPOWER

The details of manpower employed as on the date of filling of Draft Prospectus are as under:

Sr. No.	Category	No. of Employees
1	Managing Director cum C.F.O	1
2	Marketing, Production & Distribution Head	1
3	Cameraman	1
4	Video Editor	1
5	Production In charge	1
6	Makeup Artist	1
7	Content Writer	1
8	Human Resource Manager	1
9	Accountant	1
10	Office Boy	1

COMPETITION

The market for media and entertainment are rapidly growing. We face competition from new entrants as well as existing established domestic and foreign companies in India. Market realities continue to reshape the media and entertainment industry. Our competition depends on several factors: technology platforms are evolving rapidly, new business models are emerging, consumer viewing habits are changing, growing viewer base outside India, but lack luster appeal at international film festivals and new competition is arising from multiple sectors.

MARKETING ARRANGEMENT

We provide a full range of services to help find, qualify, close and retain lucrative customer relationships. Our dedicated team guide creative and execution activities to ensure complete management of all marketing activities. We help partners manage marketing as an ongoing process improving the consistency and success for demand generation efforts, and speeding the time-to revenue for opportunities across the sale cycle. Our marketing services are designed with an objective of enhancing brand awareness, spreading geographical reach for our service offerings and enabling marketing team through lead generation program. Our marketing service offering includes:

- Direct Mailer Campaigns, Micro sites
- Market Surveys
- Meets
- PR releases
- Seminars and Webinars

FUTURE PROSPECTS:

The future plans of our Company are in line with the way the industry is thinking and planning ahead. Our Company is trying to increase the geographical areas of operations to cater to the growing market.

CAPACITY AND CAPACITY UTILIZATION:

Our Company is engaged in media and entertainment services and hence capacity and capacity utilization is not applicable to us.

EXPORT POSSIBILITY AND OBLIGATION

Our Company doesn't have any export obligation as we are not exporting any material.

Our Properties

Our Registered Office is located at 13, Radhakrushna Mandir Compound, Rajpipla, Nandod, Narmada- 393145, India.

The details are as under:

Sr. No.	Location	Title(Leased /Owned/ Rental)	Agreement Valid from	Agreement Valid till	Rent / Acquisition Cost
1.	13, Radhakrushna Mandir Compound, Rajpipla, Nandod, Narmada- 393145, India	Rental	March 15,2017	March 14, 2020	Rs. 7,500 per month


INSURANCE:

At present, we do not have any insurance policy for protecting us against any material hazards

INTELLECTUAL PROPERTY

Details of Trademark & Copyright

The company has already applied for its registered Logo and Trademark vide its application No 3848242 dated 31st May 2018 which is under process for approval.

Sl. No.	Trademark Image	Registration/Application No.	Class	Registration/Applic ation Date including Renewal Date	Status/Validity
1		3848242	41	Application Date: 31 st May 2018	Applied For

The details of the Domain name registered in the name of our company are:

Sr. No	Domain name	Sponsoring Registrar and IANA ID	Creation Date	Expiry Date
1.	www.sungoldmediaent.com	Domain Registered at Big rock	January 24, 2018	January 23, 2019
2	www.liveupdates.co.in	Domain Registered at Big rock	March 29, 2018	March 28, 2019
3	www.gujaratdevelopment.com	Domain Registered at Big rock	December 21, 2017	December 20, 2018
4	www.entertainment365.in	Domain Registered at Big rock	May 08, 2018	May 07, 2019

Note: All the above domains have been purchased in the name of Mr. Raj Rajiv Kotia (Promoter & Managing Director of SMEL.)

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant laws, regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “Government and other Key Approvals” beginning on page no 152 of this Draft prospectus.

This chapter has been classified as under:

- A. Core Business Laws**
- B. Statutory and other business laws**
- C. Labour and employment Laws**
- D. Tax Laws**
- E. IPR Laws**
- F. Foreign investment regulations**

A. Core Business Laws:

The Prasar Bharati (Broadcasting Corporation of India) Act, 1990

Pursuant to the enactment of the Prasar Bharati (Broadcasting Corporation of India) Act, 1990, the Prasar Bharati was set up as a statutory autonomous body on November 23, 1997. The Corporation is the public service broadcaster in India and the primary duty of Prasar Bharati is to organize and conduct public broadcasting to inform, educate and entertain the public and to ensure a balanced development of broadcasting on radio and television. Prasar Bharati is also empowered to manage on behalf of the Central Government the broadcasting of external services and monitoring of broadcasts made by organizations outside India. Prasar Bharati has other objectives, some of which include upholding the unity and integrity of the country and the values enshrined in the Constitution of India, safeguarding the citizen's right to be informed freely, truthfully and objectively on all matters of public interest, national or international, and presenting a fair and balanced flow of information including contrasting views without advocating any opinion or ideology of its own, and providing comprehensive broadcast coverage through the choice of appropriate technology and the best utilization of the broadcast frequencies available and ensuring high quality reception and expanding broadcasting facilities by establishing additional channels of transmission.

The Cinematograph Film Rules, 1948, (“Cinematograph Rules”)

The Act requires 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.

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 applying 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. STATUTORY AND COMMERCIAL LAWS THE COMPANIES ACT, 2013:

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

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

The Companies Act, 1956:

The Companies Act, 1956 dealt with laws relating to companies and certain other associations. It was enacted by the Parliament in 1956. The Act primarily regulated the formation, financing, functioning and winding up of companies. The Act prescribed regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constituted the main focus of the Act. In the functioning of the corporate sector, although freedom of companies was important, protection of the investors and shareholders, on whose funds they flourish, was equally important. The Act played the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013:

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs vide its notification dated September 12, 2013 has notified 98 sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. Further 183 sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate

Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Indian Contract Act, 1872 (Contract Act):

The 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.

The Consumer Protection Act, 1986(COPRA):

COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels.

The Public Liability Insurance Act, 1991(PLI Act):

The PLI Act provides for public liability insurance for the purpose of providing immediate relief to persons affected by accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. Every owner (in the case of a company, any of its directors, managers, secretaries or other officers who is directly in charge of, and is responsible to the company for the conduct of the business of the company) is obligated to take out, before he starts handling any hazardous substance, one or more insurance policies providing for contracts of insurance thereby he is insured against liability to give relief under the PLI Act. The said insurance policy shall be for a minimum amount of the paid-up capital of the Company and not exceeding fifty crore rupees.

The Negotiable Instruments Act, 1881(NI Act):

In India, the laws governing monetary instruments such as cheques are contained in the NI Act, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid

C. LAWS RELATING TO LABOUR AND EMPLOYMENT

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

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

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department.

The Payment of Gratuity Act, 1972

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

Government from time to time. Penalties are prescribed for non-compliance with statutory provisions. Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service.

Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“Act”) and the schemes formulated there under (“Schemes”)

This Act provides for the institution of provident funds, family pension funds and deposit linked insurance fund for the employees in the factories and other establishments. Accordingly, the following schemes are formulated for the benefit of such employees:

- a) **The Employees Provident Fund Scheme:** As per this Scheme, a provident fund is constituted and both the employees and employer contribute to the fund at the rate of 12% (or 10% in certain cases) of the basic wages, dearness allowance and retaining allowance, if any, payable to employees per month.
- b) **The Employees Pension Scheme:** Employees’ Pension Scheme is Pension Scheme for survivors, old aged and disabled persons. This Scheme derives its financial resource by partial diversion from the Provident Fund contribution, the rate being 8.33%. Thus, a part of contribution representing 8.33 per cent of the employee’s pay shall be remitted by the employer to the Employees’ Pension fund within 15 days of the close of every month by a separate bank draft or cheque on account of the Employees’ Pension Fund contribution in such manner as may be specified in this behalf by the appropriate authority constituted under the Act. The Central Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees’ Pension Scheme and credit the contribution to the Employees’ Pension Fund.
- c) **The Employees Deposit Linked Insurance Scheme:** As per this Scheme, the contribution by the employer shall be remitted by him together with administrative charges at such rate as the Central Government may fix from time to time under Section 6C (4) of the Act, to the Insurance Fund within 15 days of the close of every month by a separate bank draft or cheque or by remittance in cash in such manner as may be specified in this behalf by the appropriate authority constituted under the Act.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 (“PoB”) Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

The Equal Remuneration Act, 1976 ("Equal Remuneration Act") and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

The Maternity Benefit Act, 1961("Maternity Act")

The Maternity Benefit Act, 1961 was enacted by Parliament in the Twelfth Year of the Republic of India to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for maternity benefit and certain other benefits

Shops & Commercial Establishments Act of the respective States in which the Company has an established place of business/ office ("Shops Act")

The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn functions under the supervision of Labour Commissioner. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide

for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at work place and prevention of sexual harassment at work place. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

Child Labor (Prohibition and Regulation) Act, 1986:

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

D. TAX LAWS

The Income Tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

The Goods and Services Tax Act, 2017

Goods and Services Tax (GST) is considered to be the biggest tax reform in India since independence. It will help realise the goal of “One Nation-One Tax-One Market.” GST is expected to benefit all the stakeholders – industry, government and consumer.

Goods and Services Tax (GST) is an indirect tax throughout India and was introduced as The Constitution (One Hundred and Twenty Second Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by GST Council and its Chairman is Union Finance Minister of India – Arun Jaitley. This Act has been made applicable with effect from 1st July 2017. With the introduction of GST all central, state level taxes and levies on all goods and services have been subsumed within an integrated tax having two components – central GST and a state GST. Thus there will be a comprehensive and continuous mechanism of tax credits.

The Central government passed four sets of GST Acts in the Budget session this year. These were Central GST Act, 2017; Integrated GST Act, 2017; Union Territory GST Act, 2017 and GST (Compensation to States) Act, 2017. The Acts were approved by the Parliament after they were introduced as the part of the Money Bill. Following the passage of GST Acts, the GST council has decided 4 tax rate slabs viz., 5%, 12%, 18% and 28% on supply of various goods and services.

India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single State will be levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that State. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the State where the goods or services are consumed and not the State in which they were produced.

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.

E. INTELLECTUAL PROPERTY LAWS

Trademarks Act, 1999 (“Trademarks Act”)

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“the Registrar”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

Indian Copyright Act, 1957 (Copyright Act):

The Copyright Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

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

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner.

The Patents Act, 1970 (Patent Act):

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

The Designs Act, 2000 (Designs Act):

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

F. FOREIGN INVESTMENT REGULATIONS

Foreign investment in stock broking companies is governed by the provisions of the FEMA read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”) Ministry of Commerce and Industry has issued ‘Consolidated FDI Policy Circular 1 of 2016’ (“FDI Policy”) which consolidates the policy framework on Foreign Direct Investment (“FDI”) with effect from June 7, 2016. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till June 7, 2016. All the press notes, press releases, clarifications on FDI issued by DIPP till June 6, 2016 stand rescinded as on June 7, 2016.

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which the foreign investment is sought to be made.

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue of security to a person resident outside India.

The Foreign Exchange Department of the RBI has vide notification dated September 9, 2016, permitted 100% investment under the automatic route in Other Financial Services which are financial services activities regulated by financial sector regulators, viz., RBI, SEBI, IRDA, PFRDA, NHB or any other financial sector regulators as may be notified by the Government of India.

The following are the other conditions specified by RBI to which such investment would be subject:

- a. Foreign investment would be subject to the conditions including minimum capitalization norms, as specified by the concerned regulator/ government agency
- b. ‘Other Financial Services’ activities need to be regulated by one of the Financial Sector Regulators. In all such financial services which are not regulated by any Financial Sector Regulator or where any part of the financial services activity is regulated or where there is doubt regarding the regulatory oversight, foreign investment upto 100% will be allowed under the capitalization requirement, as may be decided by the Government.
- c. Any activity which is specifically regulated by an Act, the foreign investment limits will be restricted to those levels/ limit that may be specified in that Act, if so mentioned.
- d. Downstream investments by any of those entities engaged in other financial services will be subject to the extant sectoral regulations and provisions of the Foreign Exchange Management (Transfer or Issue of security by a Person Resident outside India) Regulations, 2000 as amended from time to time.

RBI has also issued the Master Circular on Foreign Investment in India dated July 01, 2015. The aforesaid Master Circular on Foreign Investment will continue to remain valid until Master Directions are issued in that behalf. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. As mentioned above, the Indian Company making such Fresh Issue of shares would be subject to the reporting requirements, inter-alia with respect to making certain filings including filing of Form FC-GPR.

The Foreign Trade (Development and Regulation) Act, 1992

The Foreign Trade (Development and Regulation) Act, 1992 is an Act to provide 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. The Act empowers the Central Government to make provisions for development and regulation of foreign trade by facilitating imports into, and augmenting exports from India and for all matters connected therewith or incidental thereto. Under the Act, every importer and exporter must obtain an ‘Importer Exporter Code Number’ (IEC) from Director General of Foreign Trade or from the officer so authorized

G. GENERAL:

LAWS REGULATING TRANSFER OF PROPERTY:

Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (the “**TP Act**”) establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The TP Act also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

Registration Act, 1908

The Registration Act, 1908 (the “**Registration Act**”) has been enacted with the objective of providing public notice of the execution of documents affecting, *inter alia*, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, 110 in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the T.P. Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

The Indian Stamp Act, 1899

Under the Indian Stamp Act, 1899 (the “**Stamp Act**”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. 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 and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

HISTORY AND CERTAIN CORPORATE MATTERS

HISTORY & BACKGROUND

Our Company was incorporated as “Shree Krishna Holiday Home and Farms Limited” in Ahmedabad, Gujarat under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated 09th March, 1995 bearing Registration Number 024944 issued by the Registrar of Companies, Ahmedabad, Gujarat. We have obtained the Certificate of Commencement dated 22nd March, 1995.

Subsequently, the name and the object clause of the Company was changed from Shree Krishna Holiday Home And Farms Limited to Sungold Media and Entertainment Limited pursuant to a special resolution passed by our shareholders at the EGM held on April 24, 2017. A fresh certificate of incorporation consequent upon change of name and object clause was issued on June 30, 2017 by Registrar of Companies, Ahmedabad, Gujarat. The Corporate Identification Number of our Company is U22100GJ1995PLC024944.

We have started our progressive journey in 1995, when Mr. Amit Kotia laid the foundation of our company in the year 1995 as a Limited Company in Ahmedabad. Earlier The Company was engaged in the business of marketing, development and maintenance of Farm Houses, Holidays Resorts, and Housing Society etc. Pursuant to the change of object, we are currently engaged in the media and entertainment services

We provide a complete solution for branding of clients business. We do graphics design, web site design, Video Editing, Digital Marketing, Photography, Videography, Mobile App Development, Celebrity Management and distribution services. We design and develop optimal solutions that maximize our clients brand image. We deliver value in terms of Quality and Cost. We excel in customer service and support and intend to increase our visibility through use of digital channel as well as social media platforms to provide extensive and end to end services to clients.

Our mission is continuous improvement through sustained and synchronized efforts and to maintain highest standards of customer satisfaction. We offer fully customized solutions that give shape to our clients’ special preferences, their needs and vision for the program.

CHANGES IN REGISTERED OFFICE

The Registered Office of the Company is currently situated at 13, Radhakrushna Mandir Compound, Rajpipla, Nandod, Narmada-393145, Gujarat, India.

Details of changes in the address of the Registered Office of Our Company is set forth as under:

From	To	Effective Date	Reasons for Change
--	303, Bankers House, Stadium Road, Ahmedabad- 380014	Incorporation	--
303, Bankers House, Stadium Road, Ahmedabad- 380014	406, Kalash II, B/H, Navarangpura Post Office, Ahmedabad-380009	12.04.1996	For Administrative Convenience
406, Kalash II, B/H, Navarangpura Post Office, Ahmedabad-380009	8-I, Vardan Exclusive, Nr. Vimal House, Vithalbhai Patel Colony, Stadium Road, Navrangpura, Ahmedabad-380009	11.10.2013	For Administrative Convenience
8-I, Vardan Exclusive, Nr. Vimal House, Vithalbhai Patel Colony, Stadium Road, Navrangpura, Ahmedabad-380009	1st Floor 7/2, Diwali Baug Society, Dairy Corner, Nr. Arch. Bomi Dangor, Athwagate, Surat-395001	18.11.2014	For Administrative Convenience
1st Floor 7/2, Diwali Baug Society, Dairy Corner, Nr. Arch. Bomi Dangor, Athwagate, Surat-395001	B-302 Block, Panchrantna Aprt, B/H Someshwar, 132 Road, Vejalpur, Ahmedabad-380015	11.06.2016	For Administrative Convenience

B-302 Block, Panchrantna Apt, B/H Someshwar, 132 Road, Vejalpur, Ahmedabad-380015	13, Radhakrushna Mandir Compound, Village-Rajpipla, Nandod, Narmada-393145	15.03.2017	For Administrative Convenience
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MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company, which we have been carrying out until now, are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

- To own, undertake, carry on and operate directly or indirectly in India and abroad the business of publishers ,editors , writers, printing, publishing producing , selling and distributing books, periodicals, magazines , journals, house magazines , newspapers daily, weekly monthly or whatever manner and in any language for own account or for others such as trading , commercial and industrial houses or for public in general in the interest of public relations which may include any all subject of common interest and to carry on the business of multilevel marketing , network marketing , digital marketing of products/services/consultancy and other forms of marketing and electronic services or devices including applications relating to media and entertainment.
- To carry on the business as entertainment company and to organize, equip, arrange, write, manage, control, run, exhibit, distribute, direct, provide and to produce, promote, project, participate, manipulate, treat, process, prepare, alter, develop, expose, edit, make, remake, display, print, reprint, convert, finish, buy, sell, run, import, export, and to act as syndication, broker, agent, coordinator, distributor, organizer, proprietor, movie makers, copyright owners, video right owners, audio right owners, theatre owners, dubbing right owners, cinema studio owners, dance, music and provide complete technical and infrastructure support and to assist films, dramas, plays, exhibitions, shows, product launch platforms, award functions, live events, songs, music, merchandising, dances, talks, concerts, circus, stages, pantomimes, ballets, other studio owners, lab owners of all kinds of cine films, video films, T.V. serials, magazines, slides in all languages prevailing in the world to the business of film industry, procurement of governmental permission & licenses for events, travel management, freight logistics & hospitality and to establish, purchase, take on lease or hire or otherwise acquire and maintain and to sell, give on lease or hire studios, laboratories, cinemas, picture places, halls, theatres, vanity vans, properties, assets etc. for production, processing and printing of films
- To develop E-commerce platform with dynamic database driven electronic commerce site and system for sales, fulfillment and customer services and products over Internet, building e-commerce web portal which feature online shopping malls, business to customer services, business to business and complements of Channels, News, information, intermediation in selling products/services online and to carry on the business of e-marketing through SMS (Mobile Phone), Email, tele marketing, digital marketing, advertisement, sale, promotion and distribution, campaigns, roadside shows, event management services, customer awareness programme for various individuals, entities, etc., of all kinds of products and services
- To construct, maintain, improve, develop, work, control and manage, hotels, clubs, restaurants, baths, swimming pool, amusement park, jogging parks, gardens, play grounds, places of worship, reading rooms, store ships and other works and convenience which the Company may think directly or indirectly conducive to these objects, and to contribute or otherwise assist or take part in the construction, maintenance, development, working, control and management thereof

CHANGES IN THE MEMORANDUM OF ASSOCIATION

The following changes have been made in the Memorandum of Association of our Company since inception:

DATE OF MEETING	AMENDMENT
29 th March, 1996	Increase in Authorized Share Capital of the Company from Rs. 2.00 Lakhs divided into 20,000 Equity Shares of Rs. 10/- each to Rs. 50.00 Lakhs divided into 500,000 Equity Shares of Rs. 10/- each.

DATE OF MEETING	AMENDMENT
08 th February, 2013	Increase in Authorized Share Capital of the Company from Rs. 50.00 Lakhs divided into 500,000 Equity Shares of Rs. 10/- each to Rs. 55.00 Lakhs divided into 550,000 Equity Shares of Rs. 10/- each.
25 th March, 2014	Increase in Authorized Share Capital of the Company from Rs. 55.00 Lakhs divided into 550,000 Equity Shares of Rs. 10/- each to Rs. 165.00 Lakhs divided into 16,50,000 Equity Shares of Rs. 10/- each.
31 st July, 2014	Increase in Authorized Share Capital of the Company from Rs. 165.00 Lakhs divided into 16,50,000 Equity Shares of Rs. 10/- each to Rs. 450.00 Lakhs divided into 45,00,000 Equity Shares of Rs. 10/- each.
24 th April, 2017	The name and the object clause of the Company was changed from Shree Krishna Holiday Home And Farms Limited to Sungold Media and Entertainment Limited pursuant to the Certificate of Name change obtained by Registrar of Companies, Gujarat on 30 th Day of June, 2017
19 th February, 2018	Increase in Authorized Share Capital of the Company from Rs. 450.00 Lakhs divided into 45,00,000 Equity Shares of Rs. 10/- each to Rs. 500.00 Lakhs divided into 50,00,000 Equity Shares of Rs. 10/- each.

