



(Please scan this QR code to view the RHP)

Red Herring Prospectus

Dated: May 08, 2023

Please read Section 26 and 32 of The Companies Act, 2013

100% Book Built Issue



**CRAYONS ADVERTISING LIMITED**

CIN: U52109DL1986PLC024711

REGISTERED OFFICE		CONTACT PERSON	EMAIL ID & CONTACT NO	WEBSITE
NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase- III New Delhi 110020		Mr. Gagan Mahajan Company Secretary	Email: <a href="mailto:cs@thecrayonsnetwork.com">cs@thecrayonsnetwork.com</a> Tel: +91 - 9654993221	<a href="http://www.thecrayonsnetwork.com">www.thecrayonsnetwork.com</a>
THE PROMOTERS OF OUR COMPANY ARE MR. KUNAL LALANI, MRS. VIMI LALANI AND M/S VIMI INVESTMENTS AND FINANCE PVT LTD				
DETAILS OF THE ISSUE TO PUBLIC				
TYPE	FRESH ISSUE	OFS SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	64,30,000 Equity Shares aggregating to ₹ [•] Lakhs	Nil	64,30,000 Equity Shares aggregating to ₹ [•] Lakhs	The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations, 2018. As the Company's post issue face value capital exceeds ₹1000 Lakhs but does not exceed ₹ 2500 Lakhs.
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION				
NAME	TYPE	NUMBER OF SHARES OFFERED / AMOUNT IN ₹		WACA IN ₹ PER EQUITY SHARE
NIL				
RISKS IN RELATION TO THE FIRST ISSUE				
This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company in consultation with the BRLM), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in “Basis for Issue Price” beginning on page 70, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.				
GENERAL RISK				
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this - Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” beginning on page 21 of this Red Herring Prospectus.				
ISSUER’S ABSOLUTE RESPONSIBILITY				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this _ Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this _ Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring 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 the Red Herring Prospectus are proposed to be listed on the Emerge platform of National Stock Exchange India Limited (“NSE Emerge”). In terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our Company has received in-principal approval letter dated April 18, 2023 from NSE Emerge for using its name in this Offer document for listing our shares on the NSE Emerge. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange India Limited.				
BOOK RUNNING LEAD MANAGER TO THE ISSUE			REGISTRAR TO THE ISSUE	
 Corporate Capital Ventures			 Skyline Financial Services Pvt. Ltd.	
CORPORATE CAPITAL VENTURES PRIVATE LIMITED B1/E13, First Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044, Tel: +91 11 - 41824066; Email: <a href="mailto:smeipo@ccvindia.com">smeipo@ccvindia.com</a> Investor Grievances Email id- <a href="mailto:investor@ccvindia.com">investor@ccvindia.com</a> Website: <a href="http://www.ccvindia.com">www.ccvindia.com</a> SEBI Registration: INM000012276 Contact Person: Mrs. Harpreet Parashar			SKYLINE FINANCIAL SERVICES PRIVATE LIMITED D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 Tel No.: +91- 11-40450193-97; Fax No.: +91-11-26812683 E-mail: <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> Investor Grievances Email id- <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a> Website: <a href="http://www.skylinerta.com/">http://www.skylinerta.com/</a> SEBI Registration No.: INR000003241 Contact Person: Mrs. Rati	
ISSUE PROGRAMME				
ISSUE OPENS ON:			MONDAY, MAY 22, 2023	
ISSUE CLOSES ON:			THURSDAY, MAY 25, 2023	

Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

**CRAYONS ADVERTISING LIMITED**

CIN: U52109DL1986PLC024711

Our Company was originally incorporated on July 03, 1986 as a Private Limited Company as “Crayons Advertising and Marketing Private Limited” vide Registration No. 24711 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana. Subsequently, pursuant to a special resolution passed by the Shareholders at their Extraordinary General Meeting held on September 16, 2022, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to “Crayons Advertising Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 22, 2022 by the Registrar of Companies, NCT of Delhi and Haryana. The Corporate Identification Number of our Company is U52109DL1986PLC024711. For further details of change in name and change in Registered Office of our Company, please refer to section titled ‘Our History and Certain Other Corporate Matters’ beginning on page 109 of this Red Herring Prospectus.

**Registered Office:** NSIC Complex, Maa Anandmayee Marg, Okhla Industrial Estate, Phase- III New Delhi 110020

**Tel:** +91 - 9654993221; **E-mail:** [cs@thecrayonsnetwork.com](mailto:cs@thecrayonsnetwork.com); **Website:** [www.thecrayonsnetwork.com](http://www.thecrayonsnetwork.com);

**Contact Person:** Mr. Gagan Mahajan, Company Secretary and Compliance Officer;

**OUR PROMOTERS: MR. KUNAL LALANI, MRS. VIMI LALANI AND M/S VIMI INVESTMENTS AND FINANCE PRIVATE LIMITED**

**PUBLIC ISSUE OF 64,30,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF CRAYONS ADVERTISING LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [•] PER EQUITY (THE “ISSUE PRICE”) AGGREGATING TO ₹ [•] LAKH (“THE ISSUE”) COMPRISING OF A FRESH ISSUE OF 64,30,000 EQUITY SHARES AGGREGATING TO ₹ [•] LAKH (THE “FRESH ISSUE”) OF WHICH 3,22,000 EQUITY SHARES AGGREGATING TO ₹ [•] LAKH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 61,08,000 EQUITY SHARES AGGREGATING TO ₹ [•] LAKH (THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.32% AND 25.00% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**PRICE BAND: ₹ [•] to ₹ [•] PER EQUITY SHARE OF FACE VALUE OF ₹ 10/- EACH AND THE ISSUE PRICE IS [•] TO [•] TIMES OF THE FACE VALUE AT THE LOWER PRICE BAND AND THE UPPER PRICE BAND RESPECTIVELY. BID CAN BE MADE FOR MINIMUM OF EQUITY SHARES AND THE MULTIPLES OF EQUITY SHARES THEREAFTER.**

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN ALL EDITIONS OF [•] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [•] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER), (HINDI BEING THE REGIONAL LANGUAGE OF DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST 2(TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO NATIONAL STOCK EXCHANGE INDIA LIMITED (“NSE”, REFERRED TO AS THE “STOCK EXCHANGE”) FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”). IN CASE OF ANY REVISION IN THE PRICE BAND, THE BID/ISSUE PERIOD WILL BE EXTENDED BY AT LEAST THREE ADDITIONAL WORKING DAYS AFTER SUCH REVISION IN THE PRICE BAND, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. IN CASES OF FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, OUR COMPANY MAY, FOR REASONS TO BE RECORDED IN WRITING, EXTEND THE BID/ISSUE PERIOD FOR A MINIMUM OF THREE WORKING DAYS, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID/ISSUE PERIOD, IF APPLICABLE, SHALL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE STOCK EXCHANGE, BY ISSUING A PUBLIC NOTICE, AND ALSO BY INDICATING THE CHANGE ON THE RESPECTIVE WEBSITES OF THE BOOK RUNNING LEAD MANAGER AND AT THE TERMINALS OF THE SYNDICATE MEMBERS AND BY INTIMATION TO DESIGNATED INTERMEDIARIES AND THE SPONSOR BANK, AS APPLICABLE.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50 % of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” beginning on page 234 of this Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company in consultation with the BRLM), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in “Basis for Issue Price” beginning on page 70, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 21 of this Red Herring Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited i.e., NSE Emerge. Our Company has received ‘in-principle’ approval from the NSE Emerge for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated April 18, 2023. For the purpose of the Issue, the Designated Stock Exchange shall be National Stock Exchange of India Limited.

**BOOK RUNNING LEAD MANAGER TO THE ISSUE****REGISTRAR TO THE ISSUE**

<p><b>CORPORATE CAPITAL VENTURES PRIVATE LIMITED</b> B1/E13, First Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044, <b>Tel:</b> +91 11 - 41824066; <b>Email:</b> <a href="mailto:smeipo@ccvindia.com">smeipo@ccvindia.com</a> <b>Investor Grievances Email id-</b> <a href="mailto:investor@ccvindia.com">investor@ccvindia.com</a> <b>Website:</b> <a href="http://www.ccvindia.com">www.ccvindia.com</a> <b>SEBI Registration:</b> INM0000112276 <b>Contact Person:</b> Mrs. Harpreet Parashar</p>	<p><b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b> D-153 A, 1<sup>ST</sup> Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020 <b>Tel No.:</b> +91 -11 – 40450193-197; <b>Fax No.:</b> +91 - 11- 26812683 <b>E-mail:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> <b>Investor Grievances Email id-</b> <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a> <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>SEBI Registration No.:</b> INR000003241 <b>Contact Person:</b> Mrs. Rati</p>
--	--

**ISSUE PROGRAMME**

<b>ISSUE OPENS ON:</b>	<b>MONDAY, MAY 22, 2023</b>
<b>ISSUE CLOSES ON:</b>	<b>THURSDAY, MAY 25, 2023</b>

Our Company may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

## TABLE OF CONTENTS

TITLE	PAGE NOS.
<b>SECTION I – GENERAL</b>	
Definitions and Abbreviations	5
Presentation of Financial, Industry and Market Data	15
Forward Looking Statements	16
<b>SECTION II – SUMMARY OF THE OFFER DOCUMENT</b>	17
<b>SECTION III – RISK FACTORS</b>	21
<b>SECTION IV – INTRODUCTION</b>	
The Issue	34
Summary of Financial Information	35
<b>SECTION V – GENERAL INFORMATION</b>	40
<b>SECTION VI – CAPITAL STRUCTURE</b>	47
<b>SECTION VII – PARTICULARS OF THE ISSUE</b>	
Objects of the Issue	62
Basis for Issue Price	70
Statement of Possible Tax Benefits	73
<b>SECTION VIII – ABOUT US</b>	
Industry Overview	76
Our Business	86
Key Industry Regulations and Policies	103
History and Other Certain Corporate Matters	109
Our Management	114
Our Promoters and Promoter Group	128
Our Group Companies / Entities	133
Related Party Transaction	143
Dividend Policy	144
<b>SECTION IX- FINANCIAL STATEMENTS</b>	
Restated Financial Information	145
Management’s Discussion and Analysis of Financial Condition and Results of Operations	193
Statement of Financial Indebtedness	201
<b>SECTION X- LEGAL AND OTHER INFORMATION</b>	
Outstanding Litigations and Material Developments	203
Government and Other Approvals	208
<b>SECTION XI- OTHER REGULATORY AND STATUTORY DISCLOSURES</b>	212
<b>SECTION XII- ISSUE RELATED INFORMATION</b>	
Terms of the Issue	225
Issue Structure	231
Issue Procedure	234
Restrictions on Foreign Ownership of Indian Securities	263
<b>SECTION XIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION</b>	265
<b>SECTION XIV – OTHER INFORMATION</b>	
Material Contracts and Documents for Inspection	276
DECLARATION	277

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise specified or indicates, requires or implies, shall have the meaning as provided below. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.*

*The words and expressions used in this Red Herring Prospectus but not defined herein shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. If there is any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.*

#### General Terms

Term	Description
Crayons Advertising Limited – Crayons or - We or - us or - our Company or - the Issuer – or - the Company	Unless the context otherwise requires, refers to Crayons Advertising Limited, a company incorporated under the Companies Act, 1956, bearing Corporate Identification Number U52109DL1986PLC024711 and having registered office at NSIC Complex, Maa Anandmayee Marg, Okhla Industrial Estate, Phase- III New Delhi 110020.

#### Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Crayons Advertising Limited, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled – Our Management on page 114 of this Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company, being M/s S S Kothari Mehta & Company, Chartered Accountants, having FRN 000756N.
Board of Directors / Board/ Director(s)	The Board of Directors of Crayons Advertising Limited, including all duly constituted Committees thereof.
Central Registration Centre (CRC)	It's an initiative of Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details please refer <a href="http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html">http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html</a>
Companies Act	The Companies Act, 2013 including provisions of the Companies Act, 1956, to the extent not repealed.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Mr. Gagan Mahajan .
Chief Financial Officer	The Chief Financial Officer of our Company being Mr. Rajat Singhal.
Depositories Act	The Depositories Act, 1956, as amended from time to time.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding equity shares of our Company.
Group Entities	The group entities of our Company, as covered under the applicable Accounting Standards and other companies as considered material by our Board in terms of the Materiality Policy and as set forth in-Group Entities on page 133 of this Red Herring Prospectus.
HUF	Hindu Undivided Family.
Indian GAAP	Generally Accepted Accounting Principles in India.



Terms	Description
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the chapter titled –Our Management on page 114 of this Red Herring Prospectus.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Crayons Advertising Limited.
Non-Residents	A person resident outside India, as defined under FEMA.
NRIs / Non-Resident Indians	A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters or Our Promoters	Mr. Kunal Lalani, Mrs. Vimi Lalani and M/s Vimi Investments and Finance Private Limited are our Promoters.
Promoters Group	The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, which is provided in the chapter titled – Our Promoters Group. For further details refer page 128 of this Red Herring Prospectus.
Registered Office	The Registered office of our company which is located at NSIC Complex, Maa Anandmayee Marg, Okhla Industrial Estate, Phase- III New Delhi 110020.
Restated Financial Statements	The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for the period ended as at December 31, 2022 & year ended on March 31, 2022, 2021 & 2020 and the restated statements of profit and loss and the restated cash flows for the period ended on December 31, 2022 & year ended on March 31, 2022, 2021 & 2020 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
ROC	Registrar of Companies, Delhi and Haryana.
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI (Takeover) Regulations or SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and 2011, as amended from time to time.
Stock Exchange	Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited.
Shareholders	Equity shareholders of our Company, from time to time

## Offer Related Terms

Terms	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Red Herring Prospectus.

Terms	Description
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Red Herring Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank(s).	Collectively, the Escrow Collection Banks(s), Sponsor Bank, Refund Bank(s) and Public Issue Bank, in our case being YES Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 234 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bidding Centres	Centres at which the Designated Intermediaries accepted the ASBA Forms, i.e., Designated Branches of SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being Thursday May 25, 2023, which shall be published in all [•] editions of [•] (a widely circulated English national daily newspaper), all [•] and editions of [•] (a widely circulated Hindi national daily newspaper), (Hindi being the regional language of Delhi, where our Registered Office is located). Our Company, in consultation with the LM, may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchange, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being Monday May 22, 2023 which shall be published in all [•] editions of [•] (a widely circulated English national daily newspaper), all [•] editions of [•] (a widely circulated Hindi national daily newspaper).
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of four Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the Lead Manager may consider closing the Bid/Offer Period for the QIB Portion One Working Day prior to the Bid/Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Offer Opening

Terms	Description
	Date was published, in accordance with the SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the LM, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants.
Designated StockExchange	Emerge Platform of National Stock Exchange of India Limited or NSE EMERGE.
Draft Red Herring Prospectus	Draft Red Herring prospectus filed with NSE EMERGE for obtaining In-Principle approval.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of NSE	The EmERGE Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange.
First/ Sole Applicant	The applicant whose name appears first in the Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be Finalized and below which no Bids will be accepted.
Issue/ Issue Size/ Initial Public Issue/Initial Public Offer/Initial PublicOffering/ IPO	Public Issue of <b>64,30,000</b> Equity Shares of face value of ₹10/- each fully paid of our Company for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakhs by our Company.
Issue Agreement	The agreement dated <b>January 30, 2023</b> between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue, along with the Addendum to Issuer Agreement dated <b>February 15, 2023</b> .
Issue Closing Date	The date on which Issue closes for subscription is Thursday, May 25, 2023.
Issue Opening Date	The date on which Issue opens for subscription is Monday, May 22, 2023.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Red Herring Prospectus being ₹ [●] per Equity Share of face value of ₹10/- each fully paid.
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being ₹ [●].
LM / Lead Manager	Lead Manager to the Issue, in this case being Corporate Capital Ventures Private Limited.



Terms	Description
Listing Agreement	The equity listing agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Maker	Market Makers appointed by our Company from time to time, in this case being SS Corporate Securities Limited having SEBI registration number INZ000219533 who have agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Agreement entered into between the Book Running Lead Manager, Market Maker and our Company dated May 02, 2023.
Market Maker Reservation	The Reserved Portion of 3,22,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue/ Offer	The Issue (excluding the Market Maker Reservation Portion) of 61,08,000 Equity Shares of face value of ₹10/- each of Issuer at ₹ [●] (including share premium of ₹ [●]) per equity share aggregating to ₹ [●].
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled –“Objects of the Issue” beginning on page 62 of this Red Herring Prospectus.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India.
Non-Institutional Applicants	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than ₹ 2,00,000/-
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 trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
Prospectus	The Prospectus, which is filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper, in the language where the registered office of the Company is situated, with wide circulation at least two working days prior to the Bid / Offer Opening Date.
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. YES Bank Limited by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers / QIBs	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 2,500 Lakh, pension fund with minimum corpus of ₹ 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India.
Refund Account	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank	The Bankers to the Offer with whom the Refund Account(s) are opened, in this case being YES Bank Limited.

Terms	Description
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
Registrar Agreement	The registrar agreement dated January 30, 2023 between our Company and Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue along with the Addendum to Registrar Agreement dated February 15, 2023.
Registrar/ Registrar to the Offer	Registrar to the Offer being Skyline Financial Services Private Limited. For more information please refer —General Information on page 40 of this Red Herring Prospectus.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000/-
SCSB	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html</a> or at such other website as may be prescribed by SEBI from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case YES Bank Limited.
Underwriter	Underwriter to this Issue is Corporate Capital Ventures Private Limited.
Underwriting Agreement	The agreement dated May 2, 2023 entered into between Corporate Capital Ventures Private Limited and our Company.
Unified Payments Interface / UPI	The instant payment system developed by the National Payments Corporation of India.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Red Herring Prospectus are open for business 1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Red Herring Prospectus are open for business 2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

#### Conventional Terms / General Terms / Abbreviations

Abbreviation	Full Form
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
Bn	Billion
BRLM	Book Running Lead Manager
BSE	BSE Limited

CAGR	Compounded Annual Growth Rate
Carpet Area	The area of the apartment excluding the thickness of inner walls.
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST Act	Central Goods and Services Tax Act, 2017
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CSR	Corporate Social Responsibility
CST	Central Sales Tax
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's identification
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry Government of India
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFO	Employees' Provident Fund Organization
EPS	Earnings Per Share
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
FTP	Foreign Trade Policy
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HUF	Hindu Undivided Family
IAS Rules	Indian Accounting Standards, Rules 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IGST Act	Integrated Goods and Services Tax Act, 2017
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
IPO	Initial Public Offering

IRDAI	Insurance Regulatory and Development Authority of India
ISO	International Organization for Standardization
IST	Indian Standard Time
KMP	Key Managerial Personnel
Ltd	Limited
MAPIN	Market Participants and Investors Integrated Database
MCA	Ministry of Corporate Affairs, Government of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India(Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NDOH	Next Date of Hearing
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NGT	National Green Tribunal
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NPV	Net Present Value
NRE Account	Non-Resident External Account
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
OPC	One Person Company as defined under section 2(62) of The Companies Act, 2013
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
Plots	Parcel of land demarcated through boundary
PMI	Purchasing Managers' Index
PPP	Purchasing power parity
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rs. /₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
RERA	Real Estate Regulatory Authority
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	Securities and Exchange Board of India

SEBI Act	Securities and Exchange Board of India Act, 1992
Sec.	Section
SGST Act	State Goods and Services Tax Act, 2017
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Super Area	The built up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UGST Act	Union Territory Goods and Services Tax Act, 2017
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI.
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no., SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorise blocking of funds on the UPI mobile or other application equivalent to the Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI PIN	Password to authenticate UPI transaction
VAT	Value Added Tax
VC	Venture Capital
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WIP	Work in process
WHO	World Health Organization
WEO	WEO World Economic Outlook
YoY	Year on Year

### Industry Related Terms

Term	Description
ASCI	Advertising Standards Council of India.
Ad Tech	Advertising Technology
CPL	Cost per lead



CPV	Cost per View
CPE	Cost per engagement
CPI	Cost per Install
CPS	Cost per Sent
CPM	Cost per thousand impressions
CPA	Cost per acquisition
OOH	Out-of-Home Advertisement, Outdoor Advertising or Outdoor Media.

Notwithstanding the foregoing:

1. In the section titled “Main Provisions of the Articles of Association” beginning on page number 265 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
2. In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page numbers 17 and 86 respectively, of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled “Risk Factors” beginning on page number 21 of the Red Herring 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 number 73 of the Red Herring 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 number 193 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Financial Data

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated ‘beginning on page 145 this Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Red Herring 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. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated beginning on page 145 of this Red Herring Prospectus.

### Currency and units of presentation

In this Red Herring Prospectus, references to Rupees 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. Dollars are to United States Dollars, the official currency of the United States of America. All references to million / Million / Mn refer to one million, which is equivalent to ten lacs or ten lakhs, the word Lacs / Lakhs / Lac means onehundred thousand and Crore means ten million and billion / bn./ Billions means one hundred crores.

### Industry and Market Data

Unless stated otherwise, industry data used throughout the Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Red Herring Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

*This space has been left blank intentionally*

## FORWARD LOOKING STATEMENTS

*All statements contained in the Red Herring Prospectus that are not statements of historical facts constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, and other matters discussed in the Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.*

*These forward-looking statements can generally be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:*

- loss of consumers;
- impact of Covid 19 pandemic or any future pandemic;
- general economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- Adverse natural calamities having significant impact on regions where we are having projects under implementation;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to respond to technological changes;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- general social and political conditions in India which have an impact on our business activities or investments;
- potential mergers, acquisitions restructurings and increased competition;
- occurrences of natural disasters or calamities affecting the areas in which we have operations;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to manage our growth effectively;
- our ability to compete effectively, particularly in new markets and businesses;
- changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business; and
- developments affecting the Indian economy;
- Any adverse outcome in the legal proceedings in which we are involved.
- Our ability to attract and retain qualified personnel;
- Volatility of loan interest rates and inflation;
- Inability to protect our IP or any third-party claims in relation to infringement of our existing intellectual property rights or in future
- Inability to cater to the evolving consumer preferences, in India and abroad, in the information technology
- The occurrence of natural disasters or calamities; and
- Failure to successfully upgrade our service portfolio, from time to time.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 21, 86 and 193 respectively of this Red Herring Prospectus.

Forward looking statements reflects views as of the date of the Red Herring Prospectus and not a guarantee of future performance. 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 nor the Lead Manager, nor any of its 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 listing and trading permission is granted by the Stock Exchange.

## SECTION II - SUMMARY OF OFFER DOCUMENTS

### A. SUMMARY OF OUR BUSINESS OVERVIEW

#### OUR COMPANY

Our Company was originally incorporated on July 3, 1986 as a Private Limited Company as “Crayons Advertising and Marketing Private Limited” vide Registration No. 24711 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana. Our company converted from a Private Limited Company to Public Limited Company, pursuant to a special resolution passed by the Shareholders at their Extraordinary General Meeting held on September 16, 2022. Consequently, the name of our Company was changed to ‘Crayons Advertising Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 22, 2022 by the Registrar of Companies, NCT of Delhi and Haryana. The Corporate Identification Number of our Company is U52109DL1986PLC024711.

However various amendments in the name of the company took place between the said period, to know more about such amendments please refer to “*Our History and Certain Other Corporate Matters*” at page no. 109.

#### OUR BUSINESS

Crayons Advertising Limited is a full-fledged innovative advertising solution, operating through offices located at New Delhi, Mumbai, Chennai, Kolkata and Lucknow. Our company is into this business over three decades. We are running this business successfully for over 36 years as we target to provide apt advertising method to our clients, simultaneously aiming the retention of the clients by maintaining long lasting relationships with clients (or brands). We have delivered hundreds of stories in the form advertising campaigns across various media in the past 36 years.

Today, the company provide high-end ecosystem and end-to-end ad-tech communication solutions platform for advertising media services consisting of print media, electronic media, outdoor media services which covers advertisement modes such as newspapers, brochures, magazines, television channels, FM channels and display of outdoor hoardings etc. The team of talented and passionate creatives at Crayons are capable of handling projects of any scale and complexity as they have experience in the advertising domain.

For detailed information on the business of our Company please refer to “Our Business” beginning on page numbers 86 of this Red Herring Prospectus.

#### SUMMARY OF OUR INDUSTRY

##### Global Advertising Industry

The global advertising market reached a value of US\$ 590.3 Billion in 2021. Looking forward, IMARC Group expects the market to reach US\$ 792.7 Billion by 2027, exhibiting a CAGR of 5.2% during 2022-2027. Keeping in mind the uncertainties of COVID-19, we are continuously tracking and evaluating the direct as well as the indirect influence of the pandemic on different end use industries. These insights are included in the report as a major market contributor.

(Source: <https://www.statista.com/topics/990/global-advertising-market/#dossierKeyfigures> )

##### Indian Advertising Industry

The Indian advertising market was valued at nearly INR 670 billion in 2020. The market is further expected to grow at a CAGR of 11% during the forecast period of 2022-2027 to reach INR 1253.2 billion by 2026. The Indian advertising market will remain the fastest-growing in the world over the next two years, a new report by Dentsu International, said. With a growth rate of 16 per cent in 2022 and ad spending that will increase by 15.2 per cent in 2023 and 15.7 per cent in 2024.

(Source: <https://www.expertmarketresearch.com/reports/indian-advertising-market> )

For detailed information on the industry please refer to “Our Industry” beginning on page numbers 76 of this Red Herring Prospectus.

## B. PROMOTERS

The promoters of our Company are Mr. Kunal Lalani, Mrs. Vimi Lalani and M/s Vimi Investments and Finance Private Limited.

For detailed information please refer chapter titled Our Promoters and Our Promoter Group on page number 128 respectively of this Red Herring Prospectus.

## C. ISSUE SIZE

The Issue size comprises of fresh issuance of up to 64,30,000 Equity Shares of face value of ₹ 10/- each fully paid-up of the Company for cash at price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●].

## D. OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

Sr. No.	Particulars	Amount (In ₹. Lakh)
1.	Funding of working capital requirements of the Company	1452.46
2.	Capital expenditure on infrastructure and cutting-edge technology for expansion	1529.50
3.	General Corporate Purposes*	[●]
<b>Total</b>		[●]

\*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.

## E. PRE-ISSUE SHAREHOLDING

S. N.	Name of shareholder	Pre issue		Post issue	
		No. of equity Shares	As a % of Issued Capital	No. of equity Shares	As a % of Issued Capital
Promoters					
1	Mr. Kunal Lalani	43,90,160	24.39%	43,90,160	17.97%
2	Mrs. Vimi Lalani	22,00,800	12.23%	22,00,800	9.01%
3	M/s Vimi Investments and Finance Pvt Ltd	1,13,40,000	63.00%	1,13,40,000	46.42%
Total – A		1,79,30,960	99.62%	1,79,30,960	73.40%
Promoter Group					
4	Mr. Vishal Lalani	24,000	0.13%	24,000	0.10%
5	Mr. T.M. Lalani	800	0.004%	800	0.00%
Total – B		24,800	0.13%	24,800	0.10%
Public					
6	Existing Shareholders	44,240	0.25%	44,240	0.18%
7	IPO	0	0	64,30,000	26.32%
Total-C		44,240	0.25%	64,54,240	26.50%
Grand Total (A+B+C)		1,80,00,000	100%	2,44,30,000	100%

## F. SUMMARY OF FINANCIAL INFORMATION

(Amount in Lakhs)

Particulars	For period ended on December 31, 2022	For the year ended March 31		
		2022	2021	2020
Share Capital	1800.00	225.00	225.00	225.00
Net Worth	4,991.03	3,723.95	3,562.61	3,549.64
Revenue (total income)	20,374.52	19,404.97	10,661.22	16,367.65
Profit after Tax	1267.08	161.34	12.97	116.57
Earnings per share Basic and Diluted	7.04	0.9	0.07	0.65



<b>Net Asset Value per Equity Share*4 (in ₹.)</b>	27.73	20.69	19.79	19.72
<b>Total borrowings</b>				
<b>- Long Term</b>	179.94	352.42	952.59	1336.76
<b>- Short Term</b>	635.68	608.15	580.27	191.40

*\*Note*

1. December 31, 2022 figures are not annualized.

2. The NAV is calculated on the basis of face value of each Equity Shares of Rs. 10/-.

3. The number of Equity Shares are considered as on date of this Red Herring Prospectus, the number of Equity Shares are 1,80,00,000.

4. Restated NAV per share, considering 1,80,00,000 Equity Shares.

## G. QUALIFICATIONS OF AUDITORS

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

## H. SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided Below:

Name	By/Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by regulatory authorities	Amount Involved (Rs.)
<b>Company</b>	<b>By</b>	3	1	-	-	25,21,56,142
	<b>Against</b>	-	-	-	-	-
<b>Promoter</b>	<b>By</b>	-	-	-	-	-
	<b>Against</b>	-	-	-	-	-
<b>Group Companies/Entities</b>	<b>By</b>	-	-	-	-	-
	<b>Against</b>	-	-	-	-	-
<b>Directors other than promoters</b>	<b>By</b>	-	-	-	-	-
	<b>Against</b>	-	-	-	-	-

For further details, please refer chapter titled “Outstanding Litigations & Material Developments” beginning on page 203 of this Red Herring Prospectus.

## I. RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” beginning on page 21 of this Red Herring Prospectus.

## J. SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As on the date of filing this Red Herring Prospectus there is no contingent liability other than that mentioned in “Financial Statements”, as Restated ‘beginning on page 145 this Red Herring Prospectus on the Company.

## K. SUMMARY OF RELATED PARTY TRANSACTIONS

For details of Related Party Transaction, please refer Note – 33 in “Financial Statements” as Restated ‘beginning on page no. 183 of this Red Herring Prospectus.

## L. FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months

immediately preceding the date of this Red Herring Prospectus.

**M. WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTERS IN LAST ONE YEAR**

Name of the Promoter and Promoter Group	No. of Shares held	Average cost of Acquisition (in ₹.)
Mr. Kunal Lalani	3,841,390	0.00
Mrs. Vimi Lalani	1,925,700	0.00
M/s Vimi Investment and Finance Private Limited	9,940,000	0.00

\* Only the shares acquired are considered, the above shares have been acquired through Bonus Issue.

**N. AVERAGE COST OF ACQUISITION**

The average cost of acquisition per Equity Share to our Promoters as at the date of this Red Herring Prospectus is:

Name of the Promoter and Promoter Group	No. of Shares held	Average cost of Acquisition (in ₹.)
Mr. Kunal Lalani	43,90,160	Rs. 0.81
Mrs. Vimi Lalani	22,25,250	Rs. 1.35
M/s Vimi Investment and Finance Private Limited	1,13,60,000	Rs. 1.25

\* Only the shares acquired are considered.

**O. DETAILS OF PRE-ISSUE PLACEMENT**

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

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

Further our Company has also issued 1,57,50,000 equity shares as bonus issue at Extra Ordinary General Meeting dated December 14, 2022, followed by allotment of the said shares at the meeting of the Board of Directors on December 15, 2022.

For more details, refer –Capital Structure on page number 47 of this Red Herring Prospectus.

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

The Company has not consolidated its equity shares in the last one (1) year.

**R. EXEMPTION FROM COMPLYING SECURITIES LAWS**

No, our company has not been granted any such exemption.

*This space has been left blank intentionally*

### SECTION III- RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 86 and 193, respectively, of this Red Herring Prospectus as well as the other financial and statistical information contained in this Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page number 145 of this Red Herring Prospectus.*

*If any one or more of the following risks as well as other risks and uncertainties discussed in the Red Herring Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India, and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.*

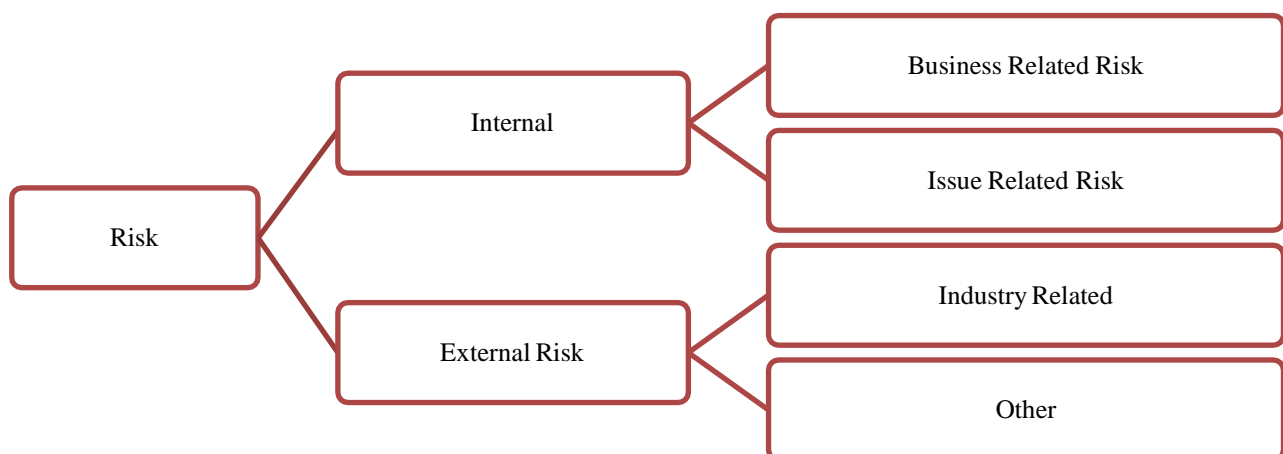
*This Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Red Herring Prospectus. These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

#### Materiality

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

1. *Some events may not be material individually but may be material when considered collectively.*
2. *Some events may have an impact which is qualitative though not quantitative.*
3. *Some events may not be material at present but may have a material impact in the future.*

#### Classification of Risk Factors



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

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

## INTERNAL RISK FACTORS

- 1. There may be potential conflict of interests between Our Company and few of its Group Companies and other venture or enterprises promoted by our promoter or directors.***

The main business object/activities of our group companies/entities viz, Coeus Communications India LLP, All White Communication LLP, Ultraviolet Digital Solutions LLP and Omni Media Communications Private Limited also permit them to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Conflicts of interests may arise in allocating business opportunities between our Company and our Group Companies/Entities activities in circumstances where our respective interests diverge. Further, our Group Companies are allowed to carry on activities as per its MOA, which are similar to the activities carried by our Group. Further, our Promoter Mr. Kunal Lalani and Mrs. Vimi Lalani and their immediate relatives are Directors/Designated Partners on the board of our Group Companies/LLP. This may be a potential source of conflict of interest in addressing business opportunities, strategies, implementing new plans and affixing priorities. In cases of conflict, our Promoter may favour other companies in which our Promoter have interest.

- 2. Our promoters are also the promoters of “Mega Corporation Limited” which is presently listed at BSE Limited, there is very less trading in the equity shares of the company.***

Our promoters are also the promoters of Mega Corporation Limited (MGL), there is minimal trading in the equity shares of the MGL and also the price remains to be stable for a long time now. Further, SEBI issued a show-cause notice for violation of Regulations 3(a), (b), (c) & (d) and 4(1), 4(2)(k) & 4(2)(r) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 was issued, alleged that the company made huge profits from undeclared business and the Company manipulated its profits by selling shares through orchestrated deals. After that SEBI passed an order dated February, 2008 to restrain Mega Corporation Limited from accessing Capital Market in any manner whatsoever for a period of one year (1 year) and Shri Kunal Lalani, Shri Himanshu Mehta and Shri Surendra Chhalani, directors of the company are hereby restrained from buying, selling or otherwise dealing in securities, in any manner, for a period of one year (1 year). MGL has filed an appeal against the SEBI, SAT set aside the final order of SEBI dated 28.02.2008. SEBI filed an appeal to the Supreme Court on December 19, 2008. After Several rounds of Hearings, the Hon'ble Supreme Court had set aside the appeal which was filed by SEBI via order dated March 25, 2022. As not much time has lapsed since the order date we cannot assure you if the promoters will make any developments in the business of the MGL post this quashing of SEBI appeal.

- 3. Our Company has been Debarred by Government of Bihar, Information and Public Relations Department.***

In the year 2018, the Department of Information and Public Relations, Government of Bihar had given a work order to Crayons Advertising Limited for the dissemination of Gandhiji's message, a film made on his life and his thoughts through a publicity vehicle, concerned regional officers found some errors on crayons part. Then, the Government of Bihar in its meeting held 29.05.2018, discussed the work order given to the Crayons and work performed by the Crayons, the concerned regional officers complained about the work not being satisfactory, as a result it was decided to take action against the company and further a debarment order was released on 13/08/2019. In this Regard the Crayons filed a Petition to the Hon'ble High Court of Patna, later the same petition withdrawn with liberty to file afresh before the appropriate authority.

Sr. No.	Case No.	Court	Case Type	Amount Involved	Petitioner	Respondent	Facts of the case	Status of Litigation
	CWJC NO. 4074 OF 2021	PATNA HC	CIVIL WRIT	NA	Crayons Advertising Private Ltd.	IPRD BIHAR	Company has been debarred by Government of Bihar, Information and Public Relations Department	Petition withdrawn with liberty to file afresh before the appropriate authority.  Company is still under Black list.

As of now, Company requested to the Hon'ble Principal Secretary, Information and Public Relations Department, Patna, Government of Bihar, through the letter dated February 06, 2023, for reconsideration regarding debarment and blacklisting order against our company. Through that letter, company had requested to reconsider and cancel the decision of debarring and

blacklisting to the company keeping in mind company being debarred for more than 3 years, requesting that the punishment should always be for a specified period and not for eternity.

**4. Our Company does not have any documentary evidence for the educational qualifications for some of our directors.**

Following are the directors of our company, who are unable to trace their educational Degrees/Certificates. Below in the table, we have provided the qualification achieved by our directors. However, educational documents were misplaced and were not made available for diligence purpose, FIRs with their respective police station has been filed on respective dates as provided below. For further details, please refer to the chapter titled “Our Management” on page 114 of this Red Herring Prospectus.