MAJOR EVENTS AND MILESTONES

YEAR	PARTICULARS
March, 1995	Incorporation of the Company in the name and style of "Shree Krishna Holiday Home and Farms Limited"
June, 2017	The name and the object clause of the Company were changed from SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED to SUNGOLD MEDIA AND ENTERTAINMENT LIMITED.

CAPITAL RAISING (DEBT / EQUITY)

For details of the equity capital raising of our Company, please refer to the chapter titled "*Capital Structure*" beginning on page no 45 of this Draft prospectus.

We have not done any debt issuances since incorporation till date.

HOLDING COMPANY OF OUR COMPANY

Our Company has no holding Company as on this date of filing of this Draft prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

There is no Subsidiary of our Company as on this date of filing of this Draft prospectus.

REVALUATION OF ASSETS

Our Company has not revalued its assets since its incorporation.

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

The name and the object clause of the Company was changed from Shree Krishna Holiday Home And Farms Limited to

Sungold Media and Entertainment Limited pursuant to a special resolution passed by our shareholders at the EGM held on April 24, 2017 and the same have a material effect on the profits / loss of our Company.

DETAILS OF OUR PAST PERFORMANCE

Our Company was incorporated in March, 1995. For details in relation to our financial performance for last 5 financial years, including details of non-recurring items of income, refer to section titled "*Financial Information of the Company*" beginning on page no 123 of this Draft prospectus.

INJUNCTIONS OR RESTRAINING ORDERS:

Our Company is not operating under any injunction or restraining order.

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

There has been no merger or acquisition of businesses or undertakings in the history of our Company.

STRIKES AND LOCKOUTS:

Our Company has, since incorporation, not been involved in any labor disputes or disturbances including strikes and lock-outs. As on the date of the Draft prospectus, our employees are not unionized.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS:

As on the date of the Draft prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on date of filing of the Draft prospectus.

OTHER AGREEMENTS

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business as on the date of filing of the Draft prospectus.

COLLABORATION

Our Company has not entered into any collaboration with any third party as per regulation (VIII) B (1) (c) of part A Schedule VIII of SEBI (ICDR) Regulations, 2009.

STRATEGIC PARTNER

Our Company does not have any strategic partner as on the date of filing of the Draft prospectus.

FINANCIAL PARTNER

Our Company does not have any financial partner as on the date of filing of the Draft prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Draft prospectus.

NUMBER OF SHAREHOLDERS

Our Company has 11(Eleven) shareholders on date of the Draft prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association, our Company is required to have not less than three (3) directors and not more than Fifteen (15) Directors. Currently, our Board of Directors consists of Five Directors of which one is Managing Director, two are Non-Executive Director, and two are Independent Directors out of which one is woman director. The following table sets forth details regarding the Board of Directors as on the date of this Draft prospectus:

Sr. No.	Name, Father's / Husband's Name, Address, Occupation, Nationality & DIN	Age	Status of Directorship in our Company	Other Directorships
1	Mr. Raj Rajiv Kotia S/o Mr. Rajiv Rameshchandra Kotia A-73, Avani Complex, Naranpura Gam, Naranpura, Ahmedabad, Gujarat-380013 Occupation: Business Nationality: Indian Date of Appointment: 23 rd March, 2018 as MD DIN: 06360347	26 Years	Managing Director cum C.F.O	Nil
2	Mr. Keyur Sharadchandra Gandhi S/o Mr. Sharadchandra Mahendrabhai Gandhi Alankar Darbar Road, Rajpipla Ta Nandod, Surat, 393145, Gujarat, India Occupation: Business Nationality: Indian Date of Appointment : 11 th October, 2013 DIN: 03494183	43 Years	Non-Executive Director	1.Shree Krishna Infrastructure Limited
3	Mr. Harsh Bhupendrabhai Mehta S/o Mr. Bhupendrabhai Purshottamdas Mehta A/5, Cecil Apartment, Pushpkunj Society, Kankaria, Shah AlamRoza, Ahmedabad- 380028 Occupation: Business Nationality: Indian Date of Appointment : w.e.f. 22 nd March, 2018 DIN: 08093048	30 Years	Independent Director	Nil
4	Mr. Amit Rameshbhai Kotia S/o Mr. Rameshbhai Manilal Kotia 2-B, SBI Society, Naranpura, Ahmedabad, Gujarat-380013 Occupation: Business Nationality: Indian Date of Appointment : w.e.f. 10 th November, 2017 DIN: 07499192	52 Years	Non-Executive Director	1. Shree Krishna Infrastructure Limited 2. Accuworks Infrastructure Private Limited
5	Ms. Resham Ajit Maniyar D/o Mr. Ajit Jagdish Maniyar Survey No. 469, Maldad Road, Aashirwad State Bank Colony, Sangamner, District- Ahmednagar-422605 Occupation: Business Nationality: Indian Date of Appointment : w.e.f. 22 nd March, 2018 DIN:08093059	25 Years	Independent Woman Director	Nil

Brief Biographies of the Directors

1. **Mr. Raj Rajiv Kotia**, aged 26 years, is the Managing Director of our Company. He holds a degree of Bachelor of Commerce. He has worked as an Assistant Editor at Studio Sound N Vision, and Assistant Editor at Balaji Tele films for six months. He was a laptop engineer and Hardware Engineer at Ever-N-Ever Distributers and Apex Techno Ahmedabad. He was an Event Organizer at G.L.S College, Ahmedabad. He is associated with our company since June 30, 2017.
2. **Mr. Keyur Sharadchandra Gandhi**, aged 43 Years, is the Non-Executive Director of our Company. He has worked as an editor of weekly financial analysis Newspaper “Sharonomics” for 3 years and has 10 years’ experience in accounts and administration of his own petroleum business. He is also having around 15 years’ experience in the print and Electronic Media. He is associated with our Company since October 11, 2013
3. **Mr. Amit Rameshbhai Kotia**, aged 52 years, is Non-Executive Director of our company. He has vast experience in property development, administration in fund raising, marketing, also holds good experience in placement in mutual funds and attracting foreign investments. He has expertise in raising funds at minimum cost and also has keen interest in real estate properties. He is associated with our company since November 10, 2017.
4. **Mr. Harsh Bhupendrabhai Mehta**, aged 30 years, is an Independent Director of our company. He has vast experience in Franchise business and has also appeared in civil service exam. He is associated with our company since March 22, 2018.
5. **Ms. Resham Ajit Maniyar**, aged 25 years, is an Independent Woman Director of our company. She is well versed experience with legal, Secretarial Knowledge. She is associated with our company since March 22, 2018.

Arrangements with major Shareholders, Customers, Suppliers or Others

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

Service Contracts

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

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

None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years except as mentioned in the section titled “*Legal and Other Information*” beginning on page no 147.

Director’s association with the Securities Market

The Directors of our Company are not associated with securities market.

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.

BORROWING POWERS OF THE DIRECTORS

Pursuant to a special resolution passed at the Extra-Ordinary General Meeting of our Company held on 10th June, 2017 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company’s bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves,

provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs. 2.5 Crores.

Remuneration to Executive Directors

The compensation payable to Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2 (54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force)

Payment or benefit to Non-Executive Directors of Our Company

Currently Non-Executive Directors are not being paid any sitting fees

Shareholding of Directors in our Company

The details of the shareholding of our Directors as on the date of this Draft prospectus are as follows.

Particulars	Number of Shares	Percentage (%) holding
Keyur Sharadchandra Gandhi	43,880	0.88
Raj Rajiv Kotia	1,611,132	32.22
Total	1,655,012	33.10

Interests of our Directors

Our Directors may be deemed to be interested to the extent of their remunerations paid to them for services rendered and with the reimbursement of expenses payable to them. For further details, please refer to sub-section "Remuneration to Executive & Non-Executive Directors" above. In addition, as on the date of this Draft prospectus, our Managing Director receives remuneration from our Company in terms of the proviso to Section 197(4) of the Companies Act. For further details, please refer to section titled "Our Promoters and Promoter Group" beginning on page no 119 of this Draft prospectus.

Other than as stated above and except as stated in the sections titled "*Financial Information of the Company*" and "*Our Promoters and Promoter Group*" beginning on pages no 123 and pages 119 respectively of this Draft prospectus, our Directors do not have any other interest in the business of our Company.

None of the relatives of our Directors have been appointed to a place or office of profit in our Company. For further details, please refer to section titled "Our Management – Remuneration to Executive Directors" beginning on page no 112 of this Draft prospectus.

Our directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Offer. Some of the directors also hold directorships in Promoter Group of our Company.

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 section "*Our Management*" or the section titled "*Financial Information of the company - Related Party Transactions*" beginning on pages no 110 and pages 137 respectively of this Draft prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in the business of our Company.

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

The changes in the Board of Directors of our Company in the last three (3) years are as follows:

Name	Date of Appointment/ Change in Designation	Date of Cessation	Reason
Mr Raj Rajiv Kotia	30-Jun-2017	29-Sep-2017	Appointed as Additional Director
Mr Raj Rajiv Kotia	30-Sep-2017	22-Mar-2018	Change of Designation from Additional Director to Director
Mr Raj Rajiv Kotia	23-Mar-18	-	Change of Designation from Director to Managing Director & CFO
Mr Harsh Mehta	22-Mar-18	-	Appointed as Independent Director
Ms Resham Maniyar	22-Mar-18	-	Appointed as Non-Executive Director
Mr Amit Rameshbhai Kotia	10-Nov-17	-	Appointed as Non-Executive Director
Ms. Neha Shah	31-May-2016	24-Feb-2017	Resignation u/s168
Mr. Rajiv Kotia	30-Nov-2013	31-May-2016	Resignation u/s168
Mr. Kamlesh Hirapara	18-Nov-2014	12-May-2016	Disqualified u/s 164
Mr Abhay Shyam Deo	24-Feb-2017	30-Jun-17	Resignation u/s168
Ms Bhumika Sidhpura	07-May-2015	10-Nov-17	Resignation u/s168

CORPORATE GOVERNANCE:

The provisions of the Listing Regulations with respect to corporate governance will also be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of Five Directors (including one woman Director) of which one is Managing Director, two are Non-Executive Director, and two are Independent Directors which is in compliance with the requirements of Companies Act, 2013 and SEBI (LODR) Regulations.

Committees of our Board

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

a. Audit Committee

Our Audit Committee was constituted pursuant to a resolution of our Board dated on May 17, 2018. The Audit Committee comprises:

Name of Director	Status in Committee	Nature of Directorship
Ms. Resham Ajit Maniyar	Chairman	Independent Woman Director
Mr. Harsh Bhupendrabhai Mehta	Member	Independent Director
Mr. Raj Rajiv Kotia	Member	Managing Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

➤ **Powers of Audit Committee:**

The Audit Committee shall have powers, including the following:

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

➤ **Role of Audit Committee**

The role of the Audit Committee shall include the following

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon 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;
 - modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 Prospect/ Draft 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;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Further, the Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;

- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Statement of deviations: (a) half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer Draft prospectus / Draft prospectus/notice in terms of Regulation 32(5).

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than four months shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

b. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated May 17, 2018. The Stakeholders' Relationship Committee comprises:

Name of Director	Status in Committee	Nature of Directorship
Mr. Amit Rameshbhai Kotia	Chairman	Non-Executive Director
Mr. Harsh Bhupendrabhai Mehta	Member	Independent Director

Set forth below are the terms of reference of our Stakeholders' Relationship Committee.

- To look into the redressal of grievances of shareholders, debenture holders and other security holders;
- To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares;
- To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time."

c. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was constituted by our Board on May 17, 2018. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations. The Nomination and Remuneration Committee include the following:

Name of Director	Status in Committee	Nature of Directorship
Mr. Harsh Bhupenderbhai Mehta	Chairperson	Independent Director
Ms. Resham Ajit Maniyar	Member	Independent Woman Director
Mr. Raj Rajiv Kotia	Member	Managing Director
Mr. Keyur Sharadchandra Gandhi	Member	Non-Executive Director

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

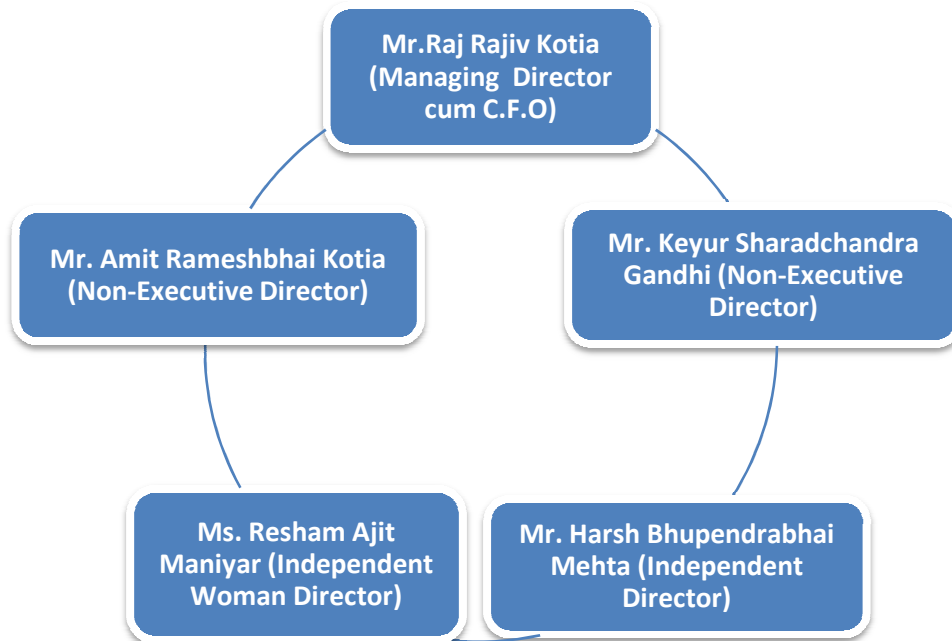
Set forth below are the terms of reference of our Nomination and Remuneration Committee.

formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Management Organizational Structure:



Key Managerial Personnel:

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below

Name, Designation, Occupation,	Age	Date of Joining	Compensation paid for F.Y. ended 2018 (₹in Lakhs)	Overall Experience (In years)	Previous Employment
Mr. Raj Rajiv Kotia Current Designation: Managing Director cum C.F.O. Educational Qualification: B.Com, Certificate of Diploma in NISM	26 Years	30-Jun-17	0.50	06 Years	Creative Head at Sungold Capital Limited, (Media & Entertainment Division)
Company Secretary details					

Profiles of our Key Managerial Personnel

The details of the Key Managerial Personnel as on the date of this Draft prospectus are set out below. All the Key Managerial Personals are permanent employees of our Company. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

- Mr. Raj Rajiv Kotia**, aged 26 years, is the Managing Director of our Company. He holds a degree of Bachelor of Commerce. He has worked as an Assistant Editor at Studio Sound N Vision and Assistant Editor at Balaji Tele films for six months. He was a laptop engineer and Hardware Engineer at Ever-N-Ever Distributers and Apex Techno Ahmedabad. He has even Event Organizer at G.L.S College, Ahmedabad. He is associated with our company since June 30, 2017.

2. DETAILS OF COMPANY SECRETARY

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Status of Key Management Personnel in our Company

All our key managerial personnel are permanent employees of our Company. The term of office of our key managerial personnel is until the attainment of 60 years of age.

Shareholding of Key Management Personnel in our Company

Except the following, Key Management Personnel do not hold any Equity Shares in our Company as on the date of this Draft prospectus.

Particulars	Number of Shares	Percentage (%) holding
Raj Rajiv Kotia	1,611,132	32.22
Total	1,611,132	32.22

Bonus or profit sharing plan of the Key Managerial Personnel

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

Interests of Key Management Personnel

The Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Payment of Benefits to Officers of Our Company (*non-salary related*)

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

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation.

Except as stated under section titled "*Financial Information of the company*" beginning on page no 123 of this Draft prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter

Relationship amongst the Key Managerial Personnel of our Company

Mr. Raj Rajiv Kotia (Promoter cum Managing Director & CFO) is son of Mr. Rajiv Rameshchandra Kotia another promoter of the company.

Relationship between the Directors and Key Managerial Personnel

Mr. Amit Rameshbhai Kotia (Director) is the brother of Mr. Rajiv Kotia (Promoter Director of SMEL).

Arrangement and Understanding with Major Shareholders/Customers/ Suppliers

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

Details of Service Contracts of the Key Managerial Personnel

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

Employee Stock Option or Employee Stock Purchase

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft prospectus.

Loans availed by Directors / Key Managerial Personnel of Our Company

None of the Directors or Key Managerial Personals have availed loan from our Company which is outstanding as on the date of this Draft prospectus.

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


The changes in the Key Managerial Personnel of our Company in the last three (3) years are as follows:

Name	Date of Appointment/ Change in designation	Date of Cessation	Reason
Mr Raj Rajiv Kotia	23 March 18	-	Designated as Managing Director & CFO


OUR PROMOTERS AND PROMOTER GROUPS**Our Promoter**

Mr. Rajiv Rameshchandra Kotia and Mr. Raj Rajiv Kotia are the Promoters of our Company. As on the date of filing of Draft prospectus, our Promoters Mr. Rajiv Rameshchandra Kotia hold 16,53,550 Equity Shares (being 33.07% of the Issued, Subscribed and Paid-up Equity Share capital) and Mr. Raj Rajiv Kotia hold 16,11,132 Equity Shares (being 32.22% of the Issued, Subscribed and Paid-up Equity Share capital) of our Company.

INDIVIDUAL PROMOTERS:**Mr. Rajiv Rameshchandra Kotia**

	<p>Mr. Rajiv Rameshchandra Kotia, aged 57 years, is the Promoter of our Company. He holds a degree of Bachelor of Commerce. He is also Chairman & Managing Director of Sungold Capital Limited since last 26 years. He had worked as Finance Executive in Gujarat Credit Corporation Limited, looking after business of Leasing and Hire Purchase. He is multifaceted and brings diverse skills to run different businesses. He aspires to achieve greater heights in all business ventures.</p> <p>Nationality : Indian PAN No : AEJPK0374C AADHAR No : 872184055714 Passport No : P0595535 Driving License : GJ01 20030137414 Address : 2/B, State Bank of India Staff SOC, Naranpura, Ahmedabad, Gujarat – 380013</p>
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Mr. Raj Rajiv Kotia

	<p>Mr. Raj Rajiv Kotia, (Son of Mr. Rajiv Rameshchandra Kotia) aged 26 years, is Promoter cum Managing Director & C.F.O. of our Company. He holds a degree of Bachelor of Commerce. He has worked as an Assistant Editor at Studio Sound N Vision and Assistant Editor at Balaji Telefilms for six months. He was a laptop engineer and Hardware Engineer at Ever-N-Ever Distributors and Apex Techno Ahmedabad. He was an Event Organizer at G.L.S College, Ahmedabad. He is associated with our company since June 30, 2017</p> <p>Nationality : Indian PAN No : BQFPK5627P AADHAR No : 384095369314 Passport No : K5873506 Driving License : GJ01 20080165560 Address : A/73, Avani Complex, Naranpura, Ahmedabad – 380013</p>
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We confirm that the PAN and Bank account Number of our Promoter have been submitted to the Stock Exchange at the time of filing of this Draft prospectus.

Further, our Promoter, Group Companies and relatives of our Promoter have confirmed that they have not been identified as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

Neither our Promoter nor members of our Promoter Group or any persons in control have been debarred, or restricted from accessing the capital markets for any reason, by SEBI or any other authorities. Our Promoter is not, nor has he been a promoter, director or person in control of any company which is debarred, or restricted from accessing the capital markets for any reason, by SEBI or any other authorities.

COMMON PURSUITS OF OUR PROMOTER

SMEL is engaged in the business of Development of Web Portal, Business branding via digital marketing etc whereas Sungold Capital Limited promoted by Mr. Rajiv Rameshchandra Kotia business includes its own entertainment division, which is engaged in film production, distribution & exhibition, purchasing of satellite right of movies and daily shows.

INTEREST OF THE PROMOTERS

Interest in the promotion of Our Company

Our Promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by themselves as well as their relative and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in whom either of them is interested as a director, member or partner. In addition, our Promoters, being Directors may be deemed to be interested to the extent of fees, if any, payable for attending meetings of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses, if any, payable under our Articles of Association and to the extent of remuneration, if any, paid for services rendered as an officer or employee of our Company as stated in section titled "*Our Management*" beginning on page no 110 of this Draft prospectus.