Sr. No.	Name of Directors	Designation	Qualification	FIR with Police station and Date
1.	Mr. Kunal Lalani	Chairman and Managing Director	Matriculate (Secondary School)	With Crime Branch of Delhi police on February 14,2023
2.	Mr. Hulasmal Lalani	Director	Matriculate (Secondary School)	With Crime Branch of Delhi police on February 14,2023
3.	Mrs. Vimi Lalani	Director	South Delhi Polytechnic 3-year Diploma in Commercial Art Certificate- 1988 and Aptech 6monthAdvance Multimedia Course Certificate- 2004	With Crime Branch of Delhi police on February 09,2023
4.	Mr. Atul Jeevandhar kumar Hegde	Director	Graduate from University of Mumbai	With Crime Branch of Delhi police on February 15,2023
5.	Mr. Surendra Kumar Pagaria	Independent Director	Graduate Certificate from St. Xaviers College	With Chetla Police Station on February 08,2023

**5. Non availability of secretarial records of the company filed with ROC since incorporation and non-updating of recent records at MCA.**

Since the company was incorporated in 1986, it is not possible to trace all secretarial records since incorporation. We are unable to trace copies of certain records. We cannot assure you that the filings were made in a timely manner and so, we shall not be subject to any penalty imposed by the regulatory authorities in this respect.

Although we have received the search report from Practicing Company Secretary Mr. Suryakant Gupta having certificate of practice no. 10828 dated February 9,2023 for ascertainment of information and reconciliation of secretarial data and records of the company.

**6. Losses occurred by Group Companies.**

There have been instances in the past few years, where few of the group entities had incurred losses. Please refer to the title “Our Group Entities” on page No. 133.

**7. We do not own the premises in which our registered office and branch office are located and the same are on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.**

Our Registered Office is presently located at NSIC Complex, Maa Anandmayee Marg, Okhla Industrial Estate, Phase - III, New Delhi – 110020 and we also have a several branch offices as elaborated on the page no. 109. All the premises where our registered office and branch offices are located are not owned by our Company. All these premises were taken on lease from independent entities on a monthly rental basis for a period ranging between 1 to 5 years.

Unless it is renewed, upon termination of the lease, we are required to return the premises of our registered office and branch office to the Lessor/Licensors. There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensors terminates or does not renew the agreements, we are required to vacate the said premises where operational activities are carried out. In such a situation, we have to identify and take alternative premises and enter into fresh lease or leave and license agreement at less favorable terms and conditions to shift our registered office and operations. Such a situation could result in time overruns and may adversely affect our operations temporarily.



**8. Advertising business is dependent on availability of space or sites for publishing of ads or displaying the hoardings with the media agency. Any significant increase in the prices of such ad space or sites or nonavailability of such ad space or sites may adversely affect our business and results of operations.**

Our main requirement for advertisement in the print media, electronic media and outdoor media is dependent on the availability of ad space in that particular media such as availability of particular space in newspapers or spot time in broadcasting radio stations or availability of space at particular hoarding sites on which client wants to publish/display the advertisements. We procure these spots, spaces or sites on rents/ lease from respective publication houses, radio stations and agencies, whenever there is a requirement. As on date of Red Herring Prospectus, we do not have any long term tie up or have not entered into any agreements with any such agencies. Any non-availability of these space/sites for whatever reason, could adversely affect our sales and profitability. Further, any price volatility of these space/sites and our inability to adjust to the same could adversely affect results of our operations and profitability.

**9. Our company has given unsecured loan payable on demand to the group companies.**

Our company has entered into transactions of giving unsecured loans to its group entities, we cannot assure about the repayment ability of the receiver, further we cannot assure you, if such transactions of providing unsecured loan to group entities will take place in future also. For further details, please refer “Note No.33 of restated financial statements beginning on page 183 of this Prospectus.

**10. Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.**

We have experienced negative cash flows in the past which have been set out below:

Particulars	December 31,2022	March 31, 2022	March 31, 2021	March 31, 2020
Net cash flow used in operating activities	(1259.07)	988.43	(191.68)	(1071.16)
Net cash flow used in investing activities	(41.34)	1164.20	119.61	684.76
Net cash flow used in financing activities	(189.46)	(684.42)	(135.56)	(166.97)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, please refer “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 145 and 193, respectively.

**11. There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies and taxation authorities.**

In the past, there have been some instances of delays in filing statutory forms with the RoC such as MGT- 14, SH-7, INC-27, CHG-1, DIR-12, ADT-1 with the additional fees. Also, we have delayed in filing few of our GST returns, TDS Returns, EPF returns with the concerned offices on several instances and have accordingly been subjected to penalty and charged with interest for delayed deposit of tax on various instances.

Further with the expansion of our operations there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

**12. Majority of our statewide revenues from operations for the last 3 years and up to the December 2022 is dependent majorly on Delhi. Any loss of business from may adversely affect our revenues and profitability.**

Geographical distribution of our revenue bifurcated on page no. 98 of the red herring prospectus, Majority of statewide revenue contributed from Delhi i.e 64.42%, 61.03%, 37.72% and 55.02% of our revenues for the period ended December 31, 2022 and for the year ended March 31, 2022, 2021 and 2019. Larger contracts from Delhi may represent a larger part of our portfolio. Such concentration of revenue in Delhi may have an adverse effect on drastic change in Taxes and other levies imposed by State Government as well as other financial policies and regulations, Political and deregulation policies could seriously harm business and economic conditions. However, the composition and revenue generated from various states might change as we continue to add new customers in the different parts of India.

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

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

**14. *Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.***

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. We will be applying for certain approvals relating to our business. If we fail to maintain such registrations and licenses or comply with applicable conditions, or a regulatory authority claims we have not complied, with these conditions, our certificate of registration for carrying on a particular activity may be suspended and/or cancelled and we will not then be able to carry on such activity. This could materially and adversely affect our business, financial condition, and results of operations. We cannot assure you that we will be able to obtain approvals in respect of such applications or any application made by us in the future. For more information about the licenses required in our business and the licenses and approvals applied for, please refer “Government and Other Approvals” on page 208 of this Red Herring Prospectus, respectively.

**15. *We are dependent on a number of key employees, including our senior management, and the loss of or our inability to attract or retain such persons with specialized technical know-how could adversely affect our business, results of operations, cash flows and financial condition.***

Our performance depends largely on the efforts and abilities of our senior management and other senior management, including our present officers who have creative minds, specialized technical know-how. The inputs and experience of our senior management and key managerial personnel are valuable for the development of our business and operations strategy. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Our ability to retain experienced staff members as well as senior management will in part depend on our maintaining appropriate staff remuneration and incentive schemes in accordance with then prevailing private sector industry standards. We cannot assure you that the remuneration and incentive schemes we have in place will be sufficient to retain the services of our senior management and skilled employees.

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

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in his present position, we may not be able to replace them easily or at all. Our Promoters, have over the years-built relations with various customers and other persons who are form part of our stakeholders and are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

**17. *We have issued Equity Shares during the last one year from the date of filing of this Red Herring Prospectus at a price that is below the Issue Price.***

During the last one year from the date of filing of this Red Herring Prospectus we have issued Equity Shares at a price that is lower than the Issue Price as detailed in the following table

Sr. No.	Name of shareholders	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment
1.	Kunal Lalani	38,41,390	10	NIL	December 15, 2022	Bonus
2.	Vimi Lalani	19,25,700	10	NIL	December 15, 2022	Bonus

3.	M/s Vimi Investments & Finance Pvt. Ltd.	99,40,000	10	NIL	December 15, 2022	Bonus
4.	Vishal Lalani.	21,000	10	NIL	December 15, 2022	Bonus
5.	Hulas Mal Lalani	12,810	10	NIL	December 15, 2022	Bonus
6.	Rachna Bothra	8,400	10	NIL	December 15, 2022	Bonus
7.	Todar Mal Lalani	700	10	NIL	December 15, 2022	Bonus
	<b>Total</b>	<b>1,57,50,000</b>				

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

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans/ facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 815.62 lakhs as on December 31, 2022. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the “Financial Indebtedness” please refer to page 201 of this Red Herring Prospectus.

**19. We rely on third parties for providing our services, including designers, purchase of media and other material required for our advertising business.**

Our offering of services includes Digital marketing, Ground events/activations, Events Management, Outdoor Media (OOH), Print Media, etc. We do not own any of the media and we do not keep inventory of any media on our own. We plan to buy media for our clients as per the timing of their requirements. We book or buy the media from our various vendors. Further we also take services of and are dependent on third party designers, campaign management companies and other media suppliers for delivery of efficient services to our clients. Our operating expenses include the purchase of third party services and purchase of media and material required. The operating expenses accounted for 99.34 %, 98.95 %, 97.75% and 97.662% of total expenses for the 9 months period ended December 31, 2022 and Fiscals 2022, 2021 and 2020 respectively. If we are not able to obtain the media at all or obtain the media in cost effective manner could have an adverse effect on our income and profitability. We have included Advertising and job work costs, Employee Benefit Expenses and other Expenses while calculating Operating Expenses.

**20. Our Promoters will continue to retain majority control over our Company even after the Issue which will allow them to determine the outcome of matters submitted to shareholders for approval.**

Post this Issue, our Promoters will collectively own 73.40% of our post issue equity share capital. As a result, our Promoters will continue to exercise a significant degree of influence over the Company 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, 2013 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 other 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.

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

Our top ten (10) clients contributed approximately 73.17% of our revenue from operations based on Restated Financial Statements for the period ended December 31, 2022. To increase our revenue and cash flows, we must regularly add new clients. If we are unable to generate sufficient sales leads through our marketing programs, or if our existing or new clients do not perceive our services to be of sufficiently high value and quality, we may not be able to increase sales and our operating results would be adversely affected. In addition, our existing clients have no obligation to repeat contracts / new projects to us due to various factors including clients satisfaction with our services, collection of data and information as desired by our clients, our prices and the prices of competing service providers. If we fail to achieve repetitive projects from existing clients or to add new clients, our operating results will suffer, and our revenue growth, cash flows and profitability may be materially and adversely affected.

**22. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.**

We have entered into related party transactions with our Promoters & their relatives, Promoter Group, Entities promoted by our promoters, Group Entities and Directors. For details of these transactions, please refer "Related Party Transactions" on page 183.

We cannot assure you that we will be able to maintain the terms of such transactions or in the event that we enter future transactions with related parties, that the terms of the transactions will be favourable to us. Additionally, while it is our belief that all our related party transactions have been conducted on an arm's-length basis, we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. We may also enter related party transactions in the future, which could involve conflicts of interest, although going forward, all related party transactions that we may enter will be subject to audit committee or board or shareholder approval, as applicable, as under the Companies Act, 2013 and the SEBI (LODR) Regulations. As such, we can provide no assurance that these transactions will not adversely affect our business, results of operation, cash flows and financial condition.

**23. *If we are unable to maintain and enhance our brand and reputation, the sales of our services may suffer which would have a material adverse effect on our business operations.***

Our business depends significantly on the strength of our brand and reputation in marketing and providing our services. We

also believe that maintaining and enhancing the “” brand, are critical to maintaining and expanding our customer base. We believe that continuing to develop awareness of our brand, through focused and consistent branding and marketing initiatives is important for our ability to increase our sales volumes and our revenues, grow our existing market share and expand into new markets.

Also, we do not have any control over the registration of a trademark and a trademark may also be opposed by third parties that claim to have prior or superior rights. Such actions are not within our control and can severely impact business and may result in requirement to undertake rebranding exercises, all of which result in additional costs for us and could also impact our reputation. We routinely monitor third party trademarks, including domain names, by keeping a check on the use of our trademarks. However, it is possible that we are not aware of misuse of our trademarks and this could potentially cause loss of our reputation, which could impact our business and may even affect our goodwill.

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

Our Company has obtained insurance coverage in respect of certain risks. For further details in relation to our Insurance, please refer to the section titled – Insurance in the chapter titled “Our Business” beginning on page 86 of this Red Herring Prospectus. This insurance policies are renewed periodically to ensure that the coverage is adequate, however, our insurance policies do not cover all risks. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled “Our Business” beginning on page 86 of this Red Herring Prospectus.

**25. *Our Company is involved in certain legal proceeding(s) and potential litigations. Any adverse decision in such proceeding(s) may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.***

We are involved in few legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A classification of these legal and other proceedings are as follows:

A summary of pending legal proceedings and other material litigations is provided below:

Name	By/Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by regulatory authorities	Amount Involved (Rs.)
Company	By	3	1	-	-	25,21,56,142
	Against	-	-	-	-	-
Promoter	By	-	-	-	-	-
	Against	-	-	-	-	-
Group Companies/Entities	By	-	-	-	-	-

	Against	-	-	-	-	-
Directors other than promoters	By	-	-	-	-	-
	Against	-	-	-	-	-

Further attention is drawn to the closed case whose details are given under chapter titled “Outstanding Litigations & Material Developments” beginning on page 203 of this Red Herring Prospectus.

**26. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same.**

The objects of the Issue have not been appraised by any bank or financial institution. These are based on management estimates and current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of the industry, we may have to revise our management estimates and consequently our funding requirements may also change. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

**27. We have not entered into any long-term contracts with any of our clients.**

We do not have any long-term contracts with our clients and any change in the business pattern of our existing clients could adversely affect the business of our Company. As a result, our customers can terminate their relationships with us due to a change in preference or any other reason on immediate basis, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products and services. Our Company's customers have no obligation to work with us and may either cancel, reduce, or delay the business. The business by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, fluctuation in demand for our Company's products, customer's inventory management, amongst others. Although we have satisfactory business relations with our clients and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability. Although, we have a strong emphasis on quality, timely delivery of our assignments and personal interaction by the senior management with the customers and suppliers, any change in the buying pattern of buyers and preferences of suppliers can adversely affect the business and the profitability of our Company.

**28. Promoters who are directors as well, hold Equity Shares in our Company and are therefore interested in our company performance in addition to their remuneration and reimbursement of expenses.**

Our Promoters who are directors as well are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For details on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see the sections titled “Our Management” and “Our Promoters and Promoter Group” on pages 114 and 128 respectively of this Red Herring Prospectus.

**29. We may be unable to respond to changes in consumer demands and market trends in a timely manner.**

Our success depends on our ability to identify, originate and define product/services and market trends, both on a pan India, international and more local level, as well as to anticipate, gauge and react to rapidly changing consumer demands in a timely manner. Our advertising strategies must also appeal to a broad range of customers whose preferences may vary significantly across regions and cannot be predicted with certainty. We cannot assure you that the demand for our services with end-consumers will continue to grow or that we will be able to continue to develop appealing styles or meet rapidly changing consumer demands in the future. If we misjudge the market or fail to anticipate a shift in consumer preferences, we may be faced with a reduction in revenues. Any inability to respond to changes in consumer demands and market trends in a timely manner could have a material adverse effect on our business, financial condition and results of operations.

**30. If we are unable to attract new customers or our existing customers do not allocate a greater portion of their marketing spend to us, our revenue growth will be adversely affected.**

To sustain or increase our revenue, we must add new customers and encourage existing customers to allocate a greater portion



of their marketing spend to us. As our industry matures and competitors introduce lower cost or differentiated products or services, our ability to sell our solution could be impaired. Even after a successful marketing campaign or series of campaigns with an existing customer, we frequently must compete to win further business from that customer. We may reach a point of saturation where we cannot continue to grow our revenue from existing customers because of, among other things, internal limits that they may place on their advertising budgets for digital media, particular digital marketing campaigns, local advertising or a particular provider. If we are unable to attract new customers or obtain new business from existing customers, our revenue, growth and business will be adversely affected.

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

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, please refer “Dividend Policy” on page 144 of this Red Herring Prospectus.

Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company may enter into future, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details regarding our dividend policy, please see “Dividend Policy” on page no 144 of this Red Herring Prospectus.

**32. *The average cost of acquisition of Equity Shares by our Promoters, is lower than the Issue Price of Equity Share.***

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this Red Herring Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page no. 20 of this Red Herring Prospectus.

**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 the equity shares has been based on many factors and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled “Basis for Issue Price” beginning on page 70. 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.

**34. *The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we were not required to incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management’s attention may be diverted from other business concerns, which could have an adverse effect on our business and operations.

There can be no assurance that we will be able to satisfy our reporting obligations. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange, if any, could lead to imposition of penalties, including suspension of trading in shares of the Company.

**35. *Our operations could be adversely affected by disputes with employees.***

We believe we maintain good relationships with our workforce, there can be no assurance that the Company will not experience future disruptions to its operations due to disputes or other problems with its work force.

**36. *Interest rate fluctuations may adversely affect the Company’s business.***



The Company may enter into certain borrowing arrangements to finance its capital requirements in the ordinary course of business for general working capital purposes. In the event interest rates increase, the Company's costs of borrowing will increase, and its profitability and results of operations may be adversely affected.

**37. *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. SS Corporate Securities Limited is acting as Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Maker, please refer to the section titled —General Information – Details of the Market Making Arrangement, for this Issue beginning on page 45.

**ISSUE RELATED RISK**

**38. *We have issued Equity Shares in the last twelve months at price lower than the Offer Price.***

Our Company has issued 1,57,50,000 Equity shares during the last 6 months on Bonus Issue and Preferential Basis as explained in detail in Chapter title “Capital Structure” on page 47 of this Red Herring Prospectus. These Equity Shares has been issued at a price which are lower than the offer price of this Issue.

**39. *We cannot assure you that our equity shares will be listed on the NSE Emerge in a timely manner or at all, which may restrict your ability to dispose of the equity shares.***

Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the equity shares proposed to be offered through this Red Herring Prospectus listed on NSE Emerge platform in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the Emerge platform of NSE Limited in a timely manner or at all, which may restrict your ability to dispose of the equity shares. However, even in such circumstances, the Company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

**40. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

**41. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to our Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;

- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

**42. *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 has been determined by book building method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 70 of this Red Herring 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.

**43. *Within the parameters as mentioned in the chapter titled "Objects of this Issue" beginning on page 61 of this Red Herring Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

The deployment of funds as stated in the Objects of the Issue beginning on page 62 of this Red Herring Prospectus is entirely at our discretion and is not subject to monitoring by any independent agency. All the figures included under the Objects of the Issue are based on our own estimates. There has been no independent appraisal of the project. We have not entered into any definitive agreements to utilize a portion of the Issue.

## EXTERNAL RISK FACTORS

**44. *Changes in Government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**46. *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:

- Custom duties on imports of raw materials and components;
- Goods and Service Tax

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

**47. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**48. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Red Herring Prospectus.***

While facts and other statistics in the Red Herring Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled *“Industry Overview”* beginning on page 76 of this Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**49. *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.

**50. *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, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the 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.

**51. *The extent and reliability of Indian infrastructure could adversely affect our Company’s results of operations and financial condition.***

India’s physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or

disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company normal business activity. Any deterioration of India physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

***52. 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.

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

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

***54. 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 terrorist attacks in India, other incidents such as those in US, Indonesia, Madrid and London, 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.

*This place has been left blank intentionally*

## SECTION IV- INTRODUCTION

### THE ISSUE

PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS	
<b>Offer for Equity Shares*</b>	Up to 64,30,000 Equity Shares aggregating to ₹ [●] Lakhs
Public Offer of Equity Shares by our Company	
<b>The Offer consists of:</b>	
<b>Fresh Issue</b>	64,30,000 Equity Shares aggregating to ₹ [●] Lakhs
<b>of which</b>	
<b>Reserved for the Market Makers</b>	3,22,000 Equity Shares aggregating to ₹ [●] Lakhs
<b>Net Offer to the Public</b>	61,08,000 Equity Shares aggregating to ₹ [●] Lakhs
<b>Out of which</b>	
<b>A. QIB Portion*3</b>	Not more than [●] Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(a) Anchor Investor Portion	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion))	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>B. Non-Institutional Category*3</b>	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>C. Retail Portion*3</b>	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Offer</b>	1,80,00,000 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Offer</b>	2,44,30,000 Equity Shares of face value of ₹10 each
<b>Objects of the Offer/ Use of Offer Proceeds</b>	Please see the chapter titled “Objects of the Issue” on page 62 of this Red Herring Prospectus for information about the use of Net Proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

**Notes: -**

1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.