Interest in the property of Our Company

Our promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft prospectus or proposed to be acquired by us till the date of filing the Draft prospectus with ROC.

Interest as Member of our Company

As on the date of this Draft prospectus, our Promoters and Promoter Group collectively holds 77.32% Equity Shares of our Company and is therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter in our Company and benefits as provided in the section titled "*Our Management*" beginning on page no 110 of this Draft prospectus, our Promoters does not hold any other interest in our Company.

Also see "Our Management-Interest of Directors" on Page no 112 of this Draft prospectus.

PAYMENT AMOUNTS OR BENEFIT TO OUR PROMOTERS DURING THE LAST TWO YEARS

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Draft prospectus except as mentioned / referred to in this chapter and in the section titled "Our Management", "Financial Information of the company" and "Capital Structure" beginning on page no 110, page no 123 and page no 45 respectively of this draft prospectus. Further as on the date of the Draft prospectus, there is no bonus or profit sharing plan for our Promoters.

CONFIRMATIONS

Our Company hereby confirms that:

Except as mentioned in the section titled "*Outstanding Litigation and Material Developments*" beginning on page no 147 of this Draft prospectus, none of our Promoters have been declared as a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoters in the past nor any pending against them.

Further, none of our Promoters, Promoter Group or Directors or persons in control of our Company or bodies corporate forming part of our Promoter Group have been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in the section titled "Our Promoters" and "*Our Promoters and Promoters Group and Group Entities of our Companies*" beginning on page no 119 of this Draft prospectus, there are no ventures promoted by our Promoters in which they have any business interests / other interests.

RELATED PARTY TRANSACTIONS

Except as disclosed in the section titled “*Related Party Transactions*” beginning on page no 122 of this Draft prospectus, our Company has not entered into any related party transactions with our Promoters.

Experience of Promoters in the line of business

Our Promoter is well experienced in the Company’s line of business. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

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

None of our Promoters have disassociated themselves from any of the companies, firms or entities during the last three years preceding the date of this Draft prospectus.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters, please refer to section titled ‘*Outstanding Litigations and Material Developments*’ beginning on page no 147 of this Draft prospectus.

Individual Promoter Group of our Promoters

In addition to our Promoters named herein above, the following natural persons are part of our Promoter Group in terms of Regulation 2(1) (zb) (ii) of SEBI ICDR Regulations:

Name of our Promoter	Name of the Relatives	Relationship with the Relative
Mr. Rajiv Rameshchandra Kotia	Late Rameshchandra Kotia	Father
	Late Prem Rameshchandra Kotia	Mother
	Amit Rameshbhai Kotia, Dhaval Kotia	Brother Step Brother
	Mona Shah	Sister
	Ravi Rajiv Kotia, Raj Rajiv Kotia	Son
	Seema Kotia	Spouse
	Late Gandlal Modi	Spouse's Father
	Late Bansiben Modi	Spouse's Mother
	Late Suresh Modi, Rajan Modi	Spouse's Brother
	Kamlaben Wani, Maltiben Wani, Premlata Shah, Kavita Shah	Spouse's Sister

Name of our Promoter	Name of the Relatives	Relationship with the Relative
Mr. Raj Rajiv Kotia	Rajiv Kotia	Father
	Seema Kotia	Mother
	Ravi Kotia	Brother

Promoter Group of our Promoters

The following individual and entities form part of our Promoter Group in terms of Regulation 2(1) (zb) of SEBI (ICDR) Regulations:

Sr. No	Name
1	Shree Krishna Infrastructure Limited
2	Sungold Capital Limited

GROUP ENTITIES OF OUR COMPANY

As per the requirements of SEBI (ICDR) Regulations, for the purpose of identification of 'group companies/ entities', our Company has considered companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India) on a consolidated basis, or other companies as considered material by our Board. For the purpose of disclosure in offer documents for the Issue, a company shall be considered material and will be disclosed as a Group Entity if such company forms part of the Promoter Group, and our Company has entered into one or more transactions with such company in the previous audit fiscal year / period cumulatively exceeding 10% of the total consolidated revenue of our Company for such fiscal.

-NIL -

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure 21 of restated financial statement under the section titled "*Financial Information of the company*" on page no 137 of the Draft prospectus.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our shareholders at their discretion, subject to the provision of the Articles of Association and the Companies Act. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements and overall financial position of our Company. In addition, our ability to pay dividends may be impacted by a number of other factors, including, restrictive covenants under the loan or financing documents that we may enter into from time to time. Our Company has no formal dividend policy. Our Board may also, from time to time, pay interim dividends.

However, our Company has not declared/paid any dividend in the past.

SECTION VI: FINANCIAL INFORMATION OF THE COMPANY

AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENT

To,
The Board of Directors,
Sungold Media and Entertainment Limited
13, Radhakrushna Mandir Compound,
Rajpipla, Nandod, Narmada- 393145
Gujarat, India

Dear Sirs,

We have examined the Financial Information of **Sungold Media and Entertainment Limited** (the Company) described below and annexed to this report for the purpose of inclusion in the offer document. The Financial Information has been prepared in accordance with the requirements of paragraph B (1) of Part II of Schedule II to the Companies Act, (the Act'), The Securities and Exchange Board of India (SEBI) - Issue of Capital and Disclosure Requirements Regulations, 2009 (ICDR Regulations) notified on 26th August, 2009, the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI) and in terms of the engagement agreed upon by us with the Company.

These Financial Information have been extracted by the management from the financial statements for the financial year ended 31st March, 2013 and 2014 which was conducted by M/s. Samria & Co., Chartered Accountants, Audit for the year ended 31st March, 2015 was conducted by M/s. Garg & Associates, Chartered Accountants, Audit for the year ended 31st March, 2016 and 31st March, 2017 was conducted by M/s. B D Saboo & Associates, Chartered Accountants, and period ended on 28th February, 2018 by M/s Bhattar & Company and approved by the Board of Directors and adopted by the Members for the financial year ended 31st March, 2017, 31st March, 2016, 31st March, 2015, 31st March, 2014 and 31st March, 2013 and for the period 28th February 2018. Accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. Further the Financial statements for the year ended on March 31, 2017 have been re-audited by us as per the relevant guidelines. The financial statements for the period ended on 28th February, 2018 have been audited by us.

In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of **Sungold Media and Entertainment Limited**, We, **M/s. Bhattar & Company**, 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.

A. Financial Information of the Company:

In accordance with the requirements of Paragraph B, Part II of Schedule II to the Act, the SEBI Regulations and the terms of our engagement agreed with you, we further report that"

- The Restated Statement of Assets and Liabilities of the Company as at March 31, 2013, 2014, 2015, 2016 and 2017 and February 28, 2018 are as set out in **Annexure 1**, to this report read with the Significant Accounting Policies and related Notes in **Annexure 4** are after making such adjustments and regrouping as in our opinion are appropriate in the year to which they relate and more fully described in Schedules to the Restated Summary Statements.;
- The Restated Statement of Profits and Losses of the Company for the year ended March 31, 2013, 2014, 2015, 2016 and 2017 and February 28, 2018 are as set out in **Annexure 2**, to this report read with the Significant accounting policies and related Notes in **Annexure 4** are after making such adjustment and regrouping as in our opinion are appropriate in the year to which they relates and more fully described in Schedules to the Restated Summary Statements.;
- Restated Statement of Cash Flows of the Company for the year ended March 31, 2013, 2014, 2015, 2016 and 2017 and February 28, 2018 are as set out in **Annexure 3** to this report read with the Significant accounting policies and related Notes in **Annexure 4** are after making such adjustment and regrouping as in our opinion are appropriate in the year to which they relates and more fully described in Schedules to the Restated Summary Statements.

Based on the above, we are of the opinion that the Restated Standalone Financial Statements:

- i. Have been made in accordance with the provisions of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations, and after incorporating Adjustments suggested in paragraph 9 of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations, and have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years / period to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods;
- ii. Have been made after incorporating adjustments for prior period and other material amounts in the respective financial years / period to which they relate; and do not contain any extra- ordinary items that need to be disclosed separately other than those presented in the restated Standalone Financial Statements and do not contain any qualifications required adjustments.
- iii. There was no qualification in the audit reports issued by the statutory auditors for the respective years which would require adjustment in these Restated Financial Statements.

B. Other Financial Information:

We have also examined the following financial information as set out in the Annexure prepared by the management and approved by the Board of Directors relating to for the period ended on 28th February, 2018, 31st March, 2017, 31st March, 2016, 31st March, 2015, 31st March, 2014 and 31st March, 2013.

1. Statement of Details of Reserves & Surplus as at March 31, 2013, 2014, 2015, 2016 and 2017 and February 28, 2018 as set out in **Annexure 5** to this report.
2. Statement of Accounting Ratios for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 and February 28, 2018 as set out in **Annexure 6** to this report.
3. Capitalization Statement as at 31st March, 2017 as set out in **Annexure 7** to this report.
4. Statement of Tax Shelters for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 and February 28, 2018 as set out in **Annexure 8** to this report.
5. Statement of Long Term Borrowings for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 and February 28, 2018 as set out in **Annexure 9** to this report.
6. Statement of Short Term Borrowings for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 10** to this report.
7. Statement of Details of Current Liabilities & Provisions of the Company for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 11** to this report.
8. Statement of Details of Tangible Assets of the Company for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 12** to this report.
9. Statement of Details of Trade Receivables of the Company for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 13** to this report.
10. Statement of Details of Short Term Loans & Advances as at March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 14** to this report.
11. Statement of Details of Current Investments of the Company for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 15** to this report.
12. Statement of Details of Inventories of the Company for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 16** to this report.
13. Statement of Details of Cash and Cash Equivalent of the Company for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 17** to this report.
14. Statement of Details of Other Current Assets of the Company for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 18** to this report.

15. Statement of Details of Revenue from Operations of the Company for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 19** to this report.
16. Statement of Details of Other Income of the Company for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 set out in **Annexure 20** to this report.
17. Statement of Details of Related Party Transactions of the Company for the year ended on March 31, 2013, 2014, 2015, 2016 and 2017 as set out in **Annexure 21** to this report.

In our opinion, the above financial information of the Company read with Significant Accounting Policies & Notes to Accounts attached in **Annexure 4** to this report, after making adjustments and regrouping as considered appropriate has been prepared in accordance with Part II of the Schedule II of the Act and the SEBI (ICDR) Regulations issued by SEBI, as amended from time to time subject to and read with other notes and is materially consistent with the existing Accounting Standards.

This report should not be in any way construed as a re-issuance or re-dating of any of the previous audit reports issued by us or other statutory auditor, nor should this report be construed as a new opinion on any of the financial statements referred therein.

This report is intended solely for your information and for inclusion in the Offer document in connection with the issue of Equity shares of the Company and is not be used, referred to or distributed for any other purpose without our written consent.

For M/s. Bhatler & Company
Chartered Accountants
Firm Registration No: 131092W

S/d-
Daulal.H. Bhatler
Proprietor
Membership No: 016937

Place: Mumbai
Date: 12th March 2018

ANNEXURE – 01

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs. In Lakhs)

Particulars	28.02.2018	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Equity & Liabilities						
Shareholders' Funds						
Share Capital	500.00	429.25	429.25	429.25	164.25	54.75
Reserve & Surplus	57.85	55.18	49.86	41.59	35.28	0.46
Total (A)	557.85	484.43	479.11	470.84	199.53	55.21
Non Current Liabilities						
Share Application Money	-	-	-	-	-	-
Long Term Borrowings	-	-	-	-	-	-
Deferred Tax Liabilities (Net)	0.03	-	-	-	-	-
Other Long Term Liabilities	-	-	-	-	-	-
Total (B)	0.03	-	-	-	-	-
Current Liabilities						
Short Term Borrowings	-	-	-	-	-	176.54
Trade Payables	-	-	-	-	-	-
Other Current Liabilities	1.09	-	-	-	-	-
Short Term Provisions	9.89	2.42	4.10	3.04	0.57	0.17
Total (C)	10.98	2.42	4.10	3.04	0.57	176.72
Total (D=A+B+C)	568.86	486.85	483.21	473.88	200.10	231.93
Assets						
Fixed Assets:						
Tangible Assets	1.08	1.36	1.66	-	-	-
Intangible Assets	-	-	-	-	-	-
Long Term Loans & Advances	394.17	447.60	439.26	467.91	109.92	145.40
Non Current Investments	-	29.25	16.35	-	30.00	-
Deferred Tax Assets (Net)	-	-	-	-	-	-
Total (E)	395.25	478.21	457.27	467.91	139.92	145.40
Current Assets						
Current Investments	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Trade Receivables	10.50	-	-	-	51.86	86.06
Cash & Bank Balances	4.41	5.48	21.64	3.34	7.74	0.41
Short Term Loans & Advances	-	-	-	-	-	-
Other Current Assets	158.70	3.16	4.30	2.62	0.58	0.05
Total (F)	173.61	8.64	25.94	5.97	60.18	86.52
Total (G=E+F)	568.86	486.85	483.21	473.88	200.10	231.93

ANNEXURE – 02

STATEMENT OF PROFIT AND LOSS, AS RESTATED

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Income						
Revenue from Operations	44.73	59.71	56.31	34.96	14.93	10.80
Increase in Stock of Finished Goods and Stock in Progress	-	-	-	-	-	-
Other Income	0.01	0.13	0.02	-	-	-
Total	44.74	59.85	56.34	34.96	14.93	10.80
Expenditure						
Purchases of Stock in Trade	-	-	-	-	-	-
Decrease in Stock of Finished Goods and Stock in Progress	-	-	-	-	-	-
Employees Costs	24.45	17.48	23.02	11.91	6.70	4.64
Operating, Administrative, Selling and Other Expenses	16.06	34.57	20.32	13.80	6.91	5.79
Total	40.51	52.05	43.34	25.71	13.61	10.43
Profit before Depreciation, Interest and Tax	4.23	7.79	13.00	9.25	1.32	0.37
Depreciation & Amortization	0.28	0.30	0.30	-	-	-
Preliminary Expenses Written Off	-	-	-	-	-	-
Profit before Interest & Tax	3.95	7.49	12.70	9.25	1.32	0.37
Interest & Finance Charges	-	-	-	-	-	-
Exceptional Items	-	-	-	-	-	-
Net Profit before Tax	3.95	7.49	12.70	9.25	1.32	0.37
Less: Provision for Taxes:						
Current Tax	1.25	2.17	3.89	2.94	0.41	0.12
Deferred tax	0.03	-	-	-	-	-
Net Profit After Tax & Before Extraordinary Items	2.67	5.32	8.81	6.31	0.91	0.26
Extra Ordinary Items	-	-	-	-	-	-
Net Profit	2.67	5.32	8.81	6.31	0.91	0.26

ANNEXURE – 03

STATEMENT OF CASH FLOW, AS RESTATED

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
CASH FLOW FROM OPERATING ACTIVITIES						
Net profit before taxes	3.95	7.49	12.70	9.25	1.32	0.37
Adjustment for:						
Less : Expenses of earlier year			(0.61)			
Add: Depreciation & Amortizations	0.28	0.30	0.30	-	-	-
Add: Preliminary Expenses Written Off	-	-	-	-	-	-
Add: Interest on FDR	(0.008)	-	-	-	-	-
Profit on sale of investment						
Operating Profit before Working capital changes	4.22	7.79	12.39	9.25	1.32	0.37
Adjustments for:						
Decrease (Increase) in Inventories	-	-	-	-	-	-
Decrease (Increase) in Trade & Other Receivables	(10.50)	-	-	51.86	34.20	0.51
Decrease (Increase) in Short Term Loans & Advances (Excl Taxes)				(358)	35.49	(94.15)
Decrease (Increase) in Other Current Assets		1.39	(1.69)	0.53	-	-
Increase (Decrease) in Trade Payables			-	-	-	-
Increase (Decrease) in Short Term Provisions (Excl Taxes)	6.22	(1.34)	1.10	(0.47)	(0.01)	(0.14)
Increase (Decrease) in Other Current Liabilities			-	-	-	-
Net Changes in Working Capital	(4.28)	0.05	(0.59)	(306.08)	(69.68)	(93.79)
Cash Generated from Operations	(0.06)	7.84	11.80	(296.83)	71.00	(93.42)
Taxes	(0.06)	(2.50)	(3.85)	(2.57)	(0.53)	(0.05)
Net Cash Flow from Operating Activities (A)	(0.12)	5.34	7.95	(299.40)	(70.47)	(93.47)
CASH FLOW FROM INVESTING ACTIVITIES						
Share Application Money – Paid	(117.98)	-	-	-	-	-
Sale /(Purchase) of Fixed Assets	-	-	(1.97)	-	-	-
Decrease (Increase) in Investments	-	(12.90)	(16.35)	30.00	30.00	-
Decrease (Increase) in Other Non Current Assets& Deposits	-	(0.25)	-	-	-	-
Decrease (Increase) in Other Loans & Advances	53.43	8.34	28.66			
Interest on FDR	0.008					
Net Cash Flow from Investing Activities (B)	(64.54)	(21.49)	(10.34)	30.00	30.00	-
CASH FLOW FROM FINANCING ACTIVITIES						
Issue of share capital and Proceeds / (Refund) from Share Application Money	-	-	-	265.00	143.4	-
Interest & Finance Charges	-	-	-	-	-	-
Increase / (Repayment) of Long Term Borrowings	-	-	-	-	-	-
Increase / (Repayment) of Short Term Borrowings	63.59	-	-	-	(176.54)	93.75
Decrease (Increase) in Long Term Loans & Advances	-	-	-	-	-	-
Net Cash Flow from Financing Activities (C)	63.59	-	-	265.00	33.14	93.75
Net Increase / (Decrease) in Cash & Cash Equivalents	(1.07)	(16.16)	18.29	(4.39)	7.32	0.28
Cash and cash equivalents at the beginning of the year	5.48	21.64	3.34	7.74	0.41	0.13
Cash and cash equivalents at the end of the year	4.41	5.48	21.64	3.34	7.74	0.41

ANNEXURE-04

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT FOR PREPARATION OF RESTATED FINANCIAL STATEMENT

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Preparation of Financial Statements

The Restated Financial Information for the year ended March 31st 2013, 2014, 2015, 2016 and 2017 has been extracted by the management of the Company from the audited financial statements of the company for the year ended March 31st 2013, 2014, 2015, 2016 and 2017.

The Restated Financial Information are after making adjustments/ restatements and regrouping as necessary in accordance with paragraph B(1) of Part II of Schedule II of The Companies Act and SEBI Regulations.

The Financial Statements have been prepared under Historical Cost conventions and in accordance with the Generally Accepted Accounting Principles ('GAAP') applicable in India, Companies (Accounting Standard) Rules, 2006 notified by Ministry of Company Affairs and Accounting Standards issued by the Institute of Chartered Accountants of India as applicable and relevant provisions of the Companies Act, 1956 & 2013.

The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2. Use of Estimates

The preparation of Financial Statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets and intangible assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Management believes that the estimates used in preparation of financial statements are prudent and reasonable.

3. Fixed Assets and Depreciation

- i. Fixed Assets are shown at historical cost net of recoverable taxes inclusive of incidental expenses less accumulated depreciation and amortization".
- ii. Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation.
- iii. Pursuant to commencement of Companies Act, 2013, effective 1st April, 2014 the company has reviewed and revised the estimated economic useful lives of its fixed assets generally in accordance with Schedule II of Companies Act, 2013
- iv. Depreciation on fixed assets sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

4. Revenue Recognition

Revenue is recognized only when it is probable that economic benefits will flow to the company and revenue can be reliably measured.

Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the customer and recorded net of returns, sales tax and other levies.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

5. Investments:

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

6. Impairment of Assets

As on Balance Sheet date, the Company reviews the carrying amount of Fixed Assets to determine whether there are any indications that those assets have suffered "Impairment Loss". Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from continuing use of an asset and from its disposal at the end of its useful life.

7. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

8. Taxation

Tax expenses for the year comprise of current tax and deferred tax. Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961 and in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", issued by ICAI.

Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates. At each Balance Sheet date the company reassesses unrecognized deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

9. Preliminary Expenses

Preliminary expenses are amortized as per AS-26 issued by ICAI.

10. Earnings per Share

In determining the Earnings Per share, the Company considers the net profit after tax includes any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

11. Contingent Liabilities & Provisions

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for:

Possible obligation which will be confirmed only by future events not wholly within the control of the company, or Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

B. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS.

There is no change in significant accounting policies during the reporting period. Further Accounting Policies has been changed as and when Accounting Standards issued by the Institute of Chartered Accountants of India / Companies (Accounting Standard) Rules, 2006 were made applicable on the relevant dates.

C. NOTES ON RESTATED FINANCIAL STATEMENTS

NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

(Rs. in Lakhs)

Financial Year ended	28.02.2018	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Profit after tax as per Audited Statement of Account(A)	2.67	5.18	8.74	6.39	0.91	0.26
Adjustments:						
• Decrease / (Increase) in Provision for Tax	-	0.14	0.02	(0.08)	-	-
• Reduction in Interest	-	-	0.05	-	-	-
	-	0.14	0.07	(0.08)	-	-
On account of deferred tax liability	-	-	-	-	-	-
Profit after tax as per Restated Profit& Loss (A)	2.67	5.32	8.81	6.31	0.91	0.26

D. OTHER NOTES

General:

1. The Company was incorporated as “Shree Krishna Holiday Home and Farms Limited” in Ahmedabad, Gujarat as a Public Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated 09th March, 1995.
2. **Contingent liabilities:** There are no contingent liabilities
3. **Dues to Micro enterprises and Small enterprises:** Under the Micro, Small and Medium Enterprise Development Act, 2006 certain disclosure is required to be made related to micro, small and medium enterprise. The company has disclosed the same.
4. **Segment Reporting:** The Company operates only in one reportable business segment namely Media and Entertainment. Hence, there are no reportable segments under Accounting Standard -17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary.
5. In the opinion of the Board, subject to the debts considered doubtful, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
6. **Earnings per Share:** The details of Earnings per Share as per AS-20 are provided in **Annexure 06**.
7. **Related Party Transactions:** The details of Related Party Transactions as per AS-18 are provided in **Annexure 21**.
8. The figures in the Restated Financials are stated in Lakhs and rounded off to two decimals and minor rounding off difference is ignored.

ANNEXURE- 05

STATEMENT OF DETAILS OF RESERVES & SURPLUS, AS RESTATED

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Profit / (Loss) Brought Forward	21.22	15.91	7.63	1.32	0.40	0.15
Less : Expenses of Earlier Year	-	-	(0.53)	-	-	-
Add: Profit / (Loss) for the Year	2.67	5.32	8.81	6.31	0.92	0.25
(Less):Tax Adjustments	-	-	-	-	-	-
Profit / (Loss) Carried Forward (A)	23.90	21.22	15.91	7.63	1.32	0.40
Securities Premium Brought Forward	33.95	33.95	33.95	33.95	0.06	6.90
Add: Premium on Shares Issued during the year	-	-	-	-	33.89	-
Less: Premium utilized during the year	-	-	-	-	-	(6.84)
Securities Premium Carried Forward (B)	33.95	33.95	33.95	33.95	33.95	0.06
Reserves & Surplus (A+B)	57.85	55.18	49.86	41.58	35.27	0.46

ANNEXURE- 06

STATEMENT OF ACCOUNTING RATIOS

(Rs. In Lakhs, except per share data)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Net Worth (A)	557.85	484.44	479.11	470.84	199.52	55.21
Net Profit after Tax (B)	2.67	5.32	8.81	6.31	0.91	0.26
No. of Shares outstanding at the end [F.V Rs.10] (C)	50,00,000	42,92,530	42,92,530	42,92,530	16,42,530	5,47,510
Weighted average number of shares [F.V Rs.10] (D)	45,19,488	42,92,530	42,92,530	29,67,530	5,47,510	5,47,510
Earnings per Share (EPS) (B/D) (Rs.)	0.06	0.12	0.21	0.21	0.17	0.05
Return on Net Worth (B/A)	0.48%	1.10%	1.84%	1.34%	0.46%	0.47%
Net Assets Value per Share (A/C)	11.16	11.29	11.16	10.97	12.15	10.08

Definitions of key ratios:

- I. Earnings per share (Rs.):** Net Profit attributable to equity shareholders / weighted average number of equity shares. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings per Share" as issued by The Institute of Chartered Accountants of India. As per AS-20, the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. In case of a bonus issue, the bonus shares have been added to corresponding year to the extent of reserves available in the corresponding year. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.
- II. Return on Net-worth (%):** Net Profit after tax / Net worth as at the end of the year.
- III. Net Asset Value (Rs.):** Net Worth at the end of the year / Weighted Average Number of equity shares.
- IV. Net Profit,** as appearing in the Statement of restated profits and losses, and Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.

ANNEXURE -07

CAPITALIZATION STATEMENT

(Rs. In Lakhs)

Particulars	28.02.2018	Pre-issue as at 31.03.2017	Post Issue *
Borrowing			
Short - Term Debt		-	
Long - Term Debt		-	
Total Debt		-	
Shareholders' Funds			
Share Capital			
- Equity	500.00	429.25	
Less: Calls - in – arrears	-	-	
- Preference			
Reserves & Surplus	57.85	55.18	
Less: Preliminary Expenses / Pre Operative Expenses		-	
Total Shareholders' Funds	559.85	484.44	
Long - Term Debt / Shareholders Fund	-	-	
Short - Term Debt / Shareholders Fund	-	-	

* The Post Issue Capitalization will be determined only after the completion of the allotment of equity shares.

ANNEXURE- 08

STATEMENT OF TAX SHELTERS

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Profit before tax as per Restated P/L	3.95	7.49	12.70	9.25	1.32	0.37
Applicable Corporate Tax Rate	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Tax at Notional Rate	1.22	2.31	3.92	2.86	0.41	0.11
Adjustments						
Difference between Tax Depreciation and Book Depreciation	0.10	(0.45)	(0.10)	-	-	-
Exempted Income	-	-	-	-	-	-
Disallowance	-	-	-	-	-	-
Items Chargeable at special rates	-	-	-	-	-	-
Other Items	-	-	-	-	-	-
Net Adjustments	0.10	(0.45)	(0.10)	-	-	-
Tax Saving thereon	0.03	(0.14)	(0.03)	-	-	-
Tax Saving to the extent of Tax at Notional Rate		(0.14)	(0.03)	-	-	-
Tax Payable [A]	1.25	2.17	3.89	2.94	0.41	0.11
Tax Payable on items chargeable at special rates [B]	-	-	-	-	-	-
Total Tax Payable [C=A+B]	1.25	2.17	3.89	2.94	0.41	0.11
Tax Rebates / Credits [D]	-	-	-	-	-	-
Tax Payable [E=C-D]	1.25	2.17	3.89	2.94	0.41	0.11
Tax Payable u/s 115 JB of Income Tax Act [F]	0.75	1.43	2.41	1.76	0.25	0.07
Final Tax Payable (Higher of [E] & [F])	1.25	2.17	3.89	2.94	0.41	0.11

ANNEXURE – 09

STATEMENT OF DETAILS OF LONG TERM BORROWINGS

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Secured:-						
	-	-	-	-	-	-
Unsecured:-						
Loan from Shareholders / Directors	-	-	-	-	-	-
Other Loans	-	-	-	-	-	-
Total	-	-	-	-	-	-

ANNEXURE – 10

STATEMENT OF DETAILS OF SHORT TERM BORROWINGS

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Secured:-	-					
		-	-	-	-	
Unsecured:-						
Loan from Shareholders / Directors	-	-	-	-	-	-
Other Loans	-	-	-	-	-	176.54
Total	-	-	-	-	-	176.54

ANNEXURE – 11

STATEMENT OF DETAILS OF CURRENT LIABILITIES AND PROVISIONS

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Current Liabilities	-	-	-	-	-	-
Trade Payables and Advances Received	-	-	-	-	-	-
Sundry Creditors for Goods	-	-	-	-	-	-
Sundry Creditors for Expenses	-	-	-	-	-	-
Others	-	-	-	-	-	-
Sub Total (A)	-	-	-	-	-	-
Other Current Liabilities	1.08	-	-	-	-	-
Audit Fees Payable	0.35	0.21	0.21	0.10	0.11	0.06
Sub Total (B)	1.44	0.21	0.21	0.10	0.11	0.06
Provisions						
Provision for Taxes	3.42	2.17	3.89	2.94	0.46	0.11
Others	6.12	0.04				
Sub Total (C)	9.54	2.21	3.89	2.94	0.46	0.11
Total (A+B+C)	10.98	2.41	4.10	3.04	0.57	0.17

ANNEXURE – 12

STATEMENT OF DETAILS OF FIXED ASSETS

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Tangible Assets						
Computer & Printers	0.25	0.37	0.49	-	-	-
Furniture & Fixtures	0.63	0.72	0.80	-	-	-
Sub Total	0.88	1.09	1.29	-	-	-
Intangible Assets						
Website	0.19	0.27	0.37	-	-	-
Sub Total	0.19	0.27	0.37	-	-	-
Total	1.08	1.36	1.66	-	-	-

ANNEXURE – 13

STATEMENT OF DETAILS OF TRADE RECEIVABLES

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
(A) Unsecured, Considered good outstanding for a period less than six months						
Others- Trade Receivable	10.50	-	-	-	51.86	86.06
Amount due from Promoter/Group Companies and Directors	-	-	-	-	-	-
(B) Unsecured, Considered good outstanding for a period more than six months						
Others	-	-	-	-	-	-
Trade Receivable	-	-	-	-	-	-
Total	10.50	-	-	-	51.86	86.06

ANNEXURE – 14

STATEMENT OF DETAILS OF SHORT TERM LOANS AND ADVANCES

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Balance with statutory authorities:						
MVAT Deposit		-	-	-	-	-
Advance Tax	-	-	-	-	-	-
VAT Receivable	-	-	-	-	-	-
Other Loans & Advances:						
Advance recoverable in cash or kind	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-
Total	-	-	-	-	-	-

ANNEXURE – 15

STATEMENT OF DETAILS OF CURRENT INVESTMENTS

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Fixed Deposits with Banks	-	-	-	-	-	-
Total	-	-	-	-	-	-

ANNEXURE – 16

STATEMENT OF DETAILS OF INVENTORIES

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Inventory of Goods	-	-	-	-	-	-
Packing Goods	-	-	-	-	-	-
Total	-	-	-	-	-	-

ANNEXURE – 17

STATEMENT OF DETAILS OF CASH AND CASH EQUIVALENTS

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Cash and Cash Equivalent						
Balance with Bank	3.29	1.18	11.67	0.23	0.23	0.39
Cash In Hand	1.12	4.30	9.96	3.11	7.51	0.02
Total	4.41	5.48	21.64	3.34	7.74	0.41

ANNEXURE – 18

STATEMENT OF DETAILS OF OTHER CURRENT ASSETS

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Other Current Assets	155.47	0.00	0.04	0.00	0.00	0.00
TDS Receivable	2.98	2.91	4.26	2.62	0.58	0.05
Deposits	-	-	-	-	-	-
Other Deposits	0.25	0.25	-	-	-	-
Total	158.70	3.16	4.30	2.62	0.58	0.50

ANNEXURE – 19

STATEMENT OF DETAILS OF REVENUE OF OPERATIONS

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Income from operations	44.73	59.71	56.31	34.96	14.93	10.80
Total	44.72	59.71	56.31	34.96	14.93	10.80

ANNEXURE – 20

STATEMENT OF DETAILS OF OTHER INCOME

(Rs. In Lakhs)

Particulars	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Interest Income	0.01	0.13	0.02	-	-	-
Total	0.01	0.13	0.02	-	-	-

ANNEXURE-21

STATEMENT OF DETAILS OF RELATED PARTY TRANSACTIONS

(Rs. In Lakhs)

Particulars	Relationship	Name	28.02.18	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
REVENUE ITEMS :								
Salaries & Remuneration	-	-		-	-	-	-	-
	Director	Amit Kotia	2.40					
	Brother of Amit Kotia	Dhaval Kotia	8.15					
	Sister In Law of Amit Kotia	Shweta Kotia	2.80					
Rent Paid	-	Kamlesh Hirapara	-	-	-	0.53	-	-
Commission	-	-		-	-	-	-	-
Purchases of Immoveable Property	Director	Kamlesh Hirapara		-	-	1.45	-	-
NON REVENUE ITEMS :								
Loan Given	---	---		-	-	-	-	-
Loan Received Back	---	---		-	-	-	-	-
Loan Taken	---	---		-	-	-	-	-
Loan Repaid	---	---		-	-	-	-	-

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the eleven (11) months period ended February 28, 2018 and F.Y. ended March 31 2017, 2016, 2015, 2014 and 2013 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this Draft Prospectus. You should also see the section titled "Risk Factors" beginning on page no 13 of this Draft Prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.

These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated March 12, 2018 which is included in this Draft Prospectus under the section titled "Financial Information of the company" beginning on page no 123 of this Draft Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.

Accordingly, the degree to which the financial statements in this Draft Prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled "Certain Conventions, Use of Financial information, Industry and Market Data and Currency of Financial Presentation" beginning on page no 11 of this Draft Prospectus.

BUSINESS OVERVIEW

Our Company was incorporated as "Shree Krishna Holiday Home and Farms Limited" in Ahmedabad, Gujarat under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 09, 1995 bearing Registration Number 024944 issued by the Registrar of Companies, Ahmedabad, Gujarat. We have obtained the Certificate of Commencement dated March 22, 1995.

Subsequently, the name and the object clause of the Company was changed from Shree Krishna Holiday Home And Farms Limited to Sungold Media and Entertainment Limited pursuant to a special resolution passed by our Shareholders at the EGM held on April 24, 2017. A fresh certificate of incorporation consequent upon change of name and object clause was issued on June 30, 2017 by Registrar of Companies, Ahmedabad, Gujarat. The Corporate Identification Number of our Company is U22100GJ1995PLC024944.

Earlier The Company was engaged in the business of marketing, development and maintenance of Farm Houses, Holidays Resorts, and Housing Society etc. Pursuant to the change of object, we are currently engaged in the media and entertainment services.

We provide a complete solution for branding of clients business. We do graphics design, web site design, Video Editing, Digital Marketing, Photography, Videography, Mobile App Development, Celebrity Management and distribution services. We design and develop optimal solutions that maximize our clients brand image. We deliver value in terms of Quality and Cost. We excel in customer service and support and intend to increase our visibility through use of digital channel as well as social media platforms to provide extensive and end to end services to clients

Our Services includes:

Development of Web Portals

We are developing a number of web portals like www.liveupdates.co.in, www.entertainment365.in, www.gujaratdevelopment.com etc which is owned and maintained by the company for the promotions of different area of business activities. Further, we also develop web portals for third party owned by them and maintained by us.

Digital Marketing Services:

We do digital marketing and promotions for our clients in several social media sites like:

- Blog
- Whatsapp
- Face book
- Twitter
- YouTube
- Instagram etc

Designing Services:

- Files
- Logo
- I-Cards
- Bill Books
- Envelopes
- Letterheads
- Copy Book and Receipt Book
- Brochure
- Booklets
- Challan Book
- Catalogs
- Fex, Flyers
- Leaflets etc
- Registration Pads

Website Designing

- .NET
- Word press
- Umbraco
- Php
- Static
- Majento
- E-Commerce website
- Dynamic
- Responsive

Video Editing Services:

- Product Video
- Corporate Video
- Animation
- Movie
- TV Serial
- Advertisement
- Music Album
- Colour Grading

Photography Services:

- High Fashion
- Beauty
- Advertising
- Celebrities
- Marriage Shoot and more

Some of the Ongoing projects of Sungold Media & Entertainment Limited:

- www.liveupdates.co.in: The Company has developed a News portal - Live Updates, a News Portal for Sports, Movie & Technology Technology which features positive news across India and showcase the little known good things about our country and much more.



LIVE UPDATES

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- www.entertainment365.in: The Company has developed an Entertainment portal. Entertainment 365 is a platform for the people around India who are related to gujarati community working as an individual or team who have the best and creative concept but don't get a proper platform to showcase their creativity and looking for the place from where they can showcase their talent to the Film and Entertainment Industry people in the State of Gujarat and India as a whole as a result this Website gives opportunity to find the right talent and one can find a right avenue to progress their career. This website provides the digital platform to Gujarati film and entertainment industry and audience at large to connect with the all the latest updates.



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- www.gujaratdevelopment.com: The Company is in the process of development of a portal wherein the current developments in the state of Gujarat will be available.



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FACTORS AFFECTING OUR RESULTS OF OPERATIONS:

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factors*" beginning on page no 13 of this Draft prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- We are dependent on our management team for success whose loss could seriously impair the ability to continue to manage and expand business efficiently;
- General economic and business conditions;
- The entertainment industry is subject to shifts in tastes and preferences of audiences;
- Economic, Income and Demographic condition in India;
- Changes in laws and regulations that apply to Industry in which we operate;
- Any change in the tax laws granting incentives to Industry in which we operate;
- Our ability to acquire desired programming and artistic talent might be adversely affected by competition and costs;
- Interest Rates

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The name and the object clause of the Company was changed from Shree Krishna Holiday Home And Farms Limited to Sungold Media and Entertainment Limited pursuant to the Certificate of Name change obtained by Registrar of Companies, Gujarat on 30th Day of June, 2017.
2. The shareholders approved and passed a special resolution on May 17, 2018 to authorize the Board of Directors for making initial public offer through offer for sale.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 (THREE) YEARS:

Except as mentioned in chapter "*Financial Information of the Company*" beginning on page no 123 of this Draft Prospectus. There has been no change in accounting policies in last 3 (three) years.

SUMMARY OF THE RESULTS OF OPERATION:

The following table sets forth select financial data from restated profit and loss accounts for the period ended February 28 2018 and for the Financial Year ended on March 31 2017, 2016, 2015, 2014 and 2013 and the components of which are also expressed as a percentage of total income for such periods.

Particulars	As on 28/02/2018	% of Total Income	As on 31/03/2017	% of Total Income	As on 31/03/2016	% of Total Income	As on 31/03/2015	% of Total Income	As on 31/03/2014	% of Total Income	As on 31/03/2013	% of Total Income
Revenue from operations	4,472,812	99.98	5,971,442	99.78	5,631,413	99.96	3,495,743	100.00	1,493,333	100.00	1,080,472	100.00
Other Income	804	0.02	13,188	0.22	2,460	0.04	-	-	-	-	-	-
Total Revenue	4,473,616	100.00	5,984,630	100	5,633,873	100	3,495,743	100	1,493,333	100	1,080,472	100
Expenses:												
Cost of materials consumed	-	-	-	-	-	-	-	-	-	-	-	-
Changes in inventories	-	-	-	-	-	-	-	-	-	-	-	-
Employee Benefit Expense	2,445,056	54.66	1,748,199	29.21	2,301,950	40.86	1,190,919	34.07	669,930	44.86	464,400	42.98
Financial Costs	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization Expense	27,830	0.62	30,360	0.51	30,360	0.54	-	-	-	-	-	-
Other Administrative Expenses	1,605,532	35.89	3,457,176	57.77	2,031,736	36.06	1,379,770	39.47	691,210	46.29	578,828	53.57
Total Expenses	4,078,418	91.17	5,235,735	87.49	4,364,046	77.46	2,570,689	73.54	1,361,140	91.15	1,043,228	96.55
Profit before exceptional and extraordinary items and tax	395,198	8.83	748,895	12.51	1,269,827	22.54	925,054	26.46	132,193	8.85	37,244	3.45
Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-
Profit before extraordinary items and tax	395,198	8.83	748,895	12.51	1,269,827	22.54	925,054	26.46	132,193	8.85	37,244	3.45
Extraordinary Items	-	-	-	-	-	-	-	-	-	-	-	-
Profit before tax	395,198	8.83	748,895	12.51	1,269,827.38	22.54	925,054	26.46	132,193	8.85	37,244.00	3.45
Tax expense:												
(1) Current tax	125,170	2.80	216,797	3.62	388,722	6.90	293,671	8.40	40,847	2.74	11,507	1.06
(2) Deferred tax	3,053	0.07	-	-	-	-	-	-	-	-	-	-
Profit(Loss) from the period from continuing operations	266,975	5.97	532,098	8.89	881,105	15.64	631,383	18.06	91,346	6.12	25,737	2.38
Profit/(Loss) from discontinuing operations	-	-	-	-	-	-	-	-	-	-	-	-
Tax expense of discounting operations	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) from Discontinuing operations	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the period	266,975	5.97	532,098	8.89	881,105	15.64	631,383	18.06	91,346	6.12	25,737	2.38

Key Components of Company's Profit and Loss Statement

Revenue from operation: Revenue from operations mainly consists of revenue from Media & Entertainment business.

Other Income: Other income primarily comprises of Interest from Bank, Profit on sale of Investments and profit on sale of assets.

Expenses: Company's expenses consist of cost of operations, employee benefits expense, administration & Other Expenses, depreciation and amortization expenses.

Employee Benefits Expense: Employee benefit expense includes Salaries and Wages and Staff Welfare Expenses, Bonus to Employees etc.