2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 01, 2023.

3) \*The allocation in the net issue to the public category shall be made as per the requirements of Regulation 253(1) of SEBI ICDR regulations, as amended from time to time. Our Company in consultation with the BRLMs may allocate as follows-

- Not less than thirty-five per cent. to retail individual investors;
- Not less than fifteen per cent. to non-institutional investors
- Not more than fifty percent. to qualified institutional buyers, five percent. of which shall be allocated to mutual funds:  
Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in any other category:  
Provided further that in addition to five percent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.

For further details, please see the section entitled “Issue Structure” or “Issue Procedure” on page 231 or 234. Allocation to all categories shall be made in accordance with SEBI ICDR Regulations.

**SUMMARY OF OUR FINANCIAL INFORMATION**  
**RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Lacs)

Particulars	Annexure No.	As at 31-Dec-2022	As at 31-Mar-2022	As at 31-Mar-2021	As at 31-Mar-2020
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
(a) Share Capital	3	1,800.00	225.00	225.00	225.00
(b) Reserves and surplus	4	3,191.03	3,498.95	3,337.61	3,324.64
<b>Total shareholders' funds</b>		<b>4,991.03</b>	<b>3,723.95</b>	<b>3,562.61</b>	<b>3,549.64</b>
<b>Non-Current Liabilities</b>					
(a) Long Term Borrowings	5	179.94	352.42	952.59	1,336.76
(b) Long term Provisions	6	171.30	166.50	170.36	215.59
<b>Total non- current liabilities</b>		<b>351.24</b>	<b>518.92</b>	<b>1,122.95</b>	<b>1,552.35</b>
<b>Current Liabilities</b>					
(i) Short Term Borrowings	7	635.68	608.15	580.27	191.40
(ii) Trade Payables	8				
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,793.48	5,821.81	4,417.00	6,177.16
(iii) Other current liabilities	9	4,191.05	2,028.55	959.60	1,719.97
(iv) Short-term provisions	10	30.68	24.09	22.34	27.51
<b>Total current liabilities</b>		<b>7,650.89</b>	<b>8,482.60</b>	<b>5,979.21</b>	<b>8,116.04</b>
<b>TOTAL</b>		<b>12,993.16</b>	<b>12,725.47</b>	<b>10,664.77</b>	<b>13,218.03</b>
<b>ASSETS</b>					
<b>Non - Current Assets</b>					
(a) Property, Plant and Equipment's	11	352.25	582.72	653.90	757.31
(b) Intangible Assets	11A	5.60	7.23	6.63	6.82
(c) Non-current investments	12	834.49	1,136.36	1,850.96	1,879.65
(d) Deferred tax assets (net)	13	113.86	111.31	109.68	125.58
(e) Long-term loan and advances	14	816.98	946.37	544.95	1,160.23
(f) Other non-current assets	15	289.35	226.72	326.63	296.66
<b>Total non- current assets</b>		<b>2,412.53</b>	<b>3,010.71</b>	<b>3,492.75</b>	<b>4,226.25</b>
<b>Current Assets</b>					
(a) Trade Receivables	16	4,521.35	5,902.13	6,010.55	7,554.52
(b) Cash and bank balances	17	316.11	1,784.80	306.90	587.03
(c) Short-term loans and advances	18	2,682.83	1,830.81	682.47	711.90
(d) Other current assets	19	3,060.34	197.02	172.10	138.33
<b>Total current assets</b>		<b>10,580.63</b>	<b>9,714.76</b>	<b>7,172.02</b>	<b>8,991.78</b>
<b>TOTAL</b>		<b>12,993.16</b>	<b>12,725.47</b>	<b>10,664.77</b>	<b>13,218.03</b>



<b>Significant accounting policies</b>	2	
The accompanying notes form an integral part of restated financials statements		

**As per our report of even date attached**

**For and on behalf of the Board of Directors of  
Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)**

**For S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm registration no. 000756N

**Kunal Lalani**  
Managing Director  
DIN No. 00002756

**H.M Lalani**  
Director  
DIN No. 00257693

**Amit Goel**  
Partner  
Membership No. 500607

**Rajat Singhal**  
Chief Financial Officer  
PAN No. BGGPS6160L

**Neelu Prajapati**  
Company Secretary  
Membership No. 43403

Place: New Delhi  
Date: April 25, 2023

# RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Rs. in Lacs)

Particulars	Annexure No.	Year Ended 31-Dec-2022	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021	Year Ended 31-Mar-2020
<b>INCOME</b>					
(a) Revenue from operations		19,901.18	19,252.59	10,496.62	16,100.04
(b) Other income	20	473.34	152.38	164.60	267.61
<b>Total Revenue</b>		<b>20,374.52</b>	<b>19,404.97</b>	<b>10,661.22</b>	<b>16,367.65</b>
<b>EXPENSES</b>					
(a) Advertising and job work costs		16,571.31	16,992.79	8,794.73	13,765.00
(b) Employee benefits expense	21	810.38	751.00	660.84	864.99
(b) Finance costs	22	44.03	107.86	125.00	236.40
(c) Depreciation and amortisation	11&11A	78.06	92.89	114.15	141.96
(d) Other expenses	23	1,114.16	1,225.11	936.96	1,178.74
<b>Total Expenses</b>		<b>18,617.94</b>	<b>19,169.65</b>	<b>10,631.68</b>	<b>16,187.09</b>
<b>Profit / (Loss) before tax</b>		<b>1,756.58</b>	<b>235.32</b>	<b>29.54</b>	<b>180.56</b>
<b>Less: Tax expenses</b>					
- Current tax		476.12	75.61	0.67	44.48
- MAT credit entitlement		-	-	-	-
- Earlier year tax expenses		15.92	-	-	-
- MAT credit entitlement for earlier year		-	-	-	(11.42)
- Deferred tax charge		(2.54)	(1.63)	15.90	30.93
<b>Net profit for the period/ year after tax</b>		<b>1,267.08</b>	<b>161.34</b>	<b>12.97</b>	<b>116.57</b>
Earning per equity share:		-	-	-	-
Basic and diluted earnings per share (In Rs.)	24	<b>7.04</b>	<b>0.9</b>	<b>0.07</b>	<b>0.65</b>
(Nominal value of share Rs.10 each)					
Significant accounting policies	2				
The accompanying notes form an integral part of restated financials statements					

As per our report of even date attached

For and on behalf of the Board of Directors of  
Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)

**For S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm registration no. 000756N

**Kunal Lalani**  
Managing Director  
DIN No. 00002756

**H.M Lalani**  
Director  
DIN No. 00257693

**Amit Goel**  
Partner  
Membership No. 500607

**Rajat Singhal**  
Chief Financial Officer  
PAN No. BGGPS6160L

**Neelu Prajapati**  
Company Secretary  
Membership No. 43403

Place: New Delhi  
Date: April 25, 2023

## RESTATED STANDALONE STATEMENT OF CASH FLOW

Particulars	(Rs. In Lacs)			
	Period Ended	Year Ended	Year Ended	Year Ended
	31-Dec-22	31-Mar-22	31-Mar-21	31-Mar-20
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net profit before tax	1,756.58	235.32	29.54	180.56
Adjustment for:				
Loss on sale of Investments	51.13	53.02	52.60	-
Depreciation and amortization	78.06	92.89	114.15	141.96
Interest and finance charges	44.03	107.86	125.00	236.40
Interest income received	(137.41)	(68.76)	(54.17)	(83.97)
Amount written back	(18.88)	(7.17)	(2.92)	(16.70)
Profit/loss on sale of property plant & equipment	0.95	(2.37)	0.92	0.03
Profit from partnership firms	2.72	(20.10)	(25.27)	(7.80)
Provision for bad and doubtful debts	39.86	68.79	-	-
Bad debts written off	49.65	294.30	9.38	114.86
Profit on sale of investment	(250.47)	(26.75)	(0.79)	(0.79)
<b>Operating profit before working capital changes</b>	<b>1,616.22</b>	<b>727.03</b>	<b>248.44</b>	<b>564.55</b>
Adjustment for:				
(Decrease)/Increase in long term and short-term provisions	11.39	(2.12)	(50.41)	(18.89)
(Decrease)/Increase in current and other liabilities	2,572.03	688.16	(223.89)	(2,208.93)
(Decrease)/Increase in trade payables	(3,009.45)	1,411.98	(1,757.25)	1,246.98
(Increase)/decrease in trade receivables	(1,535.39)	(254.67)	1,534.59	(545.41)
(Increase)/decrease in short-term loans and advances, other non-current asset	(814.53)	(1,104.92)	(545.63)	(104.66)
<b>Cash generated from operations</b>	<b>(1,159.73)</b>	<b>1,465.46</b>	<b>(794.15)</b>	<b>(1,066.36)</b>
Adjustment for :				
Income tax paid (Net of refund)	(99.34)	(477.03)	602.47	(4.80)
<b>Net cash flow used in operating activities (A)</b>	<b>(1,259.07)</b>	<b>988.43</b>	<b>(191.68)</b>	<b>(1,071.16)</b>
<b>Cash flow from investing activities</b>				
Advance received against investment Property	(409.05)	385.05	129.38	545.20
Purchase of property plant & equipment & intangible (net of capital advance)	(533.87)	(36.16)	(16.02)	(7.45)
Proceeds from sale of property plant & equipment	386.97	16.24	5.48	(76.38)
(Purchase)/sale of investments (net)	498.48	708.21	(34.74)	(103.32)
Interest income received	43.51	46.37	49.74	85.70
Fixed deposits (investment)/ matured	(27.37)	44.49	(14.23)	241.01
<b>Net cash flow used in Investing activities (B)</b>	<b>(41.34)</b>	<b>1,164.20</b>	<b>119.61</b>	<b>684.76</b>
<b>Cash flow used in financing activities</b>				
Amount of Loan Taken/(Repayment Of Borrowings)	-	-	(100.00)	-
Proceeds from short term borrowing	10.44	192.17	394.31	100.00
Repayment of long-term borrowings	(155.39)	(764.47)	(289.60)	(46.13)
Finance charges paid	(44.51)	(112.13)	(140.27)	(220.84)
<b>Net cash flow used in financing activities (C)</b>	<b>(189.46)</b>	<b>(684.42)</b>	<b>(135.56)</b>	<b>(166.97)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(1,489.87)</b>	<b>1,468.21</b>	<b>(207.63)</b>	<b>(553.37)</b>
Cash and cash equivalents at beginning of the year	1,772.96	304.75	512.38	1,065.75
Cash and cash equivalents at the end of the year	<b>283.09</b>	<b>1,772.96</b>	<b>304.75</b>	<b>512.38</b>
<b>Components of closing cash and cash equivalents</b>				
Balance with banks in current accounts	243.87	1,715.73	275.69	138.83

Particulars	Period Ended	Year Ended	Year Ended	Year Ended
	31-Dec-22	31-Mar-22	31-Mar-21	31-Mar-20
Cash in hand as certified by management	39.22	33.92	29.06	16.51
Fixed deposits having maturity of less than 3 months	-	23.31	-	357.04
	<b>283.09</b>	<b>1,772.96</b>	<b>304.75</b>	<b>512.38</b>

As per our report of even date attached

For and on behalf of the Board of Directors of  
Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)

**For S.S. Kothari Mehta & Company**

Chartered Accountants  
Firm registration no. 000756N

**Kunal Lalani**

Managing Director  
DIN No. 00002756

**H.M Lalani**

Director  
DIN No. 00257693

**Amit Goel**

Partner  
Membership No. 500607

**Rajat Singhal**

Chief Financial Officer  
PAN No. BGGPS6160L

**Neelu Prajapati**

Company Secretary  
Membership No. 43403

Place: New Delhi  
Date: April 25, 2023

## SECTION V- GENERAL INFORMATION

Our Company was originally incorporated on July 3, 1986 as a Private Limited Company as “Crayons Advertising and Marketing Private Limited” vide Registration No. 24711 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana. Subsequently, our Company was converted into a Public Limited Company pursuant to the special resolution passed by the Shareholders of our Company on September 16, 2022. Consequent upon conversion of our Company into public limited, the name of our Company has changed from “Crayons Advertising Private Limited” to “Crayons Advertising Limited” and a fresh Certificate of Incorporation dated November 22, 2022 was issued by the Registrar of Companies, Delhi and Haryana. The CIN of the Company changed to U52109DL1986PLC024711.

For further details and details of Name changes of our company, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page 109 of this Prospectus.

### Brief Information on Company and Issue

<b>Registered Office</b>	NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase – III, New Delhi - 110020 Tel: +91 - 8383858860 Fax: N.A. E-mail: <a href="mailto:cs@thecrayonsnetwork.com">cs@thecrayonsnetwork.com</a> Website: <a href="http://www.thecrayonsnetwork.com">www.thecrayonsnetwork.com</a>			
<b>Date of Incorporation</b>	July 03, 1986			
<b>CIN</b>	U52109DL1986PLC024711			
<b>Company Category</b>	Company Limited by Shares			
<b>Registrar of Company</b>	Registrar of Company, Delhi and Haryana 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019 Tel No. +91- 11-40450193-97 Email: <a href="mailto:roc.delhi@mca.gov.in">roc.delhi@mca.gov.in</a> Website: <a href="http://www.mca.gov.in">www.mca.gov.in</a>			
<b>Company Secretary &amp; Compliance Officer</b>	Name: Mr. Gagan Mahajan NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase- III New Delhi 110020Tel: +91 - 9654993221 E-mail: <a href="mailto:cs@thecrayonsnetwork.com">cs@thecrayonsnetwork.com</a> Website: <a href="http://www.thecrayonsnetwork.com">www.thecrayonsnetwork.com</a>			
<b>Chief Financial Officer</b>	Name: Mr. Rajat Singhal NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase- III New Delhi 110020 Tel: +91 - 9717128449 Fax: N.A. E-mail: <a href="mailto:cfo@thecrayonsnetwork.com">cfo@thecrayonsnetwork.com</a> Website: <a href="http://www.thecrayonsnetwork.com">www.thecrayonsnetwork.com</a>			
<b>Designated StockExchange</b>	National Stock Exchange of India Limited NSE Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex Bandra (E), Mumbai – 400051 Website: <a href="http://www.nseindia.com">www.nseindia.com</a>			
<b>Issue Programme</b>	Issue Opens On:	Monday, May 22, 2023	Issue Closes On:	Thursday, May 25, 2023

**Note:** Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days.

## DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

### LEAD MANAGER TO THE ISSUE



#### **CORPORATE CAPITAL VENTURES PRIVATE LIMITED**

B-1/E-13, Mohan Cooperative Industrial Estate,  
Mathura Road, New Delhi 110044

**Tel:** +91 11-41824066;

**Email:** [smeipo@ccvindia.com](mailto:smeipo@ccvindia.com)

**Investor Grievances Email id-** [investor@ccvindia.com](mailto:investor@ccvindia.com)

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

**SEBI Registration:** INM000012276

**Validity:** Permanent

**Contact Person:** Mrs. Harpreet Parashar

### REGISTRAR TO THE ISSUE



#### **SKYLINE FINANCIAL SERVICES PVT. LTD.**

**SEBI Registration No.:** INR000003241

**Address:** D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020

**Tel No:** +91- 11-40450193-97;

**Fax No:** +91-11-26812683;

**Email:** [ipo@skylinerta.com](mailto:ipo@skylinerta.com);

**Investor Grievances Email id-** [grievances@skylinerta.com](mailto:grievances@skylinerta.com)

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

**Contact Person:** Mrs. Rati

### BANKER TO THE ISSUE & SPONSOR BANK

#### **YES Bank Limited**

YES Bank House, Off Western Express Highway,  
Santacruz (West), Mumbai - 400055

**Tel:** +91-22- 68547260;

**Fax No:** N.A;

**E-mail:** [dlbtiservices@yesbank.in](mailto:dlbtiservices@yesbank.in)

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

**SEBI Registration:** INBI00000935

**Contact Person:** Mr. Sachin Shinde/Jagdish More

### MARKET MAKER

#### **SS Corporate Securities Limited**

**SEBI Registration No.:** INZ000219533

**Address:** 3rd Floor, D-Block, Ndm-2 Netaji Subhash Place,  
Pitampura Delhi -110034

**Tel:** 011- 47003600

**Contact Person:** Harshit Singhal

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

**Email ID:** [info@sscorporate.com](mailto:info@sscorporate.com)

### STATUTORY AUDITORS OF THE COMPANY

#### **M/s S.S Kothari Mehta & Company**

**Chartered Accountants**

**Firm Registration No.:** 000756N

**Peer Review Regn. No.:** 014441

**Address:** Plot No – 68, Okhla Industries Area, Phase – III, New Delhi - 110020

**Tel:** +91-11-4670 8888

**Email:** [info@sskmin.com](mailto:info@sskmin.com)



<b>Contact Person:</b> CA Mr. Amit Goel (Membership No. 500607)
<b>LEGAL ADVISOR TO THE ISSUE</b>
<b>Adv. Parvindra Nautiyal</b> <b>Enrollment No.:</b> D/958/2020 <b>Address:</b> 57A, Om Vihar Phase-III, Uttam Nagar, New Delhi -110059 <b>Tel:</b> +91-8882017384 <b>Fax No. –</b> N.A <b>Email:</b> <a href="mailto:adv.Parvindra@gmail.com">adv.Parvindra@gmail.com</a> <b>Contact Person:</b> Adv. Parvindra Nautiyal

## DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	DIN	Category	Designation
1.	Mr. Kunal Lalani	00002756	Executive	Chairman Managing Director
2.	Mrs. Vimi Lalani	00010548	Non-Executive	Director
3.	Mr. Hulasmal Lalani	00257693	Non- Executive	Director
4.	Mr. Atul Jeevandhar kumar Hegde	02699927	Non- Executive	Director
5.	Mr. Vinod Zutshi	00502876	Non-Executive	Independent Director
6.	Mr. Surendra Kumar Pagaria	02945040	Non-Executive	Independent Director

*For further details of our Directors please refer chapter titled “Our Management” beginning on page 114 of this Red Herring Prospectus.*

*Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, i.e., Mr. Gagan Mahajan and/or Skyline financial services Private limited in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.*

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

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

## 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 the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) at the following path:

Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

## REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e.,

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

#### **REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS**

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

#### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

#### **STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER/STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Corporate Capital Ventures Private Limited is the sole Lead Manager to this Issue, a statement of inter-se-allocation of responsibilities amongst Lead Managers is not required.

#### **CREDIT RATING**

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

#### **IPO GRADING**

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

#### **EXPERT OPINION**

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

1. Our Company has received written consent dated February 09, 2023 from Peer Review Auditor namely, M/s. S.S Kothari Mehta & Company, Chartered Accountants, to include its name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated April 25, 2023 from on our restated Standalone financial information; and (ii) its report dated April 25, 2023 on the statement of Special Tax Benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.
2. Our Company has received a written consent dated January 30, 2023 from Mr. Parvindra Nautiyal, Advocate, having registration number D/958/2020 to include its name as an expert as defined under Section 2(38) of the Companies Act, 2013, read Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Prospectus as an “expert”, to the extent and in its capacity as an advisor on the Legal Litigations being subsisting by the Company, against the Company, by the Promoters, against the Promoters, by the Directors and against the Directors of the Company.

Aforementioned consents have not been withdrawn as on the date of this Red Herring Prospectus. However, the term - expert shall not be construed to mean an - expert as defined under the U.S. Securities Act. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

#### **DEBENTURE TRUSTEE**

Since this is not a debenture issue, appointment of debenture trustee is not required.

#### **APPRAISAL AND MONITORING AGENCY**

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size

is up to ₹.10,000 Lakh. Since the Issue size is below ₹.10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

#### UNDERWRITING AGREEMENT

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated May 02, 2023. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name, Address, Telephone, Fax, and Email of the Underwriter	Indicative No. of Equity Shares to be Underwritten	Amount Underwritten (Rs. in Lakh)	% of the Total Issue Size Underwritten
<b>Corporate Capital Ventures Private Limited</b> <b>Address:</b> B-1/E-13, Mohan Cooperative Industrial, Estate Mathura Road, New Delhi 110044 <b>Tel:</b> +91 11 - 41824066; <b>Email:</b> <a href="mailto:smeipo@ccvindia.com">smeipo@ccvindia.com</a> <b>Website:</b> <a href="http://www.ccvindia.com">www.ccvindia.com</a> <b>SEBI Registration:</b> INM000012276 <b>Validity:</b> Permanent <b>Contact Person:</b> Mrs. Harpreet Parashar	64,30,000	[●]	100%
<b>Total</b>	<b>64,30,000</b>		<b>100%</b>

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter are sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

#### FILING OF OFFER DOCUMENT

The Draft offer document, Red Herring Prospectus, Prospectus and Offer Document shall be filed on the platform of NSE Emerge.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus shall not be submitted to SEBI, however, soft copy of Red Herring Prospectus and Prospectus with the Due Diligence Certificate shall be submitted to SEBI pursuant to Regulation 246(1), and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus and Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 32 of the Companies Act, 2013 accordingly will be delivered to the Registrar of Companies, Delhi & Haryana situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019 at least (3) three days prior from the date of opening of the Issue.

#### CHANGE IN THE AUDITOR DURING LAST 3 YEAR

Except as provided below, Company has not changed auditor during last 3 years.

Based on the recommendation of the Board of Directors of the Company, the shareholders of the Company in the Annual General Meeting dated September 30, 2019, have approved appointment of M/s. S.S Kothari Mehta & Company, Chartered Accountants (Firm Registration No. 000756N), holding valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI), as Statutory Auditors of the Company for the term of 5 Years i.e., from Financial Year 2019-2020 till the end of Financial Year 2023 – 2024.

#### WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the

Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE Emerge on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE Emerge, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

#### **DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER**

Our Company and the Lead Manager have entered into a tripartite agreement dated May 02, 2023 with SS Corporate Securities Limited the Market Maker for this Issue, duly registered with NSE Emerge to fulfill the obligations of Market Making:

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 NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(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.
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 NSE Emerge 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. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
7. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. 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.

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making

Agreement is available for inspection at our corporate office from 11.00 a.m. to 5.00 p.m. on working days.

9. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non- compliances. Penalties / fines may be imposed by the Exchange on the Market Makers, 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(s) 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 Makers from time to time.

11. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
  - (i) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - (ii) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

Additionally, the trading shall take place in TFT sent for first 10 days from commencement of trading.

The following spread will be applicable on the SME Exchange Platform.

Sr. No.	Market Price Slab	Proposed Spread (in % to sale price)
1	Up to 50	9.00%
2	50 to 75	8.00%
3	75-100	6.00%
4	Above 100	5.00%

12. 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.
13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets 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 buyquote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹ 20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore To ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

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

*The trading shall take place in TFT segment for first 10 days from commencement of trading. 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.*

## SECTION VI - CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Red Herring Prospectus is set forth below:

#	Particulars	Amount (Rs. in Lakhs)	
		Aggregate nominal value	Aggregate value at Offer Price
A.	<b>Authorised Share Capital</b>		
	2,50,00,000 Equity Shares of ₹ 10/- each (₹ 25,00,00,000 Equity Share Capital)	2,500.00	-
B.	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	1,80,00,000 Equity Shares of ₹10/- each	1,800.00	-
C.	<b>Present Issue in terms of the Prospectus</b>		
	Fresh Offer of 64,30,000 Equity Shares of Face Value ₹10/- each at a Price of ₹ [•] per Equity Share	[•]	[•]
	<b>Consisting of:</b>		
	<b>Reservation for Market Maker</b> – 3,22,000 Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share reserved as Market Maker Portion.	[•]	[•]
	<b>Net Issue to the Public</b> – 61,08,000 Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share.	[•]	[•]
	<b>Of the Net Issue to the Public</b>		
	<b>1. QIB Portion</b>		[•]
	Of which:		
	(a) Anchor Investor Portion	[•]	[•]
	(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	[•]	[•]
	Of which:	[•]	
	(i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion)	[•]	[•]
	(ii) Balance of QIB Portion for all QIBs including Mutual Funds	[•]	[•]
	<b>2. Non-Institutional Category</b>	[•]	[•]
	<b>3. Retail Portion</b>	[•]	[•]
D.	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	2,44,30,000 Equity Shares of ₹10/- each	2,443.00	
E.	<b>Securities Premium Account</b>		
	Before the Issue	0.00	
	After the Issue	[•]	

The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on dated February 01, 2023 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the EGM of our shareholders held on February 08, 2023.

All Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Red Herring Prospectus.

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Details of increase in Authorised Share Capital:

Since July 03,1986 the authorized share capital of our Company has been altered\* in the manner set forth below:



S. No.	Date	No. of Equity Shares	Face Value (in ₹)	Cumulative No. of Shares	Cumulative Authorised Share Capital (in ₹)	Whether AGM/EGM
1.	09/05/2006	12,50,000	10	25,00,000	2,50,00,000	EGM
2.	16/09/2022	2,25,00,000	10	2,50,00,000	25,00,00,000	EGM

*\*Note: We are unable to trace documents earlier than those provided above, we have relied on the search report by Mr. Suryakant Gupta (COP No. 10828), Practising Company Secretary for tracing changes in Authorised Capital. For further information, please refer to the Chapter titled “Risk Factors” and Risk No. 5 on the Page No. 23 of this Red Herring Prospectus.*

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

Note	Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Equity Paid-up Capital (Rs.)	Cumulative Securities premium (Rs.)
1	On* Incorporation	20	10	10	Cash	Subscription to MOA	20	200	0.00
2	01.08.1986*	3850	10	10	Cash	Private Placement	3870	38,700	0.00
3.	07.10.1986*	6900	10	10	Cash	Private Placement	10,770	1,07,700	0.00
4.	20.02.1989*	10,230	10	10	Cash	Private Placement	21,000	2,10,000	0.00
5.	31.03.1990*	6,000	10	10	Cash	Private Placement	27,000	2,70,000	0.00
6.	20.12.1991*	3,000	10	10	Cash	Private Placement	30,000	3,00,000	0.00
7.	31.03.1993*	20,000	10	10	Cash	Private Placement	50,000	5,00,000	0.00
8.	31.03.1996*	50,000	10	10	Cash	Private Placement	1,00,000	10,00,000	0.00
9.	02.09.1996*	2,00,000	10	Nil	N.A	Bonus Issue	3,00,000	30,00,000	0.00
10.	04.09.1996*	1,00,000	10	10	Cash	Private Placement	4,00,000	40,00,000	0.00
11.	14.09.2000*	200	10	10	Cash	Private Placement	4,00,200	40,02,000	0.00
12.	18.05.2001*	5,34,000	10	10	Cash	Private Placement	9,34,200	93,42,000	0.00
13.	27.03.2002*	3,15,800	10	10	Cash	Private Placement	12,50,000	1,25,00,000	0.00
14.	28/06/2006	10,00,000	10	10	Cash	Private Placement	22,50,000	2,25,00,000	0.00
15.	15/12/2022	1,57,50,000	10	Nil	Other than Cash	Bonus Issue	1,80,00,000	18,00,00,000	0.00

*\*We are unable to trace complete documents of the Board resolution, Shareholders resolution and relevant form filled with ROC for the Allotment of shares and therefore details mentioned above are extracted from available registers in the records of the Company. We have relied on the search report by Mr. Suryakant Gupta (COP No. 10828), Practising Company Secretary for tracing changes in Capital Buildup sheet. For further information, please refer to the Chapter titled “Risk Factors” and Risk No. 5 on the Page No. 23 of this Red Herring Prospectus.*

### Notes:

1. Initial Subscribers to Memorandum of Association hold 20 Equity Shares each of face value of ₹ 10/- fully paid up as per the details given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	10
2.	Hulas Mal Lalani	10
	<b>Total</b>	<b>20</b>

2. The Company thereafter allotted 3,850 Equity shares as Private Placement on 01.08.1986 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	3,200
2.	Mr. Hulas Mal Lalani	600
3.	Mr. Bharat Kumar	7
4.	Mr. Manoj Kumar	7
5.	Mr. Ashish Dua	7
6.	Mr. Chunni Lal Golchha	7
7.	Mrs. Chanda Devi Golchha	7
8.	Mr. Anand Raj Bothra	7
7.	Mr. Naresh Kumar Golchha	8
	<b>Total</b>	<b>3,850</b>

3. The Company thereafter allotted 6,900 Equity shares as Privat Placement on 07.10.1986 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	500
2.	Mrs. Rachana Lalani	400
3.	Mr. Vishal Lalani	1,000
4.	Mr. N.K. Sharma	500
5.	Mrs. Ganga Giri	750
6.	Mrs. Swarna Chopra	250
7.	Mr. S.P. Sharma	500
8.	Mr. Bhim Lal	450
7.	Mr. H. M. Anchalie	500
8.	Mr. Balam Puri	250
9.	Mr. Laxman Singh	250
10.	Mr. Rajender Singh	250
11.	Mr. S.L. Soni	500
12.	Mr. Bimal Sahal	500
13.	Mrs. Daisy Jacob	300
	<b>Total</b>	<b>6,900</b>

4. The Company thereafter allotted 10,230 Equity shares as Private Placement on 20.02.1989 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	5,030
2.	Mr. Vimi Lalani	5,200
	<b>Total</b>	<b>10,230</b>

5. The Company thereafter allotted 6,000 Equity shares as Privat Placement on 31.03.1990 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	1,800
2.	Mr. Vimi Lalani	4,200

	<b>Total</b>	<b>6,000</b>
--	--------------	--------------

6. The Company thereafter allotted 3,000 Equity shares as Privat Placement on 20.12.1991, the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	3,000
	<b>Total</b>	<b>3,000</b>

7. The Company thereafter allotted 20,000 Equity shares as Privat Placement on 31.03.1993 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	20,000
	<b>Total</b>	<b>20,000</b>

8. The Company thereafter allotted 50,000 Equity shares as Privat Placement on 31.03.1996 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	50,000
	<b>Total</b>	<b>50,000</b>

9. The Company thereafter allotted 200,000 Equity shares as Bonus Issue on 02.09.1996 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	1,95,980
1.	Mr. Hulas Mal Lalani	1,220
2.	Mrs. Rachana Bothra	800
3.	Mr. Vishal Lalani	2,000
	<b>Total</b>	<b>2,00,000</b>

10. The Company thereafter allotted 1,00,000 Equity shares as Privat Placement on 04.09.1996 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	M/s Vimi Investments & Finance Private Limited	1,00,000
	<b>Total</b>	<b>1,00,000</b>

11. The Company thereafter allotted 200 Equity shares as Privat Placement on 14.09.2000 the details of which 100 is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mrs. Vimi Lalani	100
2.	Mr. Todar Mal Lalani	100
	<b>Total</b>	<b>200</b>

12. The Company thereafter allotted 5,34,000 Equity shares as Preferential Allotment on May 18, 2001 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	2,00,000
2.	M/s Vimi Investments & Finance Private Limited	3,00,000
3.	Mr. Adarsh Jain	10,000
4.	Mr. Mukesh Baid	2,000
5.	Mrs. Preksha Baid	2,000
6.	Mrs. Rashi Nahata	5,000

7.	Mr. H.D. Jain	5,000
8.	Mr. Vivek Sehgal	5,000
9.	M/s BB Overseas (P.) Ltd.	5,000
	<b>Total</b>	<b>5,34,000</b>

13. The Company thereafter allotted 3,15,800 Equity shares as Preferential Allotment on March 27, 2002 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Kunal Lalani	20,800
2.	Mrs. Vimi Lalani	2,75,000
3.	M/s Vimi Investments & Finance Private Limited	20,000
	<b>Total</b>	<b>3,15,800</b>

14. The Company thereafter allotted 10,00,000 Equity shares as Preferential Allotment on June 28, 2006 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Sahyog Properties Private Limited	10,00,000
	<b>Total</b>	<b>10,00,000</b>

15. The Company thereafter allotted 1,57,50,000 Equity shares as Bonus Issue on December 15, 2022 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Vimi Investment & Finance Private Limited	99,40,000
2.	Kunal Lalani	38,41,390
3.	Vimi Lalani	19,25,700
4.	Vishal Lalani	21,000
5.	Hulas Mal Lalani	12,810
6.	Rachna Bothra	8,400
7.	Todar Mal Lalani	700
	<b>Total</b>	<b>1,57,50,000</b>

### 3. Shareholding of the Promoters of our Company

As on the date of this Red Herring Prospectus, our Promoter Mr. Kunal Lalani, Mrs. Vimi Lalani and M/s Vimi Investments & Finance Pvt Ltd holds total 43,90,160 and 22,00,800 and 1,13,40,000 Equity Shares respectively representing 24.39% and 12.23% and 63.00 % of the pre-issue paid up share capital of our Company.

### 4. Details of build-up of shareholding of the Promoters-

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹.)	Issue/ Transfer price per Equity Share (in ₹.)	Consideration (cash/ other than cash)	Name of Transferor / Transferee
<b>Mr. Kunal Lalani</b>						
Subscription to MOA	Allotment	10	10	10	Cash	N.A.
August 01, 1986	Allotment	3,200	10	10	Cash	N.A.
October 07, 1986	Allotment	500	10	10	Cash	N.A.
February	Allotment	5,030	10	10	Cash	N.A.

20,1989						
March 31, 1990	Allotment	1,800	10	10	Cash	N.A.
December 20,1991	Allotment	3,000	10	10	Cash	N.A.
March 31, 1992	Transfer	9,450	10	11.25	Cash	Mrs. Vimi Lalani
March 31, 1993	Allotment	20,000	10	10	Cash	N.A.
February 28, 1995	Transfer	500	10	10	Cash	Mr. N.K. Sharma
February 28, 1995	Transfer	750	10	10	Cash	Mrs. Ganga Giri
February 28, 1995	Transfer	250	10	10	Cash	Mrs. Swarna Chopra
February 28, 1995	Transfer	500	10	10	Cash	Mr. S.P. Sharma
February 28, 1995	Transfer	450	10	10	Cash	Mr. Bhim Lal
February 28, 1995	Transfer	500	10	10	Cash	Mr. H. M. Anchalie
February 28, 1995	Transfer	250	10	10	Cash	Mr. Balam Puri
February 28, 1995	Transfer	250	10	10	Cash	Mr. Laxman Singh
February 28, 1995	Transfer	250	10	10	Cash	Mr. Rajender Singh
February 28, 1995	Transfer	500	10	10	Cash	Mr. S.L. Soni
February 28, 1995	Transfer	500	10	10	Cash	Mr. Bimal Sahal
February 28, 1995	Transfer	300	10	10	Cash	Mrs. Daisy Jacob
March 31, 1996	Allotment	50,000	10	10	Cash	N.A.
September 02,1996	Allotment (Bonus)	1,95,980	10	Nil	N.A	N.A.
May 18, 2001	Allotment	2,00,000	10	10	Cash	N.A.
March 27, 2002	Allotment	20,800	10	10	Cash	N. A
August 27, 2002	Transfer	2,000	10	10	Cash	Mr. Mukesh Baid
August 27, 2002	Transfer	2,000	10	10	Cash	Mrs. Preksha Baid
August 27, 2002	Transfer	5,000	10	10	Cash	Mrs. Rashi Nahata
August 27, 2002	Transfer	15,000	10	10	Cash	Mrs. Vimi Lalani
April 15, 2003	Transfer	10,000	10	10	Cash	Mr. Adarsh Jain
December 15, 2022	Bonus Allotment	38,41,390	10	Nil	N.A	
<b>Total</b>		<b>43,90,160</b>				
<b>Mrs. Vimi Lalani</b>						
March 31, 1988	Transfer	7	10	10	Cash	Mr. Bharat Kumar
March 31, 1988	Transfer	7	10	10	Cash	Mr. Manoj Kumar
March 31, 1988	Transfer	7	10	10	Cash	Mr. Ashish Dua
March 31, 1988	Transfer	7	10	10	Cash	Mr. Chunni Lal Golchha
March 31, 1988	Transfer	7	10	10	Cash	Mrs. Chanda Devi Golchha
March 31, 1988	Transfer	7	10	10	Cash	Mr. Anand Raj Bothra
March 31, 1988	Transfer	8	10	10	Cash	Mr. Naresh Kumar Golchha
February	Allotment	5,200	10	10	Cash	N. A



20,1989						
March 31, 1990	Allotment	4,200	10	10	Cash	N. A
March 31, 1992	Transfer	(9450)	10	10	Cash	Mr. Kunal Lalani
September 14, 2000	Allotment	100	10	10	Cash	N. A
March 27, 2002	Allotment	2,75,000	10	10	Cash	N. A
August 27, 2002	Transfer	(15,000)	10	10	Cash	Mr. Kunal Lalani
April 15, 2003	Transfer	5,000	10	10	Cash	Mr. H.D. Jain
April 15, 2003	Transfer	5,000	10	10	Cash	Mr. Vivek Sehgal
April 15, 2003	Transfer	5,000	10	10	Cash	M/s BB Overseas (P.) Ltd.
December 15, 2022	Bonus Allotment	19,25,700	10	Nil	N.A	
<b>Total</b>		<b>22,00,800</b>				
<b>M/S Vimi Investments &amp; Finance Pvt Ltd</b>						
September 04, 1996	Allotment	1,00,000	10	10	Cash	N. A
May 18, 2001	Allotment	3,00,000	10	10	Cash	N.A
March 27, 2002	Allotment	20,000	10	10	Cash	N. A
July 12, 2022	Transfer pursuant to Merger	10,00,000	10	10	Other than cash	Sahyog Properties Private Limited
December 15, 2022	Bonus Allotment	99,40,000	10	Nil	N.A	
April 06, 2023	Transfer	20,000	10	29	Cash	Unizon Fintech Private Limited
<b>Total</b>		<b>1,13,40,000</b>				