Depreciation and Amortization Expense: We recognize Depreciation and Amortization expense on a Written down value Method (WDV method) as per the rates set forth in the Companies Act, 2013 / Companies Act, 1956, as applicable.

Administration & Other Expenses: Other expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc.

Financial Performance Highlights for the year period ended 28th February, 2018

Total Income: The Company's total income during the period ended February 28, 2018 was ₹ 44.74 Lacs. The revenue from operations was ₹ 44.73 Lacs which comprised 99.98% of company's total income.

Total Expenses: The total expenditure during the period ended February 28, 2018 was ₹ 40.78 Lacs. The total expenditure represents 91.17% of the total revenue. The total expenses are represented by Employee Benefits Expense, Administrative and other Expenses, Depreciation and Amortization Expense. The main constituent of total expenditure is employee benefit expenses, which is ₹ 24.45 Lacs.

Profit/ (Loss) after tax: The restated net profit during the period ended February 28, 2018 was ₹ 2.67 Lacs representing 5.97% of the total revenue of the Company.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2017 WITH FISCAL 2016:

INCOME

Income from Operations

(Rs. In Lakhs)

Particulars	2016-17	2015-16	Variance In %
Revenue from Operations	59.85	56.34	6.23

The operating income of the Company for the year ending March 31, 2017 is Rs. 59.85 Lakhs as compared to Rs. 56.34 Lakhs for the year ending March 31, 2016, showing an increase of 6.23%, and such increase was due to rise in volume of our operations.

Other Income

Our other income increased from Rs. 0.02 Lakhs to Rs. 0.13 Lakhs.

Direct Expenditure

(Rs. In Lakhs)

Particulars	2016-17	2015-16	Variance In %
Purchases of Stock in Trade	-	-	-

Operating, Administrative and Employee Costs**(Rs. In Lakhs)**

Particulars	2016-17	2015-16	Variance In %
Employee Costs	17.48	23.02	(24.07)
Operating, Administrative, Selling and Other Expenses	34.57	20.32	70.13

There is around (24.07)% decrease in employee costs from Rs. 23.02 Lakhs in financial year 2015-16 to Rs. 17.48 Lakhs in financial year 2016-17. Our Operating, Administrative, Selling and Other Expenses increased by 70.13 % from Rs. 20.32 Lakhs in financial year 2015-16 to Rs. 34.57 Lakhs in financial year 2016-17 due to increase in operating expenses, general expenses and administrative expenses.

Depreciation & Amortization Expenses

Depreciation & Amortization expenses for the Financial Year 2016-2017 and for the Financial Year 2015-2016 doesn't involve any changes. It is Rs. 0.30 Lakhs in Financial Year 2016-2017, 2015-16.

Profit before Tax**(Rs. In Lakhs)**

Particulars	2016-17	2015-16	Variance In %
Profit Before Tax	7.49	12.70	(41.02)

Profit before tax decreased by 41.02% from Rs. 12.70 Lakhs in Financial year 2015-16 to Rs. 7.49 Lakhs in financial year 2016-17.

Provision for Tax and Net Profit**(Rs. In Lakhs)**

Particulars	2016-17	2015-16	Variance In %
Taxation Expense	2.17	3.89	(44.21)
Profit After Tax	5.32	8.81	(39.61)

Our profit after tax decreased by 39.61% from Rs. 8.81 Lakhs in Financial Year 2015-16 to Rs. 5.32 Lakhs in financial year 2016-17.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2016 WITH FISCAL 2015:**INCOME****Income from Operations****(Rs. In Lakhs)**

Particulars	2015-16	2014-15	Variance In %
Revenue from Operations	56.34	34.96	61.55

The operating income of the Company for the year ending March 31, 2015 is Rs. 34.96 Lakhs as compared to Rs. 56.34 Lakhs for the year ending March 31, 2016, showing an increase of 61.55%.

Other Income

Our other income increased from Rs. Nil in Financial Year 2014-15 to Rs. 0.02 Lakhs in Financial Year 2015-16 due to increase in interest income.

Direct Expenditure**(Rs. In Lakhs)**

Particulars	2015-16	2014-15	Variance In %
Purchases of Stock in Trade	-	-	-

Operating, Administrative and Employee Costs**(Rs. In Lakhs)**

Particulars	2015-16	2014-15	Variance In %
Employee Costs	23.02	11.91	93.28
Operating, Administrative, Selling and Other Expenses	20.32	13.80	47.25

There is around 93.28% increase in employee costs from Rs. 11.91 Lakhs in financial year 2014-15 to Rs. 23.02 Lakhs in financial year 2015-16 which is due to increase in salaries, wages and bonus, stipend and temporary salary. Our Operating, Administrative, Selling and Other Expenses increased by 47.25% from Rs.13.80 Lakhs in Financial Year 2014-15 to Rs. 20.32 Lakhs in financial year 2015-16. The increase was due to increase in operating expenses, general expenses and administrative expenses.

Depreciation & Amortization Expenses

Depreciation & Amortization expenses for the Financial Year 2015-2016 have increased to Rs. 0.30 Lakhs as compared to Nil for the Financial Year 2014-2015 due to addition in line of fixed assets.

Profit before Tax**(Rs. In Lakhs)**

Particulars	2015-16	2014-15	Variance In %
Profit Before Tax	12.70	9.25	37.30

Profit before tax increased by 37.30% from Rs. 9.25 Lakhs in financial year 2014-15 to Rs. 12.70 Lakhs in financial year 2015-16.

Provision for Tax and Net Profit**(Rs. In Lakhs)**

Particulars	2015-16	2014-15	Variance In %
Taxation Expense	3.89	2.94	32.31
Profit After Tax	8.81	6.31	39.62

Our profit after tax increased by 39.62 % from Rs. 6.31 Lakhs in financial year 2014-15 to Rs. 8.81 Lakhs in financial year 2015-16.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014:**INCOME****Income from Operations****(Rs. In Lakhs)**

Particulars	2014-15	2013-14	Variance In %
Revenue from Operations	34.96	14.93	134.16

The operating income of the Company for the year ending March 31, 2015 is Rs. 34.96 Lakhs as compared to Rs. 14.93 Lakhs for the year ending March 31, 2014.

Direct Expenditure**(Rs. In Lakhs)**

Particulars	2014-15	2013-14	Variance In %
Purchases of Stock in Trade	-	-	-

Operating, Administrative and Employee Costs**(Rs. In Lakhs)**

Particulars	2014-15	2013-14	Variance In %
Employee Expenses	11.90	6.70	77.61
Operating, Administrative, Selling and Other Expenses	13.80	6.91	99.71

Employee benefit expenses were Rs. 11.90 Lakhs in financial year 2014-15 as compared to Rs. 6.70 Lakhs in financial year 2013-14 and Operating, Administrative, Selling and other expenses increased by 99.71% from Rs. 13.61 Lakhs in financial year 2013-14 to Rs. 6.91 Lakhs in financial year 2014-15.

Profit before Tax**(Rs. In Lakhs)**

Particulars	2014-15	2013-14	Variance In %
Profit Before Tax	9.25	1.32	600.76

Profit before tax increased by 600.76 % from Rs. 1.32 Lakhs in financial year 2013-14 to Rs. 9.25 Lakhs in financial year 2014-15.

Provision for Tax and Net Profit**(Rs. In Lakhs)**

Particulars	2014-15	2013-14	Variance In %
Taxation Expense	2.94	0.41	617.07
Profit After Tax	6.31	0.91	593.41

Our profit after tax increased to Rs. 2.94 Lakhs in financial year 2014-15 as compared to Rs. 0.41 Lakhs in financial year 2013-14. This increase was in line with rise in our operations.

Information required as per Item (2) (IX) (E) (5) of Part A of Schedule VIII to the SEBI Regulations:**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

- 1. Unusual or infrequent events or transactions:** There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Prospectus, there are no unusual or infrequent events or transactions in our Company.
- 2. Significant economic changes that materially affected or are likely to affect income from continuing operations:** There are no significant economic changes that materially affected Company's operations 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 sales, revenue or income from continuing operations:** Apart from the risks as disclosed under Section "Risk Factors" beginning on page no 13 in the Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.
- 4. Future changes in relationship between costs and revenues in case of events such as future increase in labor or material cost or prices that will cause material change:** According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the products and services in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the products and services to the customers in full and this can be offset through cost reduction.
- 5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices:** The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

- 6. Total turnover of each major industry segment in which the issuer company operates:** The Company is operating single business segment i.e. Media & Entertainment related activity. Relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page no 74 of this Draft prospectus.
- 7. Status of any publicly announced new products/projects or business segments:** Our Company has not announced any new projects or business segments, other than disclosed in the Draft prospectus.
- 8. The extent to which the business is seasonal:** Our Company's business is not seasonal in nature.
- 9. Any significant dependence on a single or few suppliers or customers:** We are not under threat of dependence from any single supplier or customer.
- 10. Competitive Conditions:** Competitive conditions are as described under the Chapters "*Industry Overview*" and "*Our Business*" beginning on page no 74 and page no 91 respectively of the Draft Prospectus.
- 11. Details of material developments after the date of last balance sheet i.e. February 28, 2018:** Except as mentioned below, no circumstances have arisen since the date of last financial statement until the date of filing the Draft Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.

There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

SECTION VII: LEGAL AND OTHER INFORMATION**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no:

A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors or Promoters. Our Board, in its meeting held on 07th June 2018, determined that outstanding legal proceedings involving the Company, Directors and Promoters: (a) the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements; or (b) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of profit after tax – of the Company as per the last audited financial statements, if similar litigations put together collectively exceed 1% of the profit after tax of the Company, or (c) any such litigation wherein the monetary liability is not quantifiable which is or is expected to be material from the perspective of the Company's business, operations, prospects or reputation ("**Material Litigation**").

B. (i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company; or (vi) material frauds committed against our Company in the last five years.

C. (i) outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Details of outstanding dues to creditors as required under the SEBI ICDR Regulations have been disclosed in the Annexure – 11 of Restated financial statement beginning on page no 134

Our Company, Directors and Promoters are not willful Defaulters and there have been no violations of securities laws in the past or pending against them.

LITIGATION INVOLVING OUR COMPANY**I. LITIGATION INVOLVING OUR COMPANY:****A. LITIGATION AGAINST OUR COMPANY**

1. **Criminal matters: NIL**
2. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
3. **Litigation involving Tax Liabilities**

a. Direct Tax Liabilities

A demand notice was issued by Income Tax Department against the issuer for the assessment year 2016-17. The demand is mainly due to mismatch of TDS records in 26AS and company records.

A brief detail is disclosed below:

Sr. No.	Assessment Year	Date of Order	Amount of Demand (In Rs)
1	2016-17	May 27, 2017	20,160/-

b. Indirect Taxes Liabilities: NIL

4. **Other Pending Litigations: NIL**

B. LITIGATION FILED OUR COMPANY

1. **Criminal matters: NIL**

2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
3. **Litigation involving Tax Liabilities**
 - i. Direct Tax Liabilities : NIL
 - ii. Indirect Taxes Liabilities: NIL
4. **Other Pending Litigations:** NIL

II. LITIGATION INVOLVING OUR DIRECTORS:

A. LITIGATION AGAINST OUR DIRECTORS

1. Criminal matters:

Sr. No	Name of Director	Particulars	Brief about the case
1	Amit Rameshbhai Kotia	Pending before Metropolitan Magistrate Court, Ahmedabad under 27/2001(Sec 304A of IPC i.e. Culpable Homicide not amounting to murder)	A criminal case against Mr. Amit Rameshbhai Kotia is pending before Metropolitan Magistrate Court, Ahmedabad under 27/2001 (Sec 304A of IPC i.e. Culpable Homicide not amounting to murder). The said application has been filed by the applicant accused u/s 439 of the criminal procedure code and prayed for enlargement in connection with the CR No. 1 st 27/01 registered at Sabarmati Police Station relating to the offence punishable u/s 304, 120(B), 308 and also for the offence u/s 3(2)(c)(d) and 7(1)(I)(II) of the Gujarat Ownership Flat Act 1073

2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
3. **Litigation involving Tax Liabilities**
 - i. Direct Tax Liabilities: NIL
 - ii. Indirect Taxes Liabilities: NIL
4. **Other Pending Litigations:** NIL

B. LITIGATION FILED OUR DIRECTORS

1. **Criminal matters:** NIL
2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
3. **Litigation involving Tax Liabilities**
 - i. Direct Tax Liabilities: NIL
 - ii. Indirect Taxes Liabilities: NIL

III. LITIGATION INVOLVING OUR PROMOTERS AND PROMOTERS GROUP:

A. LITIGATION AGAINST OUR PROMOTERS AND PROMOTERS GROUP

1. **Criminal matters:** NIL
2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** NIL
3. **Litigation involving Tax Liabilities**
 - i. Direct Tax Liabilities: NIL

ii. Indirect Taxes Liabilities: NIL

4. Other Pending Litigations

Sr. No	Name & Relationship	Date of Order	Particulars	Penalty Amount (In Rs)
1	Sungold Capital Limited (NOTE-1)	30 th June 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/49-57/2017-18]	Section 23E of the SCRA, 1956, for the violation of provisions of Section 21 of SCRA read with Clause 35 of Listing Agreement, on Sungold Capital Limited, notice no. 1 herein for wrongly classifying the shareholding of the 'promoter group' as 'public holding' and making wrong disclosures of the shareholding of Ravi Rajiv Kotia.	500,000
2	Sungold Capital Limited, Rajiv R Kotia, Ashok Modi, Sharadchandra Gandhi (NOTE-2)	30 th June 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/49-57/2017-18]	Section 15HA of the SEBI, 1992, for the violation of provisions of Regulation 3 (d) of SEBI PFUTP Regulations, 2003, payable jointly and severally by the notices i.e. Sungold Capital Limited and its executive Directors namely Shri Rajiv R Kotia, Shri Ashok Modi and Shri Sharad Gandhi for providing false and misleading information to the stock exchanges by classifying the shareholding of the 'promoter group' as 'public holding'	1,000,000
3	Rajiv R Kotia in the case of Sungold Capital Limited.	30 th June 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/49-57/2017-18]	Section 15A (b) of the SEBI Act, 1992, for the violation of Regulation 13 (4) read with Regulation 13 (5) of SEBI (Prohibition of Insider Trading) Regulations, 1992, on the notice no. 2, Shri Rajiv R Kotia, Promoter, Chairman & Managing Director of Sungold Capital Limited for failure to disclose to the Company and to the stock exchange the change in the shareholding of his Wife and Son under the aforesaid PIT Regulations.	12,00,000
4	Shilpa Amit Kotia, Dhaval Ramesh Kotia, Shwetha Dhaval Kotia, Seema Rajiv Kotia, Ravi Rajiv Kotia, under (NOTE-3)	30 th June' 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/58-62/2017-18]	Section 15I of the SEBI Act, 1992 read with Rule 5 of the Adjudication Rules, hereby impose, a penalty of ` 10,00,000/- (Rupees Ten Lakhs Only) payable jointly and severally by the notices namely Smt. Shilpa Amit Kotia, Shri Dhaval Ramesh Kotia, Smt. Shwetha Dhaval Kotia, Smt. Seema Rajiv Kotia and Shri Ravi Rajiv Kotia, under Section 15A (b) of the SEBI Act, 1992, for the violation of Regulation 7 (1A) read with Regulation 7 (2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997	10,00,000
5	Sungold Capital Limited,	19 th July 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/82-86/2017-18]	Section 15I of the SEBI Act, 1992 read with Rule 5 of the SEBI Adjudication Rules, whereby penalty is impose, under Section 15A (a) of the SEBI Act, 1992, for the violation of Section 11C (3) read with Section 11 (2) (i) of SEBI Act, 1992 by the notices.	500,000
6	Shilpa Amit Kotia, Shwetha Dhaval Kotia, Ravi Rajiv Kotia, Seema Rajiv Kotia (NOTE-3)	19 th July 2017 [ADJUDICATION ORDER NO. EAD-5/SVKM/AO/82-86/2017-18]	Section 15I of the SEBI Act, 1992 read with Rule 5 of the SEBI Adjudication Rules, whereby penalty is impose under Section 15A (a) of the SEBI Act, 1992, for the violation of Section 11C (3) read with Section 11 (2) (i) of SEBI Act, 1992 by each of the notice no. 2 to 5 namely Smt. Shilpa Amit Kotia, Smt. Shwetha Dhaval Kotia, Shri Ravi Rajiv Kotia and Smt. Seema Rajiv Kotia.	800,000

On the basis of aforesaid order, the appellant has made appeal to Securities Appellate Tribunal vide latter dated 31st August, 2017 & 20th September 2017 respectively. It is under process.

NOTE 1: Mr. Rajiv R. Kotia Promoter of Sungold Media & Entertainment Ltd is also the promoter, Chairman and Managing Director of Sungold Capital Limited, listed in BSE.

NOTE 2: Mr. Sharadchandra Gandhi is father of Mr Keyur Sharadchandra Gandhi who holds 43,880 shares consisting of 0.88% in of Sungold Media & Entertainment Ltd and is also is Non-Executive Director in the company

NOTE 3: Smt. Shilpa Amit Kotia is wife of Mr. Amit Kotia (Director of SMEL), Smt. Shwetha Dhaval Kotia step sister-in-law of Mr. Rajiv Kotia (one of promoters in SMEL), Shri Ravi Rajiv Kotia son of Mr. Rajiv Kotia and Smt. Seema Rajiv Kotia is wife of Mr. Rajiv Kotia.

B. LITIGATION FILED BYOUR PROMOTERS AND PROMOTERS GROUP

- 1. Criminal matters: NIL**
- 2. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 3. Litigation involving Tax Liabilities**
 - i. Direct Tax Liabilities: NIL
 - ii. Indirect Taxes Liabilities: NIL
- 4. Other Pending Litigations: NIL**

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on February 28, 2018:

Name	Balance as on 28th February 2018
Total Outstanding dues to Micro and Small & Medium Enterprises	NIL
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	NIL

Outstanding Litigations involving the Company or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

Except as described above, as on date of this Draft prospectus, there are no outstanding litigations involving the Company, or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

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 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 years against Our Company.

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 years against our Company.

Material Fraud against Our Company in the last five years

There has been no material fraud committed against our Company in the last five years.

Fines imposed or compounding of offences for default

There are no fines imposed or compounding of offences for default or outstanding defaults.

Non-Payment of Statutory Dues

Except as disclosed in the chapter titled “*Financial Statement of the company*” beginning on pages no 123 there are have been no defaults or outstanding defaults in the payment of statutory dues payable under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page no 138 there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT & 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 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 our 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 Our Company and the objects incidental, enable our Company to carry out its activities.

In view of the approvals listed below, the Company can undertake this Offer and carry on its current business activities and no further major approvals from any governmental or regulatory authority except as otherwise stated in this section, are required.

Following statements set out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

I. Approvals for the Offer:

Sr. No.	Name of the Approvals
1	Our Board of Directors have, pursuant to a resolution passed at its meeting held on May 17, 2018 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary.
2.	The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of shareholders held on May 22, 2018
3	Our Company has obtained in-principle listing approval from the BSE-SME Platform dated [●]
4	Our Company has entered into an agreement dated February 27, 2015 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Satellite Corporate Services Private Limited, for the dematerialization of its shares.
5	Similarly, our Company has also entered into an agreement dated March 28, 2018 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Satellite Corporate Services Private Limited for the dematerialization of its shares.
6	Our Company's International Securities Identification Number ("ISIN") is INE266S01011.

II. APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

1. Certificate of Incorporation dated March 09, 1995 issued by the Registrar of Companies, Gujarat in the name of "Shree Krishna Holiday Home And Farms Limited".
2. The Certificate of Commencement of Business dated March 22, 1995 issued by Registrar of Companies, Gujarat, in the name of "Shree Krishna Holiday Home And Farms Limited.
3. Further name of the company has been changed from "Shree Krishna Holiday Home And Farms Limited" to "Sungold Media and Entertainment Limited" with effect from June 30, 2017 and a fresh certificate of incorporation pursuant to change of name has been issued by Registrar of Companies, Ahmedabad dated June 30, 2017.
4. The Corporate Identification Number (CIN) of our Company is U22100GJ1995PLC024944.