**Note –**

1. We are unable to trace complete documents of the Board resolution, Shareholders resolution and relevant form filled with ROC for the Allotment of shares and therefore details mentioned above are extracted from available registers in the records of the Company. We have relied on the search report by Mr. Suryakant Gupta (COP No. 10828), Practising Company Secretary for tracing changes in Promoter Buildup Sheet. For further information, please refer to the Chapter titled “Risk Factors” and Risk No. 5 on the Page No. 23 of this Red Herring Prospectus.
2. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

**This space left blank intentionally**

## 5. Our shareholding Pattern

- a) The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Red Herring Prospectus

Category Code	Category of shareholder	No. of share holder	No. of fully paid-up equity shares held	No. of Partly paid-up Equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding as a % of total	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding	Shareholding, as a % assuming full conversion of	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form		
								no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights					convertible securities (including Warrants)	convertible securities (As a percentage of diluted share Capital) As a % of (A+B+C2)	No. (a)	As a % of total shares held (B)		No. (a)	As a % of total shares held (B)
									Class X	Class Y	Total									
I	II	III	IV	V	VI	VII= IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII	XIV			
(A)	Promoters and Promoter Group	5	1,79,55,760	-	-	1,79,55,760	99.75%	1,79,55,760	-	1,79,55,760	99.75%	-	-	-	-	-	-	1,79,55,760		
(B)	Public	6	44,240	-	-	44,240	0.25%	44,240	-	44,240	0.25%	-	-	-	-	-	-	44,240		
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(1)	Shares underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		

	DRs																
(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>11</b>	<b>1,80,00,000</b>	<b>-</b>	<b>-</b>	<b>1,80,00,000</b>	<b>100%</b>	<b>1,80,00,000</b>	<b>-</b>	<b>1,80,00,000</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,80,00,000</b>

*\*\*As on the date of this Red Herring Prospectus 1 Equity Shares holds 1 vote.*

*Note:*

- ☐ *In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Accordingly, all the existing equity shares of the Company will be in dematerialized form at the time of listing of shares.*
- ☐ *PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.*
- ☐ *Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE Emerge before commencement of trading of such Equity Shares.*

***This space left blank intentionally.***

5. As on the date of this Red Herring Prospectus, there are no partly paid-up shares/outstanding convertible securities/warrants in our Company
6. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” and public before and after the Issue:

S. No.	Name of shareholder	Pre-issue		Post-issue	
		No. of equity Shares	As a % of Issued Capital	No. of Equity Shares	As a % of Issued Capital
Promoters					
1	Kunal Lalani	43,90,160	24.39%	43,90,160	17.97%
2	Vimi Lalani	22,00,800	12.23%	22,00,800	9.01%
3	Vimi Investments & Finance Pvt. Ltd.	1,13,40,000	63.00%	1,13,60,000	46.42%
Total – A		1,79,30,960	99.62%	1,79,30,960	73.40%
Promoter Group					
4	Vishal Lalani	24,000	0.13%	24,000	0.10%
5	T. M. Lalani	800	0.004%	800	0.00%
Total – B		24,800	0.134%	24,800	0.10%
Public					
3	Existing Shareholders	44,240	0.25%	44,240	0.18%
4	IPO	-	-	64,30,000	26.32%
Total - C		44,240	0.25%	64,54,240	26.50%
Grand Total (A+B+C)		1,80,00,000	100.00%	2,44,30,000	100%

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

Name of the Promoter and Promoter Group	No. of Shares held*	Average cost of Acquisition (in ₹)
Mr. Kunal Lalani	43,90,160	Rs. 0.81
Mrs. Vimi Lalani	22,25,250	Rs. 1.35
Vimi Investments & Finance Pvt. Ltd.	1,13,60,000	Rs. 1.25

\*Only the shares acquired are considered.

#### 8. Details of Major Shareholders:

- A. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of this Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held	% of Paid up Capital
1.	Kunal Lalani	43,90,160	24.39%
2.	Vimi Lalani	22,00,800	12.23%
3.	Vimi Investments & Finance Pvt. Ltd.	1,13,40,000	63.00%
	<b>Total</b>	<b>1,79,30,960</b>	<b>99.62%</b>

- B. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held	% of Paid up Capital
1.	Kunal Lalani	43,90,160	24.39%
2.	Vimi Lalani	22,00,800	12.23%
3.	Vimi Investments & Finance Pvt. Ltd.	1,13,40,000	63.00%
	<b>Total</b>	<b>1,79,30,960</b>	<b>99.62%</b>

- C. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the

*date of this Red Herring Prospectus:*

Sr. No.	Name of shareholders	No. of Equity held	% of Paid up
1.	Kunal Lalani	5,48,770	24.39%
2.	Vimi Lalani	2,75,100	12.23%
3.	M/s Vimi Investments & Finance Pvt. Ltd.	4,20,000	18.67%
4.	M/s Sahyog Properties Pvt Ltd.	10,00,000	44.44%
	<b>Total</b>	<b>22,43,870</b>	<b>99.73%</b>

D. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of this Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held	% of Paid up Capital
1.	Kunal Lalani	5,48,770	24.39%
2.	Vimi Lalani	2,75,100	12.23%
3.	M/s Vimi Investments & Finance Pvt. Ltd.	4,20,000	18.67%
4.	M/s Sahyog Properties Pvt Ltd.	10,00,000	44.44%
	<b>Total</b>	<b>22,43,870</b>	<b>99.73%</b>

9. The Company has not issued any convertible instruments like warrants, debentures etc. since its incorporation and there are no outstanding convertible instruments as on date of this Red Herring Prospectus.
10. Our Company has not issued any Equity Shares out of revaluation reserve.
11. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Red Herring Prospectus at a price lower than the Issue Price, except as following:

**Right Issue: Nil**

**Bonus issue: 1,57,50,000 Shares**

Sr. No.	Name of shareholders	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment
1.	Kunal Lalani	38,41,390	10	NIL	December 15, 2022	Bonus
2.	Vimi Lalani	19,25,700	10	NIL	December 15, 2022	Bonus
3.	M/s Vimi Investments & Finance Pvt. Ltd.	99,40,000	10	NIL	December 15, 2022	Bonus
4.	Vishal Lalani.	21,000	10	NIL	December 15, 2022	Bonus
5.	Hulas Mal Lalani	12,810	10	NIL	December 15, 2022	Bonus
6.	Rachna Bothra	8,400	10	NIL	December 15, 2022	Bonus
7.	Todar Mal Lalani	700	10	NIL	December 15, 2022	Bonus
	<b>Total</b>	<b>1,57,50,000</b>				

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Red Herring Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

13. We have 11 (Eleven) shareholders as on the date of filing of this Red Herring Prospectus.
14. As on the date of this Red Herring Prospectus, our Promoter and Promoters Group hold total 1,79,55,760 Equity Shares representing 99.75% of the pre-issue paid up share capital of our Company.
15. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Red Herring Prospectus except following –

Sr.No.	Transfer Date	From	To	No. of Equity Shares	F.V of Equity shares
1.	April 06,2023	Vimi Investments & Finance Pvt. Ltd.	Unizon Fintech Private Limited	20,000	10.00 each

16. The members of the Promoters Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Red Herring Prospectus.

#### 17. Details of Promoter's Contribution locked in for three years:

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post-Issue Capital shall be considered as Promoter's Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.00% of the post-issue Equity Share Capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Red Herring Prospectus until the completion of the lock-in period specified above.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

Explanation: The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.

We further confirm that Minimum Promoters Contribution of 20.00% of the post issue paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on date of this Red Herring Prospectus there are no equity shares held by our Promoter and Promoter Group which are under lock in.

We confirm that the minimum Promoters contribution of 20.00% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their



subscription in the minimum Promoters' Contribution subject to lock-in.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription —Non-Transferable and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

#### ***Pledge of Locked in Equity Shares:***

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

Further, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

However, the Equity Shares held by the Promoters of the Company are not under any Pledge.

#### ***Equity Shares locked-in for one year***

The details of Lock-in of existing Pre IPO capital is as follows:

S.NO.	CATEGORY	NO. OF SHARES	LOCK IN PERIOD
1.	Promoter	48,86,000	3 years
2.	Promoter	1,30,44,960	1 year
3.	Promoter Group	24, 800	1 year
4.	Public	44,240	1 year
<b>TOTAL</b>		<b>18,00,00,000</b>	

Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

#### ***Transferability of Locked in Equity Shares:***

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
  - The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.
18. Our Company, our Promoters, our Directors and the Lead Manager to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
  19. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus

Shares, at any point of time since Incorporation except the following:

Sr. No.	Name of shareholders	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment
1.	Kunal Lalani	38,41,390	10	-	December 15, 2022	Bonus Issue in the Ratio 7:1
2.	Vimi Lalani	19,25,700	10	-	December 15, 2022	Bonus Issue in the Ratio 7:1
3.	M/s Vimi Investments & Finance Pvt. Ltd.	99,40,000	10	-	December 15, 2022	Bonus Issue in the Ratio 7:1
4.	Vishal Lalani.	21,000	10	-	December 15, 2022	Bonus Issue in the Ratio 7:1
5.	Hulas Mal Lalani	12,810	10	-	December 15, 2022	Bonus Issue in the Ratio 7:1
6.	Rachna Bothra	8,400	10	-	December 15, 2022	Bonus Issue in the Ratio 7:1
7.	Todar Mal Lalani	700	10	-	December 15, 2022	Bonus Issue in the Ratio 7:1
	<b>Total</b>	<b>1,57,50,000</b>				

20. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013
21. Our Company has not re-valued its assets during the stub period ending on December 31, 2022 and the last three Financial Years i.e 20-21, 21-22 and 22-23 and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves
22. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
23. There are no safety net arrangements for this public Offer.
24. An oversubscription to the extent of 10% of the Net Offer can be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment.
25. As on the date of filing of this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
26. All the Equity Shares of our Company are fully paid up as on the date of this Red Herring Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
27. As per RBI regulations, OCBs are not allowed to participate in this Issue.
28. There is no -Buyback, -Standby, or similar arrangement by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares issued / offered through this Red Herring Prospectus.
29. As on the date of this Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
30. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
31. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and NSE.
32. The Issue is being made through Book Building Method.
33. Lead Manager to the Issue viz. Corporate Capital Ventures Private Limited and its associates do not hold any Equity Shares of our Company.

34. Our Company has not raised any bridge loan against the proceeds of this Issue.
35. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
36. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
37. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this fixed subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
38. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
39. Our Promoters and the members of our Promoter Group will not participate in this Issue.
40. Our Company has not made any public issue since its incorporation.
41. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
42. For the details of transactions by our Company with our Promoter Group, Group Companies during the last three Fiscals i.e., 2020, 2021 and 2022 & period ended on December 31, 2022 please refer to paragraph titled *-Related Party Transaction* in the chapter titled, *"Financial Information"* beginning on page number 183 of this Red Herring Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *-Our Management* beginning on page 114.

**This space left blank intentionally**

## SECTION VII- PARTICULARS OF ISSUE

### OBJECTS OF THE ISSUE

We believe that listing will give more visibility and enhance corporate image of our Company. We also believe that our Company and shareholders will receive the benefits from listing of Equity Shares on the Emerge platform of NSE. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The Issue includes a fresh Issue of 64,30,000 Equity Shares our Company at an Issue Price of ₹ [●] per Equity Share.

#### Fresh Issue

The details of the proceeds of the Fresh Issue are summarized below:

(₹ in lakhs)	
Particulars	Amount
Gross Proceeds from the Fresh Issue	[●]
Less: Issue related expenses	[●]
<b>Net Proceeds of the Fresh Issue</b>	<b>[●]</b>

#### Requirement of Funds

Our Company intends to utilize the Net Fresh Issue Proceeds for the following Objects (“Objects of the Issue”):

- 1) Funding of working capital requirements of the Company;
- 2) Capital expenditure on infrastructure and cutting-edge technology for expansion; and
- 3) General Corporate Expenses.

The main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. For the main objects clause of our Memorandum of Association, see “History and Certain Corporate Matters” on page 109.

**Utilization of Net Proceeds:** We intend to utilize the proposed net proceeds in the manner set forth below:

(₹ in Lakhs)	
Particulars	Amount
Funding of working capital requirements of the Company	1452.46
Capital expenditure on infrastructure and cutting-edge technology for expansion	1529.50
General Corporate Expenses *	[●]
<b>Total</b>	<b>[●]</b>

\* The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

*Since, the entire fund requirement of the objects detailed above are intended to be funded from the Net Proceeds. In view of the above, we confirm that the firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue is not applicable.*

The fund requirements mentioned above are based on internal management estimates of our Company and have not been verified by the lead managers or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, cost of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the issue proceeds as stated above, our Company may re-allocate the issue proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the issue proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated

schedule of deployment specified above; Our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Object. In case of variations in the actual utilisation of funds earmarked for the purpose set forth or shortfall in the Net Proceeds or delay in raising funds through the IPO, increased fund requirements for a particular purpose may be financed from our internal accruals and/ or debt financing, as required. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Issue in accordance with the SEBI ICDR Regulations. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part of the Issue Proceed shall be utilized for repayment of any part of outstanding unsecured loan as on date of filing the Red Herring Prospectus. For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page no. 21.

## DETAILS OF THE OBJECTS OF THE ISSUE

### 1. Funding of working capital requirements of the Company

We propose to utilise Rs. 1450 lakhs from the Issue Proceeds to fund working capital requirements of our Company. We fund most of our working capital requirements in the ordinary course of our business from our internal accruals and financing from various banks.

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2021	As at March 31, 2022	As at Dec 31, 2022	As at March 31, 2023 (Estimated)	As at March 31, 2024 (Estimated)
<b>Current Assets</b>						
Trade Receivables	7,554.52	6,010.55	5,902.13	4,521.35	9,863.01	12,328.77
Cash and Cash Equivalents	587.03	306.90	1,784.80	316.11	625.00	928.57
Short Term Loans and Advances	711.90	682.47	1,830.81	2,682.83	833.33	750.00
Other Current Assets	138.33	172.10	197.02	3,060.34	215.00	236.50
<b>Total Current Assets(A)</b>	<b>8,991.78</b>	<b>7,172.02</b>	<b>9,714.76</b>	<b>10,580.63</b>	<b>11,536.35</b>	<b>14,243.84</b>
<b>Current Liabilities</b>						
Short-term borrowings	191.40	580.27	608.15	635.68	550.00	-
Trade Payables	6,177.16	4,417.00	5,821.81	2,793.48	7,123.29	9,260.27
Other Current Liabilities	1,719.97	959.60	2,028.55	4,191.05	2,250.00	2,587.50
Short term Provisions	27.51	22.34	24.09	30.68	28.00	33.60
<b>Total Current Liabilities(B)</b>	<b>8,116.04</b>	<b>5,979.21</b>	<b>8,482.60</b>	<b>7,650.89</b>	<b>9,951.29</b>	<b>11,881.37</b>
<b>Total Working Capital Requirement(A-B)</b>	<b>875.74</b>	<b>1,192.81</b>	<b>1,232.15</b>	<b>2,929.74</b>	<b>1,585.06</b>	<b>2,362.46</b>
<b>Funding Pattern</b>						
Working Capital funding from Banks	191.40	580.27	608.15	635.68	550.00	-
Internal Accruals	684.34	612.53	624.00	2,294.06	1,035.06	910.00
Issue Proceeds	NA	NA	NA	NA	NA	1,452.46

### Assumption of Holding Levels

Provided below are details of the holding levels (days) considered.

Particulars	As at March 31, 2020	As at March 31, 2021	As at March 31, 2022	As at December 31, 2022	As at March 31, 2023 (Estimated)	As at March 31, 2024 (Estimated)
Trade Receivables	170	200	110	80	150	150
Short Term Loans and Advances	175	160	165	165	150	150
Other Current Assets	80	90	100	110	100	100
Trade Payables	145	150	100	100	130	130
Other Current Liabilities	180	175	200	210	210	210
Short term Provisions	90	90	90	90	90	90

#### Justification for holding period levels.

Particular	Assumptions made and justification
<b>Current Assets</b>	
Trade Receivables	Receivable days as per historic performance from restated audited financial statements as adjusted for expected future performance and growth of business.
Short Term Loans and Advances	Short Term Loans and Advances days as per historic performance from restated audited financial statements adjusted for business plans in business.
Other Current Assets	Other current assets as per historic performance from restated audited financial statements adjusted upwards for trend in the Company's order book and expected performance in business.
<b>Current Liabilities</b>	
Trade Payables	Trade payable days as per historic performance from restated audited financial statements as adjusted for expected future performance and expectations of demand from various payables due to vendors and suppliers of the company going forward.
Other current liabilities	As per historic performance from Restated Financial Statement adjusted for future expected trends
Short term Provisions	Short term provisions are expected to grow in line with expected business growth. Holding levels for Short Term Provisions is computed in line with the historic performance from Restated Financial Statement adjusted for future expected trends.

## 2. Capital expenditure on infrastructure and cutting-edge technology for expansion.

To enhance existing infrastructure with a focus on evolving and improvising owned and acquired technology to build further on cutting edge offerings.

### a. In order to make this possible, our starting point will be investing in Studios:

- **Film Production Studio** - The shift in content consumption has moved away from static content. People now and in the future will be driven by moving visuals. We aim to take advantage of this impetus, leverage state of the art technology and build a film and editing studio to further solidify our content capabilities in house. This would allow crayons to make its products economical for clients yet treat it as an independent profit centre for itself.
- **Animation studio** - Animation of 2d/3d tech today doesn't restrict itself to only existing mediums. With evolving technology and content usage, people now prefer experiential communication. Our aim to build an animation studio services the market desire to bring content to life. By the use of cutting-edge technology, crayons aim to add to its offering in-house by enhancing the execution and conceptualisation of digital experiences in ambient spaces. This could extend to hoardings, events etc.



**b. To Enhance our existing foundation of Web3 capabilities to offer more dynamic Metaverse solutions. - with the help of Augmented Reality and Virtual Reality we can take our marketing efforts to a whole other level. We want to allow brands to communicate in a tech-led world, and the consumers to experience the product with the most dynamically created and targeted content.**

- Acquire/develop AI enabled software to automate crafting and altering nationally and regionally distributed master creative video content in tandem with the targeting of that content.
- We want to enhance our ability to create immersive content on handheld and PC devices. For example, a brochure for a real estate client which when scanned by QR code on phone can display a 3D render of the project. Similarly, it can be used by fashion retail clients to artificially allow users to try out footwear or clothes. Virtual reality could allow us to create online brand experiences by creating artificial stores which can be visited via handheld or PC devices. Further, with the help of this software, we want to be able to translate any creative content to the regional language it is meant for based on where the ad is being shown. For instance, a Marathi ad created for Zomato speaking of restaurants in Mumbai can be translated to Tamil to be distributed in Chennai.

**c. Tool Software development & Acquisition:**

- Building an aggregation tool to aid large, as well as small companies in planning and executing their own media strategies and plans through a single portal, while generating detailed reports. The technology will allow us to house our own inventory, inventory of larger publishers (google/meta/Times etc), programmatic service providers as well as affiliates for performance marketing. These will eventually act as our vendors as well as clients. The rates can be compared, and the client can have absolute transparency while picking their platforms. This technology can be sold to our clients, or to app's/websites looking for/to be pushed as recommended.