III. BUSINESS RELATED APPROVALS

Sr. No	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Date of issue	Date of Expiry
1	Registration Certificate of Establishments under Bombay	4471	Bombay Municipal Corporation	January 30, 2018	--

	Shops and Establishment Act, 1948.				
2	Registration Certificate under SME Industries	GJ15E0000143	Ministry of Micro, Small & Medium Enterprises, (Government of India)	March 20, 2018	--


IV. TAX RELATED APPROVALS

Sr. No	Nature of Registration/ License	Registration/ License No.	Issuing Authority	Validity
1	PAN No. (Permanent Account Number)	AAHCS7284C	Income Tax Department	Perpetual
2	TAN (Taxpayers Account Number)	AHMS32744E	Commissioner of Income Tax	Perpetual
3	Professional Tax Registration	PE-N-029-00463	Rajpipla Nagar Palika	Perpetual

V. Approvals obtained in relation to Intellectual property rights

Trademark:

The company has applied for its registered Logo and Trademark vide its application No 3848242 dated 31st May 2018 which is under process for approval

Sl. No.	Trademark Image	Registration/Application No.	Class	Registration/Application Date including Renewal Date	Status/Validity
1		3848242	41	Application Date: 31 st May 2018	Applied For

The details of the Domain name registered in the name of our company are:

Sr. No	Domain name	Sponsoring Registrar and IANA ID	Creation Date	Expiry Date
1.	www.sungoldmediaent.com	Domain Registered at Big rock	January 24, 2018	January 23, 2019
2	www.liveupdates.co.in	Domain Registered at Big rock	March 29, 2018	March 28, 2019
3	www.gujaratdevelopment.com	Domain Registered at Big rock	December 21, 2017	December 20, 2018
4	www.entertainment365.in	Domain Registered at Big rock	May 08, 2018	May 07, 2019

Note: All the above domains have been purchased in the name of Mr. Raj Rajiv Kotia (Promoter & Managing Director of SMEL).

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The offer in terms of this Draft prospectus has been authorized pursuant to the resolution passed by the Board of Directors dated May 17, 2018 and by the shareholders pursuant to the special resolution passed in an Extra Ordinary General Meeting dated May 22, 2018 under Section 62 (1) (c) of the Companies Act, 2013.

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

Our Board has approved this Draft prospectus at its meeting held on 07th June 2018

Our Company has obtained in-principle approval from the BSE SME for using its name in the Draft prospectus pursuant to an approval letter dated [●] from BSE, the Designated Stock Exchange.

Prohibition by SEBI or other governmental authorities

Our Company, our Promoters, the Selling Shareholder, natural person in control of Promoter, Promoter Group, our Directors, Group Entities or the person(s) in control of our Company have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities, except to the extent mentioned in "*Outstanding Litigations and Material Developments*" beginning on page no 147 of this Draft prospectus.

There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors, except to the extent mentioned in "*Outstanding Litigations and Material Developments*" beginning on page no 147 of this Draft prospectus.

Prohibition by RBI

Neither our Company, nor Selling Shareholder, our Promoters, our Directors, Group Entities, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a will full defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under section titled "*Outstanding Litigations and Material Developments*" beginning on page no 147 of this Draft prospectus.

Eligibility for the Offer

Our Company is not ineligible in terms of Regulations 4(2) of SEBI ICDR Regulations for this Offer.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Offer is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Offer in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose Post-Offer face value capital does not exceed ten crore rupees. Hence, we can issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of BSE")

We confirm that:

1. In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this Offer is 100% underwritten by the LM. For further details pertaining to said underwriting please refer to section titled "*General Information – Underwriting Agreement*" beginning on page no 42 of this Draft prospectus.
2. In accordance with Regulation 106 (R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8)

Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.

3. In accordance with Regulation 106 (O) the SEBI (ICDR) Regulations, we have not filed any of this Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits a copy of the Draft prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106 (V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the LM and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE. For further details of the arrangement of market making please refer to section titled "*General Information – Details of the Market Making Arrangements for this Offer*" beginning on page no 42 of this Draft prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulations, the provisions of Regulations 6 (1), 6 (2), 6 (3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Offer.

Our Company has Net Tangible Assets of at least ₹3 Crore as per the latest audited financial results (as restated).

As on 28th February' 2018 the Company has Net Tangible Assets* of ₹ 5.58 Crores which satisfies the criteria of having Net Tangible Assets of at least ₹ 3.00 Crore.

*Net Tangible Assets are defined as the sum of all net assets of the Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India

The Net worth (excluding revaluation reserves) of the Company is at least ₹3 Crore as per the latest audited financial results

As on 28th February' 2018, the Company had Net Worth of ₹ 5.58 Crores as per the restated financial results.

*Net worth includes Equity Share Capital and Reserves (excluding revaluation reserves, Miscellaneous Expenditure not written off, if any & Debit Balance of Profit and Loss Account not written off, if any)

Track record of distributable profits in terms of section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the Net Worth shall be at least ₹5 Crores.

The Company's distributable profits in terms of sec. 123 of Companies Act, 2013 (as restated) in last three financial years are detailed below:

(Amt. in ₹ Lakh)			
Particulars	For F.Y. 2016-17	For F.Y. 2015-16	For F.Y. 2014-15
Net Profit (as restated)	5.32	8.81	6.31

Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated February 27, 2015 and National Securities Depository Limited dated March 28, 2018 for establishing connectivity.

Our Company has a website i.e. www.sungoldmediaent.com

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.

No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company except to the extent mentioned in “*Outstanding Litigations and Material Developments*” beginning on page no 147 of this Draft prospectus.

There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME segment except mentioned in “*Risk Factor*” page no 15.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE (BSE SME)

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Offer. Further, our Company has not been formed by the conversion of a partnership firm into a company.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, FINSHORE MANAGEMENT SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, FINSHORE MANAGEMENT SERVICES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING OFFER STATE AND CONFIRM AS FOLLOWS:

- 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 DRAFT PROSPECTUS PERTAINING TO THE SAID OFFER
- 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 OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER,

WE CONFIRM THAT:

- THE DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER.
- ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER 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
- THE DISCLOSURES MADE IN THE DRAFT 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, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

- WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
- WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER 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 PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.
- 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 DRAFT PROSPECTUS.
- 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 AUDITORS' 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 ISSUE. – **NOT APPLICABLE**.
- WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER 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.
- WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE 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 DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – **NOTED FOR COMPLIANCE**.
- WE CERTIFY ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.

- 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.
- WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
 - AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
 - 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.
 - 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 OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
 - 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 DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
 - WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015
 - WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS-TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS.
 - ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE
 - WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
 - WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE OFFER UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS OFFER SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-OFFER ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE OFFER HAVE BEEN GIVEN.
 - WE CONFIRM THAT THE ABRIDGED DRAFT 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**.

- WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER – **NOTED FOR COMPLIANCE**.
- 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 DRAFT PROSPECTUS. - **NOT APPLICABLE**
- 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.

Note:

The filing of this Draft prospectus does not, however, absolve our company from any liabilities under section 34, section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Offer. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Draft prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Draft prospectus with the Registrar of Companies, Gujarat, Ahmedabad in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Finshore Management Services Limited:

Sr. No	Issue Name	Issue Size ₹. (Cr.)	Issue Price (₹.)	Listing Date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
1	East India Securities Ltd	92.74	920	13-03-18	921.9	+1.02 [+0.72]	NIL	NIL

Track Record of past issues handled by Finshore Management Services Limited

For details regarding track record of LM to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: www.finshoregroup.com.

Disclaimer from our Company and the Lead Manager

Our Company, Selling Shareholder and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company’s instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the MOU entered between the LM (Finshore Management Services Limited) and our Company on May 26th 2018 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centers or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

Caution

Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.

Disclaimer in Respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Offer will be subject to jurisdiction of the competent court(s) in Rajpipla, District: Narmada, Gujarat, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of BSE

As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE). BSE has given vide its letter Ref: [●] dated [●] 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 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 BSE should not in any way be deemed or construed that the offer document has been cleared or approved by BSE; 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 Promoter, 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 under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Draft prospectus is being filed with BSE Limited, 20th Floor, P. J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra, India.

A copy of this Draft prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the Draft prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Draft prospectus shall be filed with SEBI at the Securities and Exchange Board of India, Corporation Finance Department, SEBI Bhavan, Plot No. C4-A, G Block, 3rd Floor, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, India for their record purpose only.

A copy of the Draft prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the *Registrar of Companies, Ahmedabad, Gujarat*.

Listing

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principle approval from BSE by way of its letter dated [●] for listing of equity shares on BSE SME.

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft prospectus. If such money is not repaid within eight (8) 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) days, be liable to repay such application money, with interest at the rate as prescribed under the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Six (6) Working Days of the Offer Closing Date.

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 to action under section 447 of the Companies, Act 2013.

Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Key Managerial Personnel, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Offer, Banker(s) to the Offer, Legal Advisor to the Offer, Underwriter(s) to the Offer and Market Maker to the Offer to act in their respective capacities shall be obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Draft prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Draft prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Bhatner & Company, Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on "Statement of Tax Benefits" relating to the possible tax benefits and restated financial statements as included in this Draft prospectus in the form and context in which they appear therein and such consents and reports will not be withdrawn up to the time of delivery of this Draft prospectus.

Experts Opinion

Except for the reports in the section “Financial information of the Company” and “Statement of Tax Benefits” beginning on page no 123 and page no 72 of this Draft prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

Expenses of the Offer

The Estimated Offer expenses are as under:-

Activity	Expenses (Rs. In Lakhs)	% of Total Estimated Offer Expenditure	% of Offer Size
Payment to Merchant Banker including, Underwriting and Selling Commission, Brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other Out of Pocket Expenses	15.00	100	11.11
Total	15.00	100	11.11

Fees, Brokerage and Selling Commission payable to the LM

The total fees payable to the Lead Manager will be as per the (i) Memorandum of Understanding dated , May 26, 2018 with the Lead Manager Finshore Management Services Limited, (ii) the Underwriting Agreement dated [●] with Underwriter Finshore Management Services Limited and (iii) the Market Making Agreement dated [●] with Market Maker, [●], a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Draft prospectus until the Offer Closing Date.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of applications, data entry, printing of refund orders, preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Offer dated [●] a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Offer 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 Offer to enable it to make refunds in any of the modes described in this Draft prospectus or send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to section titled "Capital Structure" beginning on page no 45 of this Draft prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company

Except as stated under section titled "Capital Structure" beginning on page no 45 of this Draft prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange. However, Mr. Rajiv Kotia (Promoter/shareholder of this company) is also the Promoter cum Managing Director of Sungold Capital Limited which is listed in BSE.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

We don't have any Group/Associates companies and we have not made any public issue of shares in the last ten (10) years preceding the date of this Draft prospectus for our group/associates companies. However, Mr. Rajiv Kotia (Promoter/shareholder of this company) is also the Promoter cum Managing Director of Sungold Capital Limited which is listed in BSE

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft prospectus.

Option to Subscribe

Equity Shares being offered through the Draft prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being a first public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Offer, our Company provides for retention of records with the Registrar to the Offer for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

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 relevant Designated Branch or the collection centre of the SCSBs where the Application Form was submitted by the ASBA Applicants.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed [●], Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Offer. Contact details for our Company Secretary and Compliance Officer are as follows:

Mr/Ms [●]

Sungold Media And Entertainment Limited

13, Radhakrushna Mandir Compound,

Village- Rajpipla

Nandod Narmada-393145

Telephone: +91 [●]

CIN: U22100GJ1995PLC024944

Email id: [●]

Website: www.sungoldmediaent.com

Investors can contact the Compliance Officer or the Registrar in case of any Pre-Offer or Post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track

the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft prospectus and hence there are no pending investor complaints as on the date of this Draft prospectus.

Disposal of investor grievances by listed companies under the same management as Our Company

We don't have any Group/Associates companies who are listed in any stock exchange as on the date of this Draft prospectus. However, Mr. Rajiv Kotia (Promoter/shareholder of this company) is also the Promoter cum Managing Director of Sungold Capital Limited which is listed in BSE.

Change in Auditors during the last three (3) years

Except for appointment of M/s Bhattar & Company, Chartered Accountant, as peer review auditor, there are following changes in our company's auditor in the last 3 years

Sr. No	Name of Auditor or Auditor's Firm	Appointment Date	Appointment Reason
1	Garg & Associates	29-09-2015	As per Sec 139 and 142 of Companies Act'2013
2	B D Saboo & Associates	26-08-2016	Fill vacancy due to resignation of existing Statutory Auditors
3	Bhattar & Company	04-12-2017	Fill vacancy due to resignation of existing Statutory Auditors

Capitalization of Reserves or Profits

Except as disclosed under section titled "Capital Structure" beginning on page no 45 of this Draft prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets

Our Company has not revalued its assets in five (5) years preceding the date of this Draft prospectus.

Tax Implications

Investors who are allotted Equity Shares in the Offer will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "Statement of Tax Benefits" beginning on page no 72 of this Draft prospectus.

Purchase of Property

Other than as disclosed under section titled "Our Business" beginning on page no 91 of this Draft prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Offer or the purchase or acquisition of which has not been completed on the date of the Draft prospectus, other than property, in respect of which:-

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Offer, or that the Offer was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

Except as stated in this Draft prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed under sections titled "Our Management" and "Related Party Transactions" beginning on page no 110 and page no 122 respectively of this Draft prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

SECTION VIII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft prospectus, the Draft prospectus, the abridged Draft prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the FIPB, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorizing the banks to make payment in case of allotment by signing the application forms,

AUTHORITY FOR THE PRESENT OFFER

The present Public Offer of 13,50,000 Equity Shares in terms of this Draft prospectus has been proposed and authorized by the Board of Directors pursuant to a resolution dated May 17, 2018 and by the shareholders pursuant to the special resolution passed in an Extra Ordinary General Meeting dated May 22, 2018 under Section 28 of the Companies Act, 2013.

RANKING OF EQUITY SHARES

The Equity Shares being offer shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The allottees, upon Allotment of Equity Shares under this Offer, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled "Main Provisions of Articles of Association" beginning on page no 211 of this Draft prospectus.

MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the previous Companies Act, 1956 and the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by our Board of Directors and approved by our Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, For further details in relation to dividends, please refer to sections titled "Dividend Policy" and "Main Provisions of the Articles of Association" beginning on pages no 122 and page no 211 respectively of this Draft prospectus.

FACE VALUE AND OFFER PRICE

The Equity Shares having a Face Value of Rs. 10 each are being offered in terms of this Draft prospectus at the price of Rs. 10 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "*Basis for offer Price*" beginning on page no 70 of this Draft prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association of our Company, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;

- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/ or consolidation / splitting, etc., please refer to section titled "Main Provisions of Articles of Association" beginning on page no 211 of this Draft prospectus

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialized form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialized form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 10,000 Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Draft prospectus will be done in multiples of 10,000 Equity Shares subject to a minimum allotment of 10,000 Equity Shares to the successful applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM NUMBER OF ALLOTTEES

The minimum number of allottees in the Offer shall be fifty (50) shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Offer and the amounts in the ASBA Account shall be unblocked forthwith.

JOINT HOLDERS

Where two (2) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of this section 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.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Offer

OFFER OPENS ON		[●]
OFFER CLOSES ON		[●]

MINIMUM SUBSCRIPTION

In accordance with Regulation [106P] (1) of SEBI (ICDR) Regulations, this Offer is 100% underwritten. Also, in accordance with explanation to Regulation [106P] (1) of SEBI (ICDR) Regulations, the underwriting shall not be restricted to any minimum subscription level. This Offer is 100% underwritten and the details of the same have been disclosed under section titled "General Information" beginning on page no 38 of this Draft prospectus.

As per section 39 of the new Companies Act, if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of Offer of Draft prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Offer through this Offer Document including devolvement of Underwriters within sixty (60) days from the date of closure of the Offer, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

Further, in accordance with Regulation [106R] of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be fifty (50). In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Offer and the amounts in the ASBA Account shall be unblocked forthwith.

Further, in accordance with Regulation [106Q] of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 10,000 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

APPLICATION BY ELIGIBLE NRI'S, FPI'S / FII'S REGISTERED WITH SEBI, VCF'S REGISTERED WITH SEBI

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs. Such Eligible NRIs, FPIs/FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and 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 foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCB'S CANNOT PARTICIPATE IN THIS OFFER.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the Pre- Offer Equity Shares and Promoter minimum contribution in the Offer as detailed in the section titled "Capital Structure" beginning on page no 45 of this Draft prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation / splitting of Equity Shares. For further details, please refer to the section titled "Main Provisions of Articles of Association" beginning on page no 211 of this Draft prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public offer shall issue securities only in dematerialized form only. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, 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 dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange. Applicants will not have an option of Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.

MIGRATION TO MAIN BOARD

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of our 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 favor 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 our Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

- If the Paid up Capital of the company is more than ₹ 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 favor 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 Equity Shares offered through this offer are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein [●] is the Market Maker to this offer shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of three (3) years from the date of listing on the SME Platform of BSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to section titled "General Information - Details of the Market Making Arrangements for this Offer" beginning on page no 42 of this Draft prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto ₹ 20 Crore, as applicable in our case	25%	24%

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Draft prospectus with the RoC publish a pre- Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Rajpipla, District: Narmada, Gujarat, India. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be 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.

OFFER STRUCTURE

This Issue is being made in terms of Regulation 106M (1) of Chapter XB of the SEBI (ICDR) Regulations, whereby, an issuer whose post issue face value capital does not exceed ten crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("*SME Exchange*", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Offer, please refer to sections titled "*Terms of the Offer*" and "*Offer Procedure*" beginning on pages no 165 and page no 173 respectively of this Draft prospectus.

The present Offer of 13,50,000 Equity Shares at a price of aggregating to ₹ 135 Lakhs by our Company. The offer of Equity Shares will constitute 27.00% of the fully diluted post-Offer equity share capital of our Company.

Particulars	Net Offer to Public*	Market Maker Reservation Portion
Number of Equity Shares	12,80,000 Equity Shares	70,000 Equity Shares
Percentage of Offer Size available for allocation	94.81% of the Offer Size	5.19% of Offer Size
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 10,000 equity shares and further allotment in multiples of 10000 equity shares each. For further details please refer to the chapter titled " <i>Offer Procedure– Basis of Allotment</i> " on page no 204 of the Draft prospectus.	Firm allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only	Through ASBA Process only
Minimum Application Size	<u>For other than Retail Individuals Investors:</u> Such number of Equity Shares in multiples of 10,000 Equity Shares such that the Application size exceeds ₹ 2,00,000 <u>For Retail Individuals Investors:</u> 10,000 Equity Shares at offer price of ₹ 10 each	70,000 Equity Shares of Face Value of ₹. 10.00 each
Maximum Application Size	<u>For Other than Retail Individual Investors:</u> The maximum application size is the Net Offer to public subject to limits the investor has to adhere under the relevant laws and regulations applicable. <u>For Retail Individual Investors:</u> Such number of Equity Shares in multiples of 10,000 Equity Shares such that the application value does not exceed ₹ 2,00,000.	70,000 Equity Shares of Face Value of Rs. 10.00 each
Trading Lot	10,000 Equity Shares	10,000 Equity Shares. However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	100%	100%

This Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. For further details please refer to section titled "Offer Structure" beginning on page no 170 of this Draft prospectus.

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as present Offer is a fixed price Offer 'the allocation' is the net offer to the public category shall be made as follows:

- Minimum fifty percent to Retail Individual Investors; and
- Remaining to Investors Other than Retail Individual Investors
- 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 (50%) on proportionate basis, the retail individual investors shall be allocated that higher percentage"

WITHDRAWAL OF THE OFFER

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Offer at any time before the Offer Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Offer is also subject to obtaining the following:

- i. The final listing and trading approvals of BSE for listing of Equity Shares offered through this Offer on its SME Platform, which the Company shall apply for after Allotment; and
- ii. The final RoC approval of this Draft prospectus after it is filed with the RoC.
- iii. In case, our Company wishes to withdraw the Offer, after Offer Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Offer. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (1) in regional newspaper.

The Lead Manager, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Offer after the Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through this Draft prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Draft prospectus.

Offer Programme

OFFER OPENS ON	[●]
OFFER CLOSES ON	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Offer Period at the Application Centers mentioned in the Application Form, On the Offer Closing Date when applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Offer Closing Date, Applicants are advised to submit their applications one day prior to the Offer Closing Date and, in any case, not later than 1.00 p.m. IST on the Offer Closing Date. Any time mentioned in this Draft prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Offer 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 this Offer.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made.

The 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 Circular of 2015 ("FDI Policy 2015"), which with effect from May 12, 2015, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force and effect as on May 11, 2015. However, press note 4 of (2015 Series), dated April 24, 2015, regarding policy on foreign investment in pension sector, will remain effective. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2015 will be valid until the DIPP issues an updated circular. The transfer of shares between an Indian resident and 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 FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S, except pursuant to exemption from, or in a transaction not subject to the registration requirements of US Securities Laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction, The above information is given for the benefit of the Applicants.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft prospectus. Applicants are advised to make their independent investigations and ensure that the Application is not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

OFFER 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 section “-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 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)(Fifth Amendment)Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days. These changes are applicable for all public issues which open on or after January 1, 2016.

Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

Our Company and the LM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Draft prospectus.

PART A

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M) (1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Designated Intermediaries i.e. Self- Certified Syndicate Bank (SCSB) or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. Further the Equity shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also, please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the investors can apply through ASBA Mode. The prescribed color of the Application Form for various categories applying in this Offer is as follows:

Category	Color
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)	White
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue

*Excluding electronic Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called “Designated Intermediaries”):

Sr. No	Designated Intermediaries
1	An SCSB, with whom the bank account to be blocked, is maintained
2	A syndicate member (or sub-syndicate member)
3	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5	A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting Intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Draft prospectus without prior or subsequent notice of such changes to the Applicants.

AVAILABILITY OF DRAFT PROSPECTUS AND APPLICATION FORMS

The Application Forms and copies of the Draft prospectus may be obtained from the Registered Office of our Company, (Lead Manager to the Offer, Registrar to the Offer, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE i.e. www.bsesme.com

WHO CAN APPLY?

In addition to the category of Applicants as set forth under “Part B -General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue” beginning on page no 192 of this Draft prospectus, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.

- Any other persons eligible to apply in this Offer under the laws, rules, regulations, guidelines and policies applicable to them.

MAXIMUM AND MINIMUM APPLICATION SIZE:

1. For Retail Individual Applicants

The Application must be for a minimum of 10,000 Equity Shares and in multiples of 10,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 10,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft prospectus.

The above information is given for the benefit of the Applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

PARTICIPATION BY ASSOCIATES /AFFILIATES OF LM AND THE SYNDICATE MEMBERS

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

OPTION TO SUBSCRIBE IN THE ISSUE:

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form. However, they may get the specified securities re-materialized subsequent to allotment.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S/ FPI'S ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies

vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of Offer of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where "infrastructure" is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as Infrastructure Finance Companies (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a. A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b. Nothing contained in clause (a) shall apply
 - i. Any transactions in derivatives on a recognized stock exchange;
 - ii. Short selling transactions in accordance with the framework specified by the Board;
 - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iv. Any other transaction specified by the Board.
 - c. No transaction on the stock exchange shall be carried forward
 - d. The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - i. Transaction in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
 - v. Divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with

Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- viii. Any other transaction specified by the Board.
- e. A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form. Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard. No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
- a. Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- b. Such offshore derivative instruments are issued after compliance with "know your client" norms. Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly. Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to offshore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company. An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATION BY MUTUAL FUNDS

As per the Current regulations, the following restrictions are applicable for investments by Mutual Fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited Liability Partnerships can participate in the Offer only through the ASBA Process.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with IRDA, certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- a. Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b. The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
- c. The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in infrastructure and housing sectors i.e. 26th December, 2008, providing, among other things, that the exposure of an insurer to an infrastructure Company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATIONS UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lakh and pension funds with minimum corpus of Rs. 2500 Lakh, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

APPLICATION BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 2500 Lakh (subject to applicable law) and pension funds with minimum corpus of Rs. 2500 Lakh, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Draft prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Draft prospectus.

INFORMATION FOR THE APPLICANTS:

- a. Our Company and the Lead Managers shall declare the Offer Opening Date and Offer Closing Date in the Draft prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
- b. Our Company will file the Draft prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
- c. Copies of the Application Form along with Abridged Draft prospectus and copies of the Draft prospectus will be available with the, the Lead Managers, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange,

- d. Any applicant who would like to obtain the Draft prospectus and/ or the Application Form can obtain the same from our Registered Office.
- e. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
- f. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
- g. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
- h. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
- i. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Applicants.
- j. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications during the Offer Period only through the following Application collecting intermediary
 - a) an SCSB, with whom the bank account to be blocked, is maintained
 - b) a syndicate member (or sub-syndicate member)
 - c) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")
 - d) a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
 - e) a registrar to an Offer and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
2. The Offer Period shall be for a minimum of three Working Days and shall not exceed 10 (ten) Working Days. The Offer Period may be extended, if required, by an additional three Working Days, subject to the total Offer Period not exceeding 10 (ten) Working Days.
3. During the Offer Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Offer.
5. The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form,

in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

For applications submitted by investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Offer Account, or until withdraw/ failure of the Offer or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

TERMS OF PAYMENT

The entire Offer price of ₹ 10 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Applicants.

PAYMENT MECHANISM FOR APPLICANTS

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. 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 Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in the public issue can only invest through ASBA Mode.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - a. the applications accepted by them,
 - b. the applications uploaded by them
 - c. the applications accepted but not uploaded by them or
 - d. with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Managers nor our 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 offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Application Collecting Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Members, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No	Details*
1	Symbol
2	Intermediary Code
3	Location Code
4	Application No.
5	Category
6	PAN
7	DP ID
8	Client ID
9	Quantity

*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
 - Name of the Applicant;
 - IPO Name;
 - Application Form Number;
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - Client Identification Number of the demat account of the Applicant;
 - Number of Equity Shares Applied for;
 - Bank Account details;

- Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
 9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
 10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
 11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
 12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
 13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
 14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
 15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 70,000 Equity Shares shall be reserved for Market Maker and 12,80,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Applicants.
2. Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF DRAFT PROSPECTUS WITH ROC

- a. Our company has entered into an Underwriting Agreement dated [●].
- b. A copy of Draft prospectus will be filled with the RoC in terms of Section 26 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Draft prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

Ensure that you have funds equal to the Application Amount in the ASBA account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to not release the funds blocked in the ASBA Account under the ASBA process;

- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Draft prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable are not complied with.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned here in or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;

- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps 'for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar of the Issue.

IMPERSONATION:

Attention of the application is specifically drawn to the provisions of the sub-section (1) of Section 38 of the companies Act, 2013 which is reproduced below:

"Any person who

- a) Makes or abets making of an application in a fictitious name to accompany 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."

shall be liable for action under Section 447 of Companies Act, 2013 and shall be treated as Fraud."

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
3. That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
4. That the our Promoters' contribution in full has already been brought in;
5. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
6. That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
8. That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
9. That none of the promoters or directors of the company is willful defaulter under Section 4(5) of SEBI (ICDR) Regulations, 2009 as per the *(Third Amendment) in SEBI (ICDR) Regulations, 2016 dated May, 25, 2016*.

UTILIZATION OF ISSUE PROCEEDS

Since the entire Offer is against offer for sale by the existing shareholders hence Offer proceeds will not flow to the company

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated March 28, 2018 between NSDL, the Company and the Registrar to the Offer;

- b. Agreement dated February 27, 2015 between CDSL, the Company and the Registrar to the Offer;

The Company's equity Shares bear an ISIN No. INE266S01011

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favor of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Offer to detect multiple applications are given below:

- a) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- b) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- c) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Offer to detect multiple Applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. for Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective

of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Offer/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

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, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. 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 Draft prospectus before investing in the Issue

Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken inter-alia through 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, on the processes and procedures governing IPOs, 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**”) as amended.

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 Draft prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”). Applicants should carefully read the entire Draft prospectus and the Application Form and the Abridged Draft 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 Draft prospectus, the disclosures in the Draft prospectus shall prevail. The Draft prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(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 refer to the section “Glossary and Abbreviations”.

Section 2: Brief Introduction to IPOs on SME Exchange

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 if applicable. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the Draft prospectus.

The Issuer may also undertake IPO under Chapter XB of SEBI (ICDR) regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer whose post-issue face value capital is more than ten crore rupees and upto twenty five crore rupees may also issue its specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

2.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable (“the Companies Act”), the Securities Contracts (Regulation) Rules, 1957 (the “**SCRR**”), industry- specific regulations if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

- a) In accordance with Regulation 106(P) of SEBI (ICDR) Regulation, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- b) In accordance with regulation 106(R) of SEBI (ICDR) Regulation, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be blocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Draft prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft prospectus with Stock Exchange and the Registrar of Companies.
- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulation, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- e) The company confirms that it has track record of more than 3 years.
- f) The Net worth (excluding revaluation reserves) of the Issuer shall be positive as per the latest audited financial results.
- g) The Issuer should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years.
- h) The Post-Offer paid up capital of the Issuer shall be less than ₹. 25 Crores.
- i) The Issuer shall mandatorily facilitate trading in demat securities.
- j) The Issuer should not have been referred to Board for Industrial and Financial Reconstruction.
- k) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- m) The Company should have a website

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3) , Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus the Company is eligible for the Issue in accordance with Regulation 106M(2) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital does not exceed ₹ 2,500 Lakh. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

2.3 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 this Draft prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Draft 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 Draft prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 Offer 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 Application Form and Abridged Draft prospectus or Draft prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

2.5 Migration to Main Board

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

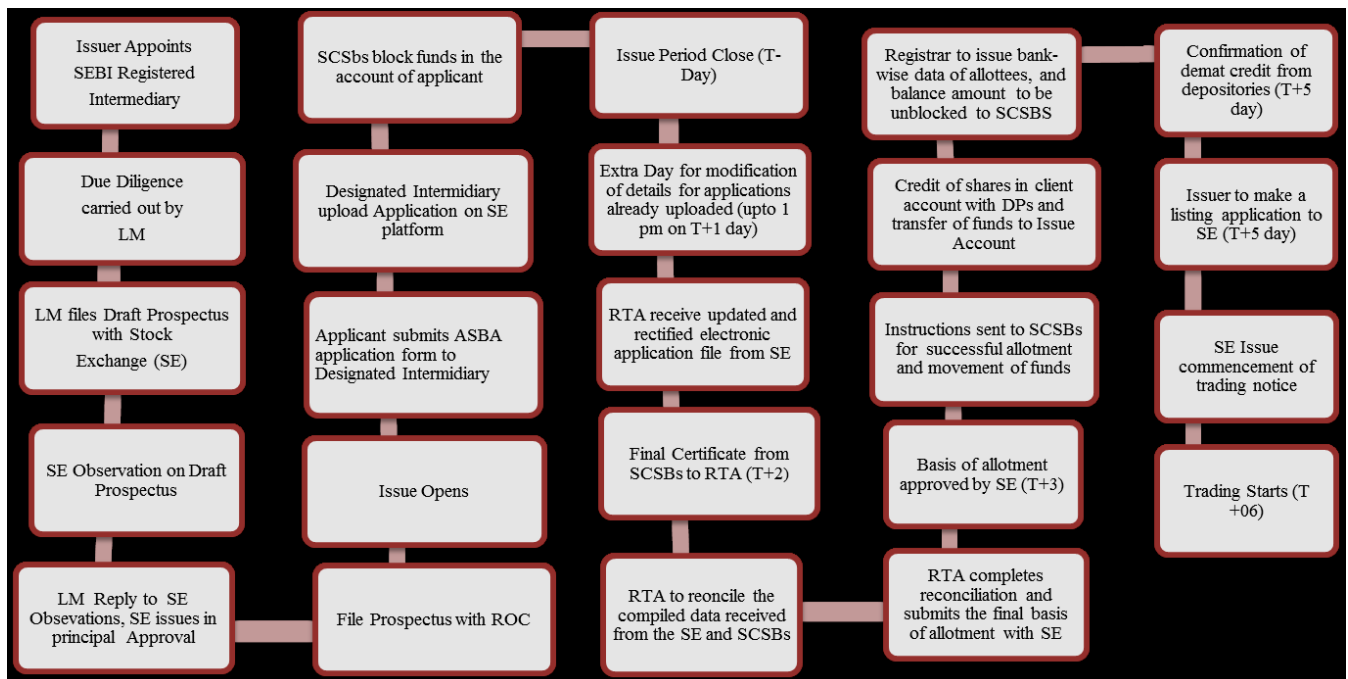
- a) If the Paid up Capital of the Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor 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), The Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, the Company 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 favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter share holders against the proposal.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows:



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 Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to 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 Draft 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) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law; NRIs other than Eligible NRIs are not eligible to participate in this Issue.
- Indian Financial Institutions, scheduled commercial banks regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, VCFs and FVC are registered with SEBI.
- Limited liability partnerships registered in India and authorized to invest in equity shares.
- State Industrial Development Corporations.
- Trusts/societies registered under the Societies Registration Act, 1860, as amended or under any other law relating to trusts/ societies and who are authorized under their respective constitutions to hold and invest in equity shares;
- Scientific and or Industrial Research Organizations authorized to invest in equity shares.
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;

- National Investment Fund set up by resolution no F.No.2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds setup and managed by army, navy, air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply to this Issue, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian Laws.

Application not should be made by:

- Minors (Except under guardianship)
- Partnership firms or their nominees
- Foreign Nations (Except NRIs)
- Overseas Corporate Bodies

As per the existing regulations, OCBs are not allowed to participate in an Issue.

Section 4: Applying in the Issue

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the registered office of the Issuer, and office of the RTA and at the office of the LM. For further details regarding availability of Application Forms, Applicants may refer to the Draft prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)	White
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue

Securities Issued in an IPO can only be in dematerialized form in compliance 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 rematerialized subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING APPLICATION FORM/APPLICATION FORM (FIXEDPRICEISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Draft prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs, APPLYING ON A NON-REPATRIATION BASIS
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	Address : _____ Contract Details: _____ CIN No. _____
		FIXED PRICE GME ISSUE INE00000000000
		Bid cum Application Form No. _____
SYNDICATE MEMBER'S STAMP & CODE		BROKER/SCSB/DP/RTA STAMP & CODE
NON-BIDDER'S / SUB-AGENT'S STAMP & CODE		EXCROWD BAI/SCSB/DP/RTA STAMP & CODE
BANK BRANCH SERIAL NO.		SCSB SERIAL NO.
1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER		
Mr. / Ms. _____		
Address _____		
Tel. No (with STD code) / Mobile _____ Email _____		
2. PAN OF SOLE / FIRST BIDDER		

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		4. INVESTOR STATUS
For NSDL, enter (type of ID followed by a digit from 1 to 9) or (type of ID followed by a digit from 10 to 99) (in digit class ID)		<input type="checkbox"/> Individual(s) - IND
5. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")		<input type="checkbox"/> Hindu Undivided Family - HUF
Bid Option	No. of Equity Shares Bid (in Figures) (Must be in multiples of Bid Lot as advertised)	<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
Option 1		<input type="checkbox"/> QIB
OR: Option 2		
OR: Option 3		
6. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")		7. CATEGORY
		<input type="checkbox"/> Retail Investor Bidder
		<input type="checkbox"/> Non-Institutional Bidder
		<input type="checkbox"/> QIB
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 _____		
<small>I/WE HEREBY CERTIFY THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE APPLICABLE BROKER 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 MY/OUR APPLICANTS, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING OF THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small>		
8A. SIGNATURE OF SOLE / FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>I/We authorize the SCSB/DP/RTA to use my/our name to make the Application in the form.</small>	BROKER / SCSB / DP / RTA STAMP (Acknowledging receipt of Bid in Stock Exchange (if any))
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 / CUID		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	
TEAR HERE		
XYZ LIMITED - INITIAL PUBLIC ISSUE - R	Option 1 Option 2 Option 3	Stamp & Signature of Broker / SCSB / DP / RTA
No. of Equity Shares		Name of Sole / First Bidder
Bid Price		
Amount Paid (₹)		Acknowledgement Slip for Bidder
ASBA Bank A/c No.		Bid cum Application Form No. _____
Bank & Branch		

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address: _____ Contact Details: _____ CIN No: _____	For Eligible NRI, FI, FVCI, applying on Re-registration Basis			
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	Bid cum Application Form No. _____ FIXED PRICE GME ISSUE INE0000000000			
SYNDICATE MEMBER'S STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr./Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____			
BROKER/SCSB/DP/RTA STAMP & CODE					
SUB-BROKER / SUB-AGENT'S STAMP & CODE					
ENKROW BANK/SCSB BRANCH STAMP & CODE		2. PAN OF SOLE / FIRST BIDDER _____			
BANK BRANCH SERIAL NO.					
SCSB SERIAL NO.					
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL					
Use NSDL/CDSEEP (Regd) or ID (linked by E Sign) or NSDL/CDSEEP (Regd) or ID (linked by E Sign)					
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")					
Bid Options:	No. of Equity Shares Bid (in Figures) (This must be in multiples of Bid Lot as mentioned)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 0.01 only (in figures))			5. CATEGORY <input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
		Bid Price	Retail Discount	Net Price	
(OR) Option 1					6. Investor Status <input type="checkbox"/> Non-Resident Indian (Repatriation Basis) NR <input type="checkbox"/> Foreign Institutional Investor FI <input type="checkbox"/> Foreign Venture Capital Investor FVCI <input type="checkbox"/> FI Sub Account Corporate/Individual FISA <input type="checkbox"/> Other (Please specify) OTH
(OR) Option 2					
(OR) Option 3					
7. PAYMENT DETAILS			PAYMENT OPTION - FULL PAY		
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 ANNEXED 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 FILING OF 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 with all its necessary to make the Application of the Bid.		BROKER / SCSB / DP / RTA STAMP (Acknowledging receipt of Bid in Stock Exchange system)	
_____		1) _____ 2) _____		_____	
Date: _____					

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____ PAN of Sole / First Bidder _____			
DPID / CIN:	_____	_____	_____			
Amount paid (₹ in figures)	_____	Bank & Branch	Stamp & Signature of SCSB Branch			
ASBA Bank A/c No.	_____	_____				
Received from Mr./Ms.	_____					
Telephone / Mobile	_____	Email	_____			
TEAR HERE						
XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder	
	No. of Equity Shares	_____	_____			_____
	Bid Price	_____	_____	_____		
	Amount Paid (₹)	_____	_____	_____		
ASBA Bank A/c No.	_____					
Bank & Branch	_____					
Acknowledgement Slip for Bidder						
					Bid cum Application Form No. _____	

4.1.1 NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and email and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including refund orders and letters notifying the unblocking of the bank accounts of ASBA 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 Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint 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 Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favor of the Applicant whose name appears in the Application Form or the Revision Form and 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.
- (c) **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 indifferent combinations of his name or surname for acquiring or subscribing for its securities;*
- *or otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,*

Shall be liable for action under section 447 of the said Act.”

- (d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. 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 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 Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and 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 Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. 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) 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 Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the 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 sending allocation advice and 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: APPLICATION DETAILS

(a) The Issuer may mention Price in the draft prospectus. However a draft prospectus registered with ROC contains one price.

(b) Minimum and Maximum Application Size

i. For Retail Individual Applicants

The Application must be for a minimum of 10,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 10,000 Equity Shares.

ii. 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 Rs. 2,00,000 and in multiples of 10,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft prospectus.

(c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Application Collecting Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

- i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
- ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications 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.

(e) The following applications may not be treated as multiple Applications:

- i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

- ii. 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 Application has been made.
- iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, 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).
- ii. 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 Draft prospectus.
- iii. 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. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Draft 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 apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Draft 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 Application Form and Non-Resident 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) All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of Discount. Only in cases where the Draft prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- b) All categories of investors can participate in the Issue only through ASBA mechanism.
- c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.1.7.1 Payment instructions for Applicants

- (a) Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries.
- (b) Applicants should 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, may not be accepted.
- (c) Applicant should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Accountholder;
- (d) Applicant 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 Application Forms can be submitted.
- (f) Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that 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 Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit 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) Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in 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 Application Forms.
- (h) ASBA Applicant applying 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.
- (i) Upon receipt of 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.
- (j) 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 may upload the details on the Stock Exchange Platform.
- (k) 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.
- (l) 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.
- (m) 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.

SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

4.1.8 Unblocking of ASBA Account

- i. 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/ partial/ non-allotment ASBA 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.
- ii. On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- iii. 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 6 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Draft prospectus.
- (c) For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Applicant is required to sign the 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 ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the 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 application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

(a) All communications in connection with Applications made in the Issue should be addressed as under:

- i. 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.
- ii. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
- iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.