**d. Enhance already our well renowned wide array of Event offerings – enabled with new-age technology applications to allow omnipresence.**

- Housing a 'first of its kind' immersive technology to allow our clients to bring their events to life and offer more through events hosted by them.
- There are 3 types of technology which we can integrate to further enable our brands:
  - Hologram Technology;
  - Augmented Reality; and
  - Virtual Reality
- With the help of Hologram technology, an event while being physically hosted elsewhere, can be hosted by the same individuals in multiple locations with a life-like experience.
- Augmented and virtual reality can be used to offer a near-to-life experience by brands and governments. It can be leveraged by sharing experiences, tours/product demos or even enhancing the atmosphere of where the event is being hosted.

**e. Elevating our already coveted OOH business with investment in scale and technology**

- To expand the regions covered with assets owned by crayons to scale our reach within new and already tapped in geographies. In order to offer high margin yet economical dynamic media placement strategy solutions to existing and new clients.
- develop digital screens, equipped with AI enabled cameras, which are enabled with technology to solve and address two major problem of the out of home industry – availability of sites, and most importantly measurability, by possessing the technology to track the number of impressions and other datapoints to determine effectiveness of the site chosen. Additionally digital screens will also allow more than one brand to be present on a hoarding in a day, at an economical price. The targeting and content of the ad can be made intelligent to change basis the crowd consuming the media. The inventory can not only change given the time of day (office hours/school hours), but also house the capability of showcasing dynamic and 3d content sure to catch the consumer's eye. It would allow brands to execute some of the most engaging animated content.
- This would be a major cost saver for the clients, and would significantly increase volume of business for crayons. Given that they will no longer have to block the entire inventory for themselves, the potential for OOH to become a larger volume business will effectively be unlocked.

**The tentative cost for infrastructure and technology are as follows:**

S. No.	Item Detail	Vendor Name	Price per unit	QTY	Total (Rs. In Lakhs)	Remark
1.	Processor: 3.5GHz 8-core Intel Xeon W processor, Turbo Boost up to 4.0GHz, RAM: 32GB (4x8GB) of DDR4 ECC memory, GPU: Radeon Pro W5500X with 8GB of GDDR6 memory, HDD: 512GB SSD storage, Stainless steel frame with feet, Magic Mouse, Magic Keyboard with Numeric Keypad - US English	Connect Media Technologies	6 Lac	30	180	Minimum Config Machine
2.	Processor: 2.5GHz 28-core Intel Xeon W processor, Turbo Boost up to 4.4GHz, RAM: 1.5TB (12x128GB) of DDR4 ECC memory, GPU: Two Radeon Pro W6800X Duo with 64GB of GDDR6 memory each, HDD 8TB SSD storage, Apple Afterburner card, Stainless steel frame with wheels, Magic Mouse + Magic Trackpad, Magic Keyboard with Numeric Keypad, Final Cut Pro, Logic Pro	Connect Media Technologies	58Lac	15	870	with Final Cut Pro and Logic Pro software. Maximum Configuration
3	Pro Display XDR, 81.28 cm (32-inch) Retina 6K. Astonishing colour accuracy. Super-wide viewing angle. And Extreme Dynamic Range.	Connect Media Technologies	5.4Lac	15	81	Display for MAC Pro by Apple
4	Apple Studio Display with nano texture glass, 68.29-centimetre (27-inch) 5K Retina display. 12MP Ultra Wide camera with Centre Stage. Studio-quality mics. Six-speaker sound system with Spatial Audio.	Connect Media Technologies	2Lac	30	60	Standard Display by Apple for MAC
5	16" Mac Book Pro, M2, 12-Core CPU, 38-Core GPU, 32GB Unified Memory, 1TB SSD Storage	Connect Media Technologies	3.5Lac	30	105	for AR and AI developer user
6	Adobe CCT	Connect Media Technologies	70K	50	35	per year, per user
7	Final Cut Pro Apple	Connect Media Technologies	28K	50	14	
8	Logic Pro	Connect Media Technologies	20K	50	10	
9	Adobe Substance 3D Collection	Connect Media Technologies	80K	15	12	per year, per user for AR and 3D
10	Adobe Stock	Connect Media Technologies	25K	50	12.5	per year, per user
11	U6 Enterprises wifi6	Connect Media Technologies	30K	20	6	per unit
12	Visual Studio Enterprise	Connect Media Technologies	2.6Lac	15	39	per user per year
13	AR, VR headset	Connect Media Technologies	1.5Lac	50	75	
14	AR software tool and other tools	Connect Media Technologies	60K	50	30	
				<b>Grand Total</b>	<b>1529.50</b>	

**Validity Period of this Quotation** – From April 25,2023 till May 25, 2023

**Person certified the quotation on behalf of Connect Media Technologies** – Prince Verma, Business Head of Connect Media Technologies.

### 3. GENERAL CORPORATE EXPENSES

Our management, in accordance with the policies of our Board, will deploy ₹ [●] Lakhs from Net Proceeds towards the general corporate expenses to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in utilizing the remaining Net Proceeds not exceeding 25% of the amount raised by our Company through this Issue, for general corporate purpose including but not restricted to, meeting operating expenses, branding, promotion, advertisements and meeting exigencies, which our Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

Further, our management confirms that –

- any issue related expenses shall not be considered as a part of General Corporate Purpose; and
- the amount deployed towards general corporate expense, as mentioned above in this Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

#### TO MEET THE EXPENSES OF THE ISSUE

The total expenses of the Issue are estimated to be approximately ₹ [●] Lakhs which include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

(₹ in Lakhs)			
Expenses	Estimated expenses	As a % of the total estimated Issue expenses	As a % of the total Gross Issue Proceeds
Book Running Lead Manager fees, Advisors and commissions (including any underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to Registrar to the Issue	[●]	[●]	[●]
Brokerage and selling commission payable to SCSBs, Registered Brokers, RTAs and CDPs, as applicable	[●]	[●]	[●]
Processing fees to the SCSBs and to the Sponsor Banks for ASBA Forms procured by Registered Brokers, RTAs or CDPs	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others	[●]	[●]	[●]
a. Listing fees	[●]	[●]	[●]
b. NSE Processing	[●]	[●]	[●]
c. Book Building software fees	[●]	[●]	[●]
d. Other regulatory expenses	[●]	[●]	[●]
e. Fees payable to legal counsel	[●]	[●]	[●]
f. Miscellaneous	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	[●]	[●]

@ please note that the cost mentioned is an estimate quotation as obtained from the respective parties and it may include GST and excludes, interest rate and inflation cost. The amount deployed so far toward issue expenses shall be recouped out of the issue proceeds.

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

1. ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) - Rs 10/- per application on wherein shares are allotted.
2. Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) - Rs 10/- per application on wherein shares are allotted
3. Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 10/- per application on wherein shares are allotted

4. Sponsor Bank shall be payable processing fees on UPI application processed by them – Rs [●] /- per application on wherein shares are allotted
5. No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
6. The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
7. Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

### **Appraisal by Appraising Fund:**

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

### **Shortfall of Funds**

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

### **Bridge Financing Facilities**

As on the date of this Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

### **Interim Use of Proceeds**

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

### **Monitoring Utilization of Funds**

As the Issue size is less than ` 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business and for working capital requirements.

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

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

*This space is left blank intentionally.*

## BASIS FOR ISSUE PRICE

The Price Band and the Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue floor Price is ₹ [●] /- which is [●] times of the face value of Equity Shares and the Issue Cap Price is ₹ [●] /- which is [●] times of the face value of Equity Shares. Investors should refer to “Risk Factors”, “Our Business”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 21, 86, 145 and 193 respectively, to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue Price are:

- High-end clients.
- Long term relationship with clients and repeat & diversified business.
- Experienced Promoters (experience of over 36 years)
- Versatile, Technically Sound and young operation Team, which understands creativity at its excellence.
- Well versed and equipped with advance technology.
- Track record of growth and profitability.

For further details, see “Risk Factors” and “Our Business” on pages 21 and 86 respectively.

### Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For details, see “Financial Information” on page 145. Investors should evaluate our Company and form their decisions taking into consideration its earnings, and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

#### 1. Basic and Diluted Earnings per Share (EPS), as adjusted for changes in capital

Year ended	Basic EPS/ (in ₹)	Diluted EPS (in ₹)	Weight
FY 2019-20	0.65	0.65	1
FY 2020-21	0.07	0.07	2
FY 2021-22	0.90	0.90	3
<b>Weighted Average</b>	<b>0.58</b>	<b>0.58</b>	
December 31, 2022	7.04	7.04	-

#### Note:

The ratios have been computed as under:

1. Basic and diluted EPS: profit for the year attributable to equity shareholders of the Company divided by total weighted average number of equity shares outstanding during the period. Basic and diluted EPS are computed in accordance with AS 20 – Earnings per share post the bonus issue in current financial year;
2. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights
3. Basic and diluted EPS for the Nine months period ended December 31, 2022 are not annualized.

#### 2. Price / Earning (P/E) Ratio in relation to Issue Price of ₹ [●] to ₹ [●] per Equity Share

Particulars	P/E at the lower end of the price band (no. of times)	P/E at the higher end of the price band (no. of times)
P/E ratio based on Basic and Diluted EPS of ₹ 0.90 as at March 31, 2022	[●]	[●]
P/E ratio based on Weighted Average EPS of ₹ 0.58	[●]	[●]

#### 3. Industry Price / Earning (P/E) Ratio

Particulars	P/E Ratio
Highest	77.88
Lowest	17.30
Average Industry P/E	17.19



(1) The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see “- Comparison with listed industry peers”

(2) Source: Respective audited financials of the Company, as available, for the Financial Year 2022. Information on industry peer is on a standalone basis.

(3). There is three listed peer Company namely Affle (India) Limited, Verto Advertising Limited and Pressman Advertising Limited. Thus, their data are used for comparison.

Net worth = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

Basic earnings per share (Rs.) =  $\frac{\text{Net profit after tax as restated for calculating basic EPS}}{\text{Weighted average number of equity shares outstanding at the end of the period or year}}$

#### 4. Return on Net Worth (RONW):

Year ended	RoNW (%)	Weight
FY 2019-20	3.28	1
FY 2020-21	0.36	2
FY 2021-22	4.33	3
<b>Weighted Average</b>	<b>2.82</b>	
December 31, 2022	25.39	-

Return on net worth (%) =  $\frac{\text{Net profit after tax as restated, attributable to the owners of the company}}{\text{Net worth as restated, including share capital and reserves and surplus, as stated at the end of the year}}$

Net worth = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

RONW for the nine months period ended December 31, 2022 are not annualised.

#### 5. Net Asset Value\* (NAV) per Equity Share

Particulars	Rs.
December 31, 2022	27.73
As of March 31, 2022	20.69
As of March 31, 2021	19.79
As of March 31, 2020	19.72
<b>NAV post issue:</b>	
At the lower end of the price band of ₹ [●]	[●]
At the lower end of the price band of ₹ [●]	[●]
Issue price per share	[●]

(Net Asset Value\* (NAV) calculated Post Dilution & Bonus Shares)

Net asset value per equity share =  $\frac{\text{Net worth as restated, including share capital and reserves and surplus, as restated at the end of the year}}{\text{No. of equity shares outstanding at the end of the year}}$

Basic earnings per share (Rs.) =  $\frac{\text{Net profit after tax as restated for calculating basic EPS}}{\text{Weighted average number of equity shares outstanding at the end of the period or year}}$

#### 6. Comparison of Accounting Ratios with Industry Peers

For Fiscal 2022								
Sr. No.	Name of Company	Face Value (₹)	Total income (₹ in Lakhs)	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	RONW (%)	NAV per share (₹)
1.	Crayons Advertising Limited	10	19,404.97	0.9	0.9	-	4.33	20.69

Peer Group								
2.	Affle (India) Limited	2	115333.1	16.18	16.18	77.88	18.22	88.14
3.	Vertoz Advertising Limited	10	4260.99	5.10	5.10	17.30	9.21	55.40
4	Pressman Advertising Limited	2	1636.76	1.92	1.92	21.41	10.03	19.14

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the filings made with stock exchanges available on [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) for the Financial Year ending March 2022.

Source for Crayons Advertising Limited: Based on the restated financial statements of the Company for year ended F.Y 2022

7. **The Issue Floor Price is ₹ [●] /- which is [●] times the face value of Equity Shares and the Issue Cap Price is ₹ [●] /- which is [●] times the face value of Equity Shares.**

The price band/floor price/issue price will be determined by the issuer in consultation with the BRLM, on the basis of book-building on the basis of assessment of the market demand from investors for the Equity Shares and shall be justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with “Risk Factors”, “Our Business” and “Financial Information” on pages 21, 86 and 145 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “Risk Factors” and you may lose all or part of your investments.

*This space is left blank intentionally.*

## **STATEMENT OF POSSIBLE TAX BENEFITS**

To,  
**The Board of Directors**  
**Crayons Advertising Limited**  
NSIC Complex, Maa Anandmayee Marg  
Okhla Industrial Estate, Phase- III New Delhi 110020

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited) and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')**

We, S.S. Kothari Mehta & Company, Chartered Accountants, the Statutory Auditors of the Company, hereby confirm that the enclosed annexure, prepared by Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited) ("the Company") states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, 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 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 its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated 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 hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, 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 issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, 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.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

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

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct. The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Hearing Prospectus/ Red Hearing Prospectus/Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent. Signed in terms of our separate report of even date.

**For SS Kothari Mehta & Company**  
**Chartered Accountants**  
**FRN No. 000756N**  
**CA Amit Goel**  
**Partner**  
**Mem No. 500607**  
**UDIN No: 23500607BGURJP5715**

**Place: Delhi**  
**Date: 28.04.2023**

## **Annexure to the statement of possible Tax Benefits**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced 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 different interpretation on the benefits, which an investor can avail.

### **1. Special Tax Benefits available to the Company under the Act:**

Outlined below are the special tax benefits available to the “Company and its Shareholders under the Income-tax Act, 1961 (the “Act”) as amended by the Finance Act, 2021 applicable for Financial Year 2023-24 relevant to the Assessment Year 2024-25.

#### **Lower corporate tax rate under section 115BAA**

Section 115BAA has been inserted in the Act w.e.f. FY 2019-20. It gives an option to domestic company to be governed by this section from a particular assessment year. If a company opts for section 115BAA of the Act, the company can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). However once opted for reduced rate of taxation under the said section, it cannot be subsequently withdrawn.

Section 115BAA further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their ‘book profits’ under section 115JB of the Act. However, such a company will no longer be eligible to avail any specified exemptions / incentives under the Act and will also need to comply with the other conditions specified in section 115BAA. Also, if a company opts for section 115BAA, the tax credit (under section 115JAA), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available.

Further, it shall not be allowed to claim set-off of any brought forward losses arising to it on account of additional depreciation and other specified incentives.

The Company has already evaluated and opted for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the Act) with effect from AY 2022-23.

### **2. Special Tax Benefits available to the shareholders of the Company**

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

#### **Notes:**

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. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
4. For direct tax benefits, this Annexure sets out only the special tax benefits available to the Company and the shareholders under the current Income-tax Act, 1961 i.e. the Act as amended by the Finance Act, 2021 applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, presently in force in India.
5. This Annexure is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Offer.

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.

Signed in terms of our separate report of even date.

**For SS Kothari Mehta & Company**  
**Chartered Accountants**  
**FRN No. 000756N**

**CA Amit Goel**  
**Partner**  
**Mem No. 500607**  
**UDIN No: 23500607BGURJP5715**

**Place: Delhi**  
**Date: 28.04.2023**

## SECTION VIII – ABOUT US

### 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. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

### GLOBAL ECONOMIC OUTLOOK IN FIVE CHARTS

Global economic activity is decelerating sharply as a result of synchronized monetary policy tightening to contain very high inflation, less favorable financial conditions, and disruptions from the Russian Federation's invasion of Ukraine. According to the latest [Global Economic Prospects](#) report, [global growth will slow from 2.9 percent in 2022 to 1.7 percent in 2023. The outlook has several downside risks, including the possibility of higher inflation, even tighter monetary policy, financial stress, and rising geopolitical tensions](#). To mitigate the impacts of recent negative shocks and promote a strong and inclusive recovery, policymakers need to prioritize reforms that support long-term growth prospects and bolster the resilience of vulnerable groups.

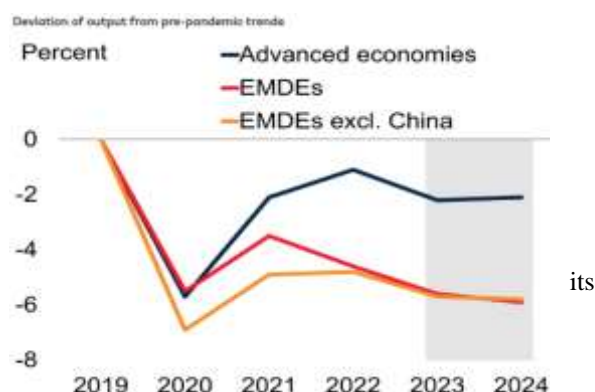
#### 1. The global economy is perilously close to falling into recession

This year, the world economy is set to grow at the third weakest pace nearly three decades, overshadowed only by the recessions caused by the pandemic and the global financial crisis. Growth has slowed to the extent that the global economy is perilously close to falling into recession—defined as a contraction in annual global per capita income. Major economies are undergoing a period of pronounced weakness, and the resulting spill overs are exacerbating other headwinds faced by emerging market and developing economies (EMDEs).



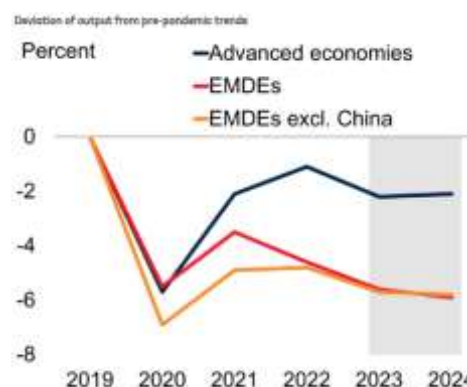
#### 2. EMDEs are projected to experience subdued growth in 2023, with activity set to remain well below its pre-pandemic trend

In EMDEs (Emerging Market and Developing Economies), growth prospects have worsened materially, with the forecast for 2023 downgraded 0.8 percentage point to a subdued 3.4 percent. The downward revision results in large part from weaker external demand and tighter financing conditions. Downgrades to growth projections mean that EMDE activity is now expected to fall even further below pre-pandemic trend over the forecast horizon. Moreover, per capita income growth is expected to be slowest where poverty is highest.



#### 3. Headline inflation has started to abate but high core inflation in many countries has been unexpectedly persistent

Global inflation has been pushed higher by demand pressures, including from earlier policy support, and supply shocks, including disruptions to both global supply chains and the availability of key commodities. Inflationary pressures have begun to abate, reflecting softening demand and easing commodity prices, and inflation is rising in fewer countries. Although inflation is likely to gradually moderate through the year, high core inflation in many countries has

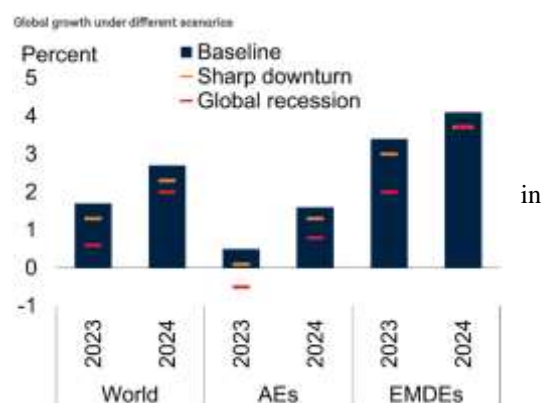




been unexpectedly persistent.

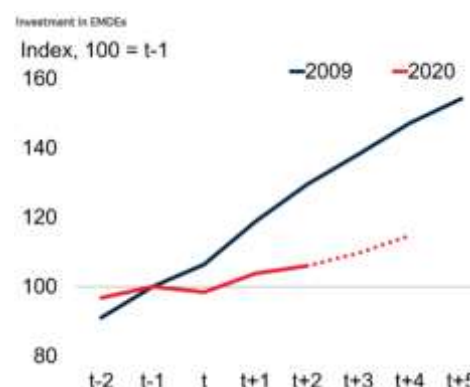
#### 4. Risks to the global outlook are tilted to the downside

The *Global Economic Prospects* report features model simulations to assess two downside scenarios for the global economy. In the first scenario, central banks tighten monetary policy more than expected in response to rising inflation expectations, resulting in global GDP growth falling to 1.3 percent 2023. In the second scenario, major central banks' policy rates are even more restrictive, and markedly tighter financial conditions lead to significant financing difficulties across EMDEs, leaving the world in recession.



#### 5. Global cooperation and decisive national policies are needed to bolster investment and growth prospects

The overlapping negative shocks of the past three years have weighed on investment—which is set to experience a feeble recovery—and long-term growth prospects in EMDEs. Prioritizing structural reforms to stimulate investment, promote food security, and foster gender equality can help to reverse the impact of these negative shocks and buttress resilience of vulnerable populations. Global cooperation is also needed to mitigate the risk of global recession, debt distress in EMDEs, safeguard the global commodity trading system, and accelerate the clean energy transition.



Source: <https://blogs.worldbank.org/developmenttalk/global-economic-outlook-five-charts-0>

#### Forces Shaping the Outlook

The global fight against inflation, Russia's war in Ukraine, and a resurgence of COVID-19 in China weighed on global economic activity in 2022, and the first two factors will continue to do so in 2023.

In the fourth quarter of 2022, however, this uptick is estimated to have faded in most—though not all—major economies. US growth remains stronger than expected, with consumers continuing to spend from their stock of savings (the personal saving rate is at its lowest in more than 60 years, except for July 2005), unemployment near historic lows, and plentiful job opportunities. But elsewhere, high-frequency activity indicators (such as business and consumer sentiment, purchasing manager surveys, and mobility indicators) generally point to a slowdown.

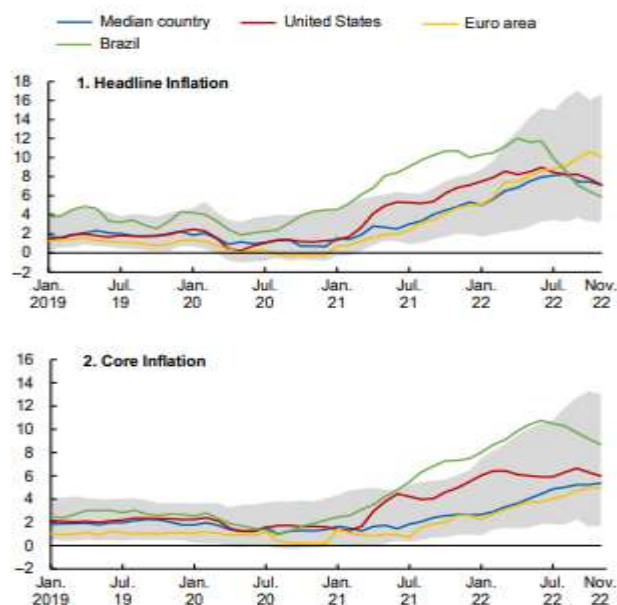
#### COVID-19 deepens China's slowdown.

Economic activity in China slowed in the fourth quarter amid multiple large COVID-19 outbreaks in Beijing and other densely populated localities. Renewed lockdowns accompanied the outbreaks until the relaxation of COVID-19 restrictions in November and December, which paved the way for a full reopening. Real estate investment continued to contract, and developer restructuring is proceeding slowly, amid the lingering property market crisis. Developers have yet to deliver on a large backlog of presold housing, and downward pressure is building on house prices (so far limited by home price floors). The authorities have responded with additional monetary and fiscal policy easing, new vaccination targets for the elderly, and steps to support the completion of unfinished real estate projects. However, consumer and business sentiment remained subdued in late 2022. China's slowdown has reduced global trade growth and international commodity prices.

## Monetary policy starts to bite.

Signs are apparent that monetary policy tightening is starting to cool demand and inflation, but the full impact is unlikely to be realized before 2024. Global headline inflation appears to have peaked in the third quarter of 2022 (Figure 1). Prices of fuel and nonfuel commodities have declined, lowering headline inflation, notably in the United States, the euro area, and Latin America. But underlying (core) inflation has not yet peaked in most economies and remains well above pre-pandemic levels. It has persisted amid second-round effects from earlier cost shocks and tight labor markets with robust wage growth as consumer demand has remained resilient. Medium-term inflation expectations generally remain anchored, but some gauges are up. These developments have caused central banks to raise rates faster than expected, especially in the United States and the euro area, and to signal that rates will stay elevated for longer. Core inflation is declining in some economies that have completed their tightening cycle—such as Brazil. Financial markets are displaying high sensitivity to inflation news, with equity markets rising following recent releases of lower inflation data in anticipation of interest rate cuts (Box 1), despite central banks' communicating their resolve to tighten policy further. With the peak in US headline inflation and an acceleration in rate hikes by several non-US central banks, the dollar has weakened since September but remains significantly stronger than a year ago.

**Figure 1. Twin Peaks? Headline and Core Inflation**  
(Percent, year over year)



Sources: Haver Analytics; and IMF staff calculations.

Note: The figure shows the developments in headline and core inflation across 18 advanced economies and 17 emerging market and developing economies. Core inflation is the change in prices for goods and services, but excluding those for food and energy (or the closest available measure). For the euro area (and other European countries for which the data are available), energy, food, alcohol, and tobacco are excluded. The gray bands depict the 10th to 90th percentiles of inflation across economies.

## THE FORECAST BY IMF

Global growth, estimated at 3.4 percent in 2022, is projected to fall to 2.9 percent in 2023 before rising to 3.1 percent in 2024 (Table 1). Compared with the October forecast, the estimate for 2022 and the forecast for 2023 are both higher by about 0.2 percentage point, reflecting positive surprises and greater-than-expected resilience in numerous economies. Negative growth in global GDP or global GDP per capita—which often happens when there is a global recession—is not expected. Nevertheless, global growth projected for 2023 and 2024 is below the historical (2000–19) annual average of 3.8 percent.

The forecast of low growth in 2023 reflects the rise in central bank rates to fight inflation—especially in advanced economies—as well as the war in Ukraine. The decline in growth in 2023 from 2022 is driven by advanced economies; in emerging market and developing economies, growth is estimated to have bottomed out in 2022. Growth is expected to pick up in China with the full reopening in 2023. The expected pickup in 2024 in both groups of economies reflects gradual recovery from the effects of the war in Ukraine and subsiding inflation. Following the path of global demand, world trade growth is expected to decline in 2023 to 2.4 percent, despite an easing of supply bottlenecks, before rising to 3.4 percent in 2024.

These forecasts are based on a number of assumptions, including on fuel and nonfuel commodity prices, which have generally been revised down since October, and on interest rates, which have been revised up. In 2023, oil prices are projected to fall by about 16 percent, while nonfuel commodity prices are expected to fall by, on average, 6.3 percent. Global interest rate assumptions are revised up, reflecting intensified actual and signaled policy tightening by major central banks since October.

For advanced economies, growth is projected to decline sharply from 2.7 percent in 2022 to 1.2 percent in 2023 before rising to 1.4 percent in 2024, with a downward revision of 0.2 percentage point for 2024. About 90 percent of advanced economies are projected to see a decline in growth in 2023.

- In the United States, growth is projected to fall from 2.0 percent in 2022 to 1.4 percent in 2023 and 1.0 percent in 2024. With growth rebounding in the second half of 2024, growth in 2024 will be faster than in 2023 on a fourth-quarter-over-fourth-quarter basis, as in most advanced economies. There is a 0.4 percentage point upward revision for annual growth in 2023, reflecting carryover effects from domestic demand resilience in 2022, but a 0.2 percentage point downward revision of growth in 2024 due to the steeper path of Federal Reserve rate hikes, to a peak of about 5.1 percent in 2023.

- Growth in the euro area is projected to bottom out at 0.7 percent in 2023 before rising to 1.6 percent in 2024. The 0.2 percentage point upward revision to the forecast for 2023 reflects the effects of faster rate hikes by the European Central Bank and eroding real incomes, offset by the carryover from the 2022 outturn, lower wholesale energy prices, and additional announcements of fiscal purchasing power support in the form of energy price controls and cash transfers.
- Growth in the United Kingdom is projected to be –0.6 percent in 2023, a 0.9 percentage point downward revision from October, reflecting tighter fiscal and monetary policies and financial conditions and still-high energy retail prices weighing on household budgets.
- Growth in Japan is projected to rise to 1.8 percent in 2023, with continued monetary and fiscal policy support. High corporate profits from a depreciated yen and earlier delays in implementing previous projects will support business investment. In 2024, growth is expected to decline to 0.9 percent as the effects of past stimulus dissipate.

For emerging market and developing economies, growth is projected to rise modestly, from 3.9 percent in 2022 to 4.0 percent in 2023 and 4.2 percent in 2024, with an upward revision of 0.3 percentage point for 2023 and a downward revision of 0.1 percentage point for 2024. About half of emerging market and developing economies have lower growth in 2023 than in 2022.

- Growth in emerging and developing Asia is expected to rise in 2023 and 2024 to 5.3 percent and 5.2 percent, respectively, after the deeper-than-expected slowdown in 2022 to 4.3 percent attributable to China’s economy. China’s real GDP slowdown in the fourth quarter of 2022 implies a 0.2 percentage point downgrade for 2022 growth to 3.0 percent—the first time in more than 40 years with China’s growth below the global average. Growth in China is projected to rise to 5.2 percent in 2023, reflecting rapidly improving mobility, and to fall to 4.5 percent in 2024 before settling at below 4 percent over the medium term amid declining business dynamism and slow progress on structural reforms. Growth in India is set to decline from 6.8 percent in 2022 to 6.1 percent in 2023 before picking up to 6.8 percent in 2024, with resilient domestic demand despite external headwinds. Growth in the ASEAN-5 countries (Indonesia, Malaysia, Philippines, Singapore, Thailand) is similarly projected to slow to 4.3 percent in 2023 and then pick up to 4.7 percent in 2024.
- Growth in emerging and developing Europe is projected to have bottomed out in 2022 at 0.7 percent and, since the October forecast, has been revised up for 2023 by 0.9 percentage point to 1.5 percent. This reflects a smaller economic contraction in Russia in 2022 (estimated at –2.2 percent compared with a predicted –3.4 percent) followed by modestly positive growth in 2023. At the current oil price cap level of the Group of Seven, Russian crude oil export volumes are not expected to be significantly affected, with Russian trade continuing to be redirected from sanctioning to non-sanctioning countries.
- In Latin America and the Caribbean, growth is projected to decline from 3.9 percent in 2022 to 1.8 percent in 2023, with an upward revision for 2023 of 0.1 percentage point since October. The forecast revision reflects upgrades of 0.2 percentage point for Brazil and 0.5 percentage point for Mexico due to unexpected domestic demand resilience, higher-than-expected growth in major trading partner economies, and in Brazil, greater-than-expected fiscal support. Growth in the region is projected to rise to 2.1 percent in 2024, although with a downward revision of 0.3 percentage point, reflecting tighter financial conditions, lower prices of exported commodities, and downward revisions to trading partner growth.
- Growth in the Middle East and Central Asia is projected to decline from 5.3 percent in 2022 to 3.2 percent in 2023, with a downward revision of 0.4 percentage point since October, mainly attributable to a steeper-than-expected growth slowdown in Saudi Arabia, from 8.7 percent in 2022 (which was stronger than expected by 1.1 percentage points) to 2.6 percent in 2023, with a negative revision of 1.1 percentage points. The downgrade for 2023 reflects mainly lower oil production in line with an agreement through OPEC+ (Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters), while non-oil growth is expected to remain robust.
- In sub-Saharan Africa, growth is projected to remain moderate at 3.8 percent in 2023 amid prolonged fallout from the COVID-19 pandemic, although with a modest upward revision since October, before picking up to 4.1 percent in 2024. The small upward revision for 2023 (0.1 percentage point) reflects Nigeria’s rising growth in 2023 due to measures to address insecurity issues in the oil sector. In South Africa, by contrast, after a COVID-19 reopening rebound in 2022, projected growth more than halves in 2023, to 1.2 percent, reflecting weaker external demand, power shortages, and structural constraints.

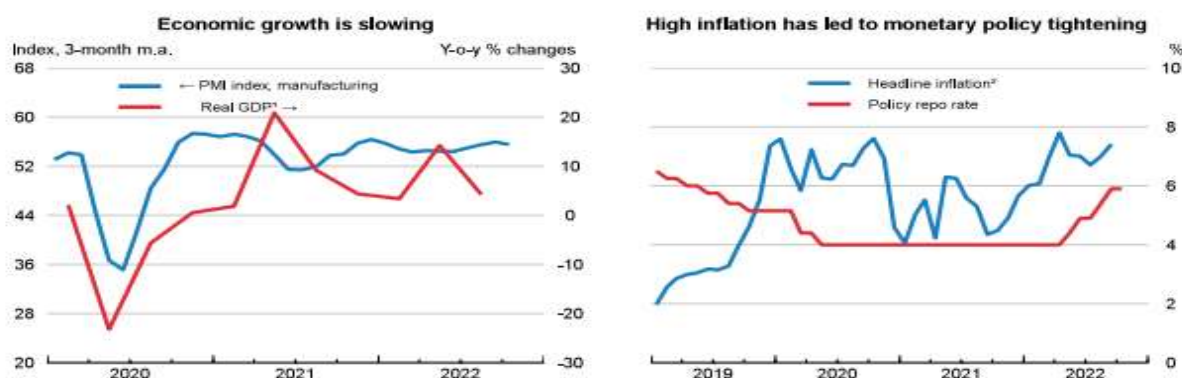
## INDIAN ECONOMIC

India is set to be the second-fastest growing economy in the G20 in FY 2022-23, despite decelerating global demand and the tightening of monetary policy to manage inflationary pressures. GDP growth will slow to 5.7% in FY 2023-24, as exports and domestic demand growth moderate. Inflation will crimp private consumption but moderate at the end of the projection period, helping, along with improved global conditions, to boost growth to 6.9% in FY 2024-25, in line with the 20-year average (excluding the COVID-19 recession). After a spike in 2022, the current account deficit will narrow as import price pressures abate. High medium-term global uncertainty reinforces the importance of continued efforts to raise potential output growth and resilience. Macroeconomic stability should be pursued through monetary policy geared towards anchoring inflation expectations and fiscal policy oriented towards debt control and targeting of current and capital spending. Improvements in the business climate, when combined with financial deepening and skills development, can boost investment and infrastructure and create

more and better jobs.

### The strong recovery has slowed

Economic growth has lost momentum over the summer, due to a combination of erratic rainfall, which impacted sowing activities, and falling purchasing power. Concerns over demand conditions are considerable in services and infrastructure sectors, while consumers have become cautious regarding non-essential spending due to higher prices for food and energy. Tighter financial market conditions are weighing on the demand for capital goods, a leading indicator for aggregate investment. Export growth remains well-oriented, especially for services, and the progressive entry into force of comprehensive trade agreements with major partners is helping to improve prospects. Nonetheless, the monthly energy and food import bill keeps rising and the current account deficit widened in the July-September quarter to 2.9% of GDP. Headline inflation remains above 6% (the central bank's upper bound of the tolerance band), mostly due to the trend increase in the price of food (which in India accounts for a larger share of the consumer basket than in any other G20 country). Unemployment estimates suggest improving labour market conditions in both urban and rural areas, but there are few signs of a wage-inflation spiral.



### Macroeconomic policies are turning restrictive

In line with the central bank's commitment to take calibrated action to bring headline inflation back within the 2-6% tolerance band and keep inflation expectations anchored, policy rates are expected to rise by 75bps, to reach 6.65% in February 2023 before the tightening cycle is paused. In fighting inflation, monetary policy is complemented by cuts in excise taxes and a series of measures taken by the government, such as the export bans on wheat, wheat flour, sugar and broken rice and a 20% export duty on some varieties of non-basmati rice. Such trade restrictions must be temporary, use transparent methodologies to determine their duration, and give due consideration to the effects on trading partners' food security. Expanding infrastructure spending, such as on highways and railways, occupies a central position in the government strategy. These programmes are being successfully implemented, surmounting some technical obstacles at the state level. At the same time, prolonged targeted and non-targeted fiscal measures and rising interest rates weigh on the public debt. On current trends, tax collection will surpass the budgeted projections by the end of FY 2022-23, due to higher inflation and better compliance, thus reducing borrowing requirements. The projections assume fiscal tightening in the next biennium. There still remain considerable margins to improve efficiency, accountability, and transparency of public spending, devoting more resources to health and education and building fiscal space to enhance resilience.

### The economy will not escape the global slowdown

After hitting 6.6% in FY 2022-23, GDP growth is expected to slow in coming quarters, to 5.7% in FY 2023-24, before reverting to around 7% in FY 2024-25. CPI inflation will remain above the central bank's upper limit target of 6% at least until early 2023 and then gradually recede as higher interest rates take effect. High inflation will slow household consumption and delay investment, as financing becomes more expensive, and exports will be affected by the economic slowdown in advanced countries and geopolitical tensions. Offsetting these forces, at least partially, some improvements can be expected as more contact intensive services sectors normalise, including international tourism once borders are fully open and restrictions lifted. Most risks to the projections are tilted to the downside and include a deterioration of banks' assets quality, despite enhanced provisioning and the establishment of a 'bad bank', as well as possible delays in fiscal consolidation and in concluding bilateral trade negotiations. Declining geopolitical uncertainty, on the other hand, would boost confidence and benefit all sectors, as would faster-than-expected conclusion of freetrade agreements with key partners and the incorporation therein of services.

Source: <https://issuu.com/oecd.publishing/docs/india-oecd-economic-outlook-projection-note-novemb>



## Road Ahead

In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY 2022–23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signaling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Despite the continued global slowdown, India's exports climbed at the second highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

## Global Advertising Market Outlook

The global advertising market reached a value of US\$ 590.3 Billion in 2021. Looking forward, IMARC Group expects the market to reach US\$ 792.7 Billion by 2027, exhibiting a CAGR of 5.2% during 2022-2027. Keeping in mind the uncertainties of COVID-19, we are continuously tracking and evaluating the direct as well as the indirect influence of the pandemic on different end use industries. These insights are included in the report as a major market contributor.

Until 2020, when the coronavirus put a halt on many industries, the spending on advertising worldwide has been increasing steadily. Luckily, the market