(b) The following details (as applicable) should be quoted while making any queries -

- i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application.
- ii. Name and address of the Designated Intermediary, where the Application was submitted; or
- iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Draft prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise their applications till closure of the issue period or withdraw their applications until finalization of allotment.
- (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 Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRI APPLYING ON A NON-REPATRIATION BASIS	
	Address : _____ Contact Details : _____ CIN No _____		
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN : _____	
		Bid cum Application Form No. _____	
1. SYNDICATE MEMBER'S STAMP & CODE			
2. BROKER/SCSB/DP/RTA STAMP & CODE			
3. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER			
Mr./Ms. _____			
Address _____ Email _____			
Tel. No (with STD code) / Mobile _____			
4. PAN OF SOLE / FIRST BIDDER			

5. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL			
For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID			
PLEASE CHANGE MY BID			
6. FROM (AS PER LAST BID OR REVISION)			
Bid Options	No. of Equity Shares Bid (Bid must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)	
	8 7 6 5 4 3 2 1	Bid Price Retail Discount Net Price "Cut-off" (Please tick)	
Option 1			
(OR) Option 2			
(OR) Option 3			
7. TO (Reserved Bids) (Only Retail Individual Bidders can Bid at "Cut-off")			
Bid Options	No. of Equity Shares Bid (Bid must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)	
	8 7 6 5 4 3 2 1	Bid Price Retail Discount Net Price "Cut-off" (Please tick)	
Option 1			
(OR) Option 2			
(OR) Option 3			
8. PAYMENT DETAILS			
Additional Amount Paid (₹ in figures) _____ (₹ in words)		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>	
ASBA Bank A/c No. _____			
Bank Name & Branch _____			
<small>THE DIRECTOR(S) OF LISTING APPLICATIONS (WE) HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS OF THIS LISTING AGREEMENT AND THE APPLICABLE REGULATIONS AND THE LEGAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (LID) AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING ADDITIONAL UNDERTAKING ON BEHALF OF JOINT APPLICANTS, IF ANY; HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVER LEAF</small>			
A. SIGNATURE OF SOLE / FIRST BIDDER	B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>(We authorize the ASBA bank to do all acts as per necessary to file the Application to the law)</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. _____	
		PAN of Sole / First Bidder _____	
DPID / CLID	_____	_____	
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
	No. of Equity Shares		
	Bid Price		
	Additional Amount Paid (₹)		
	ASBA Bank A/c No. _____ Bank & Branch _____		
	Stamp & Signature of Broker / SCSB / DP / RTA		Name of Sole / First Bidder _____
			Acknowledgement Slip for Bidder
			Bid cum Application Form No. _____

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 APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION “FROM” AND “TO”

- (a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of Applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, should not exceed ₹2,00,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) Applicants are required to make payment of the full application along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to the Designated Branch through whom such Applicant had placed the original Application to enable the relevant SCSB to block the additional Application Amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM

Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of application Form
All Investors Application	To the Application Collecting Intermediaries

Section 5: Issue Procedure in Fixed Price Issue

5.1 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 Draft 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 Draft prospectus which may be submitted through Designated Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing 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 Issue Opening Date.

In a fixed price Issue, allocation in the net offer 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.

5.2 Grounds for technical rejections

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:-

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.

- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 10000;
- Category not ticked;
- Multiple Applications as defined in this Draft prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Draft prospectus as per the instructions in the Draft prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulations or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹. 200000 received after 3.00 pm on the issue closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- 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 Application Form.
- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

Section 6: Issue Procedure in Book Built Issue

This being Fixed Price Issue, this section is not applicable for this Issue.

Section 7: Allotment Procedure and Basis of Allotment

7.1 Basis of Allotment

Allotment will be made in consultation with BSE SME (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 10,000 Equity Shares the allotment will be made as follows:
 - i. Each successful applicant shall be allotted 10,000 Equity Shares;
 - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 10000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 10000 Equity Shares subject to a minimum allotment of 10000 Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 10000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Draft prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
 - i. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as the Retail Individual Investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - ii. Remaining to Individual applicants other than retail individual investors and Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
 - iii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE- SME.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- 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) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 5 Working Days of the Issue Closing Date,

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 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR UNBLOCKING OF FUNDS

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 Draft prospectus. The Designated Stock Exchange may be as disclosed in the Draft prospectus with which the Basis of Allotment may be finalized.

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 initiate action to unblock the application amount from the Investors accounts.

If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of Companies Act, and disclosed in the Draft prospectus.

8.2.2 Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of Companies Act, 2013 if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Draft prospectus, the application money has to be returned within such period as may be prescribed. If our company does not receive the 100% subscription of the offer through the Offer Document including devolvement of underwriters, if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblock the entire application amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations, the Companies Act, 2013.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50 no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked within 6working days of closure of the issue.

Further in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.100000/- (Rupees One Lakh) per application.

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 without the applicable laws of such jurisdiction.

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 50 failing which the entire application monies may be unblocked forthwith.

8.3 MODE OF UNBLOCKING OF FUNDS

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds for Applicants

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT

The Issuer may pay interest at the rate of 15% per annum if 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 Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the 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
Allottee	An Applicant to whom the Equity Shares are Allotted
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
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of 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 including all revisions and modifications thereto.
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)/ASBA	An application, whether physical or electronic, used by Applicants to make an application authorising an SCSB to block the Application 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 Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Banker(s) to the Issue/	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account(s) may be opened, and as disclosed in the Draft prospectus and 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 offer during the Issue Period by a prospective Applicant pursuant to submission of 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 thereto.
Business Day	Monday to Friday (except 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

Term	Description
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extent notified)
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 Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account, as appropriate, after the Draft prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft prospectus/Draft 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 the Designated stock exchange 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 promoter and immediate relatives of the promoter. For further details /Applicant may refer to the Draft prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FPI(s)	Foreign Portfolio Investor
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
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
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Closing Date	The date after which the SCSBs may not accept any Application for the Issue, which may be 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 Draft prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application 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 Draft prospectus for the Issue Opening Date

Term	Description
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Draft prospectus for the Issue Period
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Draft prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Draft prospectus/ Draft prospectus and the Application Form of the Issuer.
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application 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
NECS	National Electronic Clearing Service
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 offer or invitation under the Issue and in relation to whom the RHP/Draft prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs)
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 Draft prospectus and the Application Form
Non Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI 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 FEM
Offer for sale	Public offer of such number of Equity Shares as disclosed in the Draft prospectus through an offer for sale by the Selling Shareholder
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.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Draft prospectus	The draft prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, 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 ASBA Accounts on the Designated Date
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs

Term	Description
	on a proportionate basis As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Refunds through electronic transfer of funds	Refunds through ASBA
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Draft prospectus / Draft prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 2,00,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 2,00,000.
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 lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an 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
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/SE	The stock exchanges as disclosed in the Draft prospectus/ Draft prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Specified Locations	Refer to definition of Broker Centers
Underwriters	Lead Manager (s)
Underwriting Agreement	Underwriting Agreement entered between Company and Underwriters
Working Day	Working days shall be all trading days of stock exchanges excluding Sundays and bank holidays

SECTION IX: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

1. In these regulations—

- a) “The Act” means the Companies Act, 2013.
- b) “The Articles” means the Articles of Association or the same as may from time to time altered by special resolution.
- c) The “Company” means **SUNGOLD MEDIA AND ENTERTAINMENT LIMITED**.
- d) The “Directors” means the Directors of the Company.
- e) The Board of “Directors” or the Board means the Board of Directors of the Company.
- f) “Dividend” includes bonds but excludes bonus shares.
- g) The “Managing Director” means the Managing Director appointed as such the Company.
- h) “Month” means the Calendar month.
- i) “The Registrar” means the Registrar of Companies, of the State in which Registered Office is situated.
- j) “The Secretary” means the Secretary appointed as such of the Company.
- k) “The Seal” means the common Seal of the Company.
- l) “In Writing and Written” include printing, lithography or reproducing words in a visible form.

Words importing the singular number only include the plural number and vice versa.

Words importing persons include corporations.

TABLE “F” WILL APPLY

2. Save as specifically excluded, varied or altered expressly reproduced herein, the regulations contained in Table “F” in Schedule I to the Act, shall apply to the Company.

COMPANY NOT TO PURCHASE ITS OWN SHARES

3. Save as permitted by Section 67 of the Act, the funds of the Company shall not be employed in the purchase of or lent on the security of shares, in the Company and the Company shall not give, directly or indirectly any financial assistance, whether by way of loan, guarantee the provision of security otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the Company or in its holding Company.

These Articles shall not be deemed to affect the power of the Company to enforce repayment of loans to members or to exercise a lien conferred by these Articles

SHARECAPITAL AND VARIATION OF RIGHTS

4. The Authorised Share capital of the Company is as per Clause V of the memorandum of association of the company, with the power to increase or reduce the share capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential , cumulative, convertible, preference, guaranteed, qualified, or special rights, privileges or conditions as may be determined by or in accordance with this Articles of Association of the company and to vary, modify amalgamate or abrogate such rights, privileges or conditions in such manner as may for the time being be provided by these Articles of Association.

The Authorized Share Capital of the Company shall be as stated in the Memorandum of Association.

5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
6. 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.
7. (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.

(iv) The Company agrees to issue certificate within fifteen days of the date of lodgment of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgment for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary
8. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
9. 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.
10. (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.
11. (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.

12. 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.

13. 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.

13A. Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-

(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—

(i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined; unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person; and the notice referred to in clause (i) shall contain a statement of this right;

(ii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;

(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed under the relevant rules of Section 62; or

(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.

(d) The notice referred to in sub-clause (a)(i) of Clause (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.

(e) Nothing aforesaid shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

LIEN

14. (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 Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares;

(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.

15. 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.
16. (i) To give effect to any such sale, the Board may authorize 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.
17. (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

18. (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 byway 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.
19. 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 installments.
20. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
21. (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 percent 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.
22. (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.
23. The Board—
- (a) may, if it thinks fit, receive from any member willing to advance the same, allow 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 percent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends; or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

TRANSFER OF SHARES

24. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

25. The Board may, subject to the right of appeal conferred by section 58 declines 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.

26. The Board may decline to recognize any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section 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;

(c) the instrument of transfer is in respect of only one class of shares.

(d) Provided That the 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 except where the Company has a lien on Shares.

(e) The common form of transfer shall be used by the Company

27. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, 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.

28. Shares may also, at the discretion of the Directors be registered in the name of minor provided the said shares are fully paid up.

29. No fees shall be charged for the registration of any transfer, grant of probate or letters of administration, certificates of death or marriage, power of attorney or other instrument.

TRANSMISSION OF SHARES

30. (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 recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

31. (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.

32. *(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.

33. 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

34. 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.

35. 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.

36. 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.

37. *(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.

38. *(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.

39. *(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 favor of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money,

if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

40. 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

41. 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.

42. Subject to the provisions of section 61, the company may, by ordinary resolution,—

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) Cancel any shares which, at the date of the passing of the resolution, have-not been taken or agreed to be taken by any person.

43. 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.

44. 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

45. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b) That such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend
- (c) and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) Partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

46. (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 capitalized 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 infractions; and

(b) to authorize 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 capitalization, 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 capitalized, 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.

(iv) Capital paid-up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

BUY-BACK OF SHARES

47. 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

48. All general meetings other than annual general meeting shall be called extraordinary general meeting.

49. (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

50. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss account, the Balance sheet and the Reports of the Directors and the Auditors to elect Directors in place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted and any business transacted at an Extra-ordinary General Meeting shall be deemed special business.

51. (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.
52. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
53. 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.
54. 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

55. (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

56. 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.
57. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
58. (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.
59. 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.
60. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
61. 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.
62. (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

63. 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.
64. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
65. 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

66. The number of Directors of the Company shall not be less than three and not more than fifteen; Provided that a company may appoint more than fifteen directors after passing a special resolution:

The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. Following will be the First Director of the Company:

1. **Shri Amit Kotia**
2. **Shri Ankur Gujjar**
3. **Shri Sanjay Shah**

Additional Directors

The Directors shall also have power at any time and from time to time to appoint any other qualified person to be a director, as an addition to the board but so that the total number of directors shall not at any time exceed maximum fixed above. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next Annual General meeting or last date on which annual general meeting should have been held, whichever is earlier.

Casual Vacancy

Any casual vacancy occurring on the board of directors may be filled up by the directors.

Appointment of Alternate Director

The Board may appoint in the manner provided in section 161 of the act, an Alternate Director to act for a Director during his absence for a period of not less than three months, from the state in which meetings of the board are ordinarily held

67. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.

68. The Board may pay all expenses incurred in getting up and registering the company.
69. 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.

70. 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.
71. 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.
72. (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

73. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
74. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
75. 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.
76. (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.
77. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
78. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
79. (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.
80. 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.
81. 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.

82. In the case of a public company, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course; the resulting casual vacancy may, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board:

Provided that any person so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

83. 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.

84. A provision of the Act or these regulations requiring or authorizing 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.

MINUTES

85. The Board shall, in accordance with the provisions of Section 118 of the Act, cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.
86. Any such minutes or any meeting of the Board or of any committee of the Board or of the Company in general meeting. If kept in accordance with the provisions of Section 118 of the Act, shall be evidence of the matters stated in such minutes. The minute books of general meetings of the Company shall be kept at the office and shall be open to inspection by members during the hours of 10.00 A.M. and 12.00 Noon on such business days as the Act requires them to be open for inspection.

POWER OF THE BOARD

87. Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in general meeting. Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles or in any regulations not inconsistent therewith and duly made there under including regulation made by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

MANAGING DIRECTOR

88. Subject to the provisions of Section 196 and 203 of the Act, the Board may from time to time appoint one or more directors or whole time Director / Directors to be Managing Director or Managing Directors of the Company, either for a fixed term as to the period for which he or they is or are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their places.
89. Subject to the provisions of the Section 152 of the Act, a Managing Director or Whole time Director shall not while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire, and

(subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and removal as the other Director, and he shall ipso facto and immediately, cease to be a managing director if he ceases to hold the office of Director from any cause.

90. If at any time the total number of Managing Directors or whole time Directors is more than one-third of the total number of Directors, the Managing Directors or whole time Directors who shall not retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Managing Directors and whole time Directors shall be determined by the date of their respective appointments as Managing Directors by the Board.
91. Subject to the provisions of Section 196, 197 and other applicable provisions of the Act, a Managing Director or Whole time Director shall, receive cash, remuneration as may from time to time be sanctioned by the Company.
92. Subject to the provisions of the Act, and in particular to the prohibitions and restrictions contained in Section 179 thereof the Board may from time to time entrust to and confer upon a Managing Director or a Whole time Director the time being such of the powers exercisable under these provisions by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purpose, and upon such terms and conditions, and with such restrictions as it thinks fit, and it may confer such powers, either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Board in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

SECRETARY

93. Subject to the provisions of the Act, the Board may appoint Secretary of the Company on such terms and conditions as it may think fit and may remove any Secretary so appointed and may fill up the vacancy in the office of Secretary. The Secretary shall exercise such powers and carry out such duties as the Board may from time to time determine.

THE SEAL

94. (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

95. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
96. 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.
97. (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.
98. (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.

99. 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.

100.(i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

101. 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.

102. 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.

103. No dividend shall bear interest against the company.

104. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases

ACCOUNTS

105.(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.

INSPECTION

106. The books of account and other books and papers shall be open to inspection by any Director during the business hours.

107. 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 books of account and books and documents of the Company, shall be open to the inspection for the members not being Director, provide that no member (not being a Director) shall have any right of inspecting any books of account or book or document of the Company except as conferred by law.

108. Subject to the provisions of Section 128 of the Act, where under any provision of the Act any person, whether a member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to be kept or maintained by the company, the person so entitled to inspection shall, on his giving to the company not less than twenty four hours previous notice in writing of his intention specifying which register, etc. he intends to inspect be permitted to inspect the same between the hours of 10.00 A.M. and 12.00 Noon on such business day as the Act requires them to be opened for inspection.

WINDING UP

109. Subject to the provisions of Chapter XX of the Act and rules made there under—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

110. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

We, the several persons whose names and addresses are subscribed hereto, are desirous of being formed into a Company in pursuance of this Article of Association, and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.

Name of Subscribers	Address, Description And Occupation of the Subscribers	No. of Equity Shares taken by each subscribers	Signature of Subscribers	Name and Signature of the witnesses and their Address Description and occupation
Amit Kotia S/o Shri Rameshchandra Kotia	21-B, SBI Society, naranpura, Ahmedabad, Business	10 (Ten)	Sd/- AmitKotia	Common witness to All the Subscribers Sd/- RAICHAND LUNIA S/o SARDARMAL LUNIA B-12, Harekrishna Complex, Kankaria, Ahmedabad-28. Chartered Accountant
Ashok Modi S/o Shri Govindlal Modi	A-10, Terrace Apartment, Navrangpura, Ahmedabad -9 Business	10 (Ten)	Sd/- Ashok Modi	
Sharad Gandhi S/o Shri Mahendrakant Gandhi	3 "Alankar" Darbar Road, Rajpipla Business	10 (Ten)	Sd/- Sharad Gandhi	
Jignesh Sheth S/o Jayendralal Sheth	40, Patel Society, Bharuch. Business	10 (Ten)	Sd/ Jignesh Sheth	
Rajesh Patel S/o Popatlal Patel	5/8,S81 Society, Naranpura, Ahmedabad. Business	10 (Ten)	Sd/ Rajash Patel	
Ankur Gajjar S/o Shri Kantilal Gajjar	E-1, Normit Apartment, Narayannagar Road, Ahmedabad. Business	10 (Ten)	Sd/ Ankur Gajjar	
Vinay Shah S/o. Hasmukhlal Shah	129, Deepali Society, Baruch. Business	10 (Ten)	Sd/ Vinay Shah	
	TOTAL	70 (Seventy Only)		

Place: Ahmedabad

Dated 7th day of March, 1995

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and agreements referred to (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or contracts entered into more than two years before the date of filing of this Draft prospectus), These contracts, copies of which will be attached to the copy of the Draft prospectus, to be delivered to the Registrar of Companies, Ahmedabad, Gujarat, India for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company at 13, Radhakrushna Mandir Compound, Village- Rajpipla, Nandod Narmada- 393145, Gujarat, India from 11.00 a.m. to 3.00 p.m. on working days from the date of the Draft prospectus until the Issue Closing Date.

MATERIAL CONTRACTS

- 1) Offer Agreement dated May 26, 2018 entered into among our Company, the selling shareholders and the Lead Manager.
- 2) Memorandum of understanding dated [●] entered into among our company, the selling shareholders and Registrar of the offer.
- 3) Copy of tripartite agreement dated February 27, 2015 between CDSL, our Company and Satellite Corporate Services Private Limited.
- 4) Copy of tripartite agreement dated March 20, 2018 between NSDL, our Company and Satellite Corporate Services Private Limited.
- 5) Bankers to the Issue Agreement dated [●] between our Company, Lead Manager, Banker to the Issue and the Registrar to the issue.
- 6) Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
- 7) Underwriting Agreement dated [●] between our Company and Underwriters.
- 8) Share escrow agreement dated [●] between our company, the selling shareholders, Lead Manager and Registrar of the offer.

DOCUMENTS FOR INSPECTION

- 9) Memorandum and Articles of Association of our Company as amended from time to time.
- 10) Copy of the resolution passed at the meeting of the Board of Directors held on May 17, 2018 approving the issue.
- 11) Copy of the resolution passed by the shareholders of our Company under Section 28 of the Companies Act, 2013 at the Extra Ordinary General Meeting held on May 22, 2018.
- 12) Consents of the Directors, Selling Shareholders, Promoter, Company Secretary/Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditors, Lead Manager to the Issue, Underwriters, Market Makers, Bankers to the Issue, Legal Advisors to the Issue, and Registrars to the Issue, to include their names in the Draft prospectus to act their respective capacities.
- 13) Audit report and restated financial information issued by our Peer Review Auditors i.e. **Bhatter & Company**, Chartered Accountants, dated March 12, 2018 included in the Draft prospectus.
- 14) Letter dated March 31, 2018 from the statutory Auditors of our Company, M/s. Bhatter & Company, Chartered Accountants, detailing the tax benefits.
- 15) Due Diligence Certificate dated [●] from Lead Manager viz. Finshore Management Services Limited along with the filing of the Draft prospectus.
- 16) Copy of approval from BSE vide letter dated [●] to use the name of BSE in this offer document for listing of Equity Shares BSE-SME

Any of the contracts or documents mentioned in this Draft prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

All the relevant provisions of the Companies Act, 1956 / Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft prospectus is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Draft prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS

Name and Designation	Signature
<i>Mr. Raj Rajiv Kotia</i> <i>DIN- 06360347</i> <i>Managing Director</i>	Sd/-
<i>Mr. Keyur Sharadchandra Gandhi</i> <i>DIN- 03494183</i> <i>Non Executive and Non Independent Director</i>	Sd/-
<i>Mr. Amit Rameshbhai Kotia</i> <i>DIN- 07499192</i> <i>Non Executive and Non Independent Director</i> <i>DIN:03062690</i>	Sd/-
<i>Mr. Harsh Bhupendra Mehta</i> <i>Non Executive and Independent Director</i> <i>DIN: 08093048</i>	Sd/-
<i>Ms. Resham Ajit Maniyar</i> <i>Non Executive and Independent Director</i> <i>DIN: 08093059</i>	Sd/-

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

SIGNED BY THE CHIEF FINANCIAL OFFICER

Mr. Raj Rajiv Kotia

Date:

Place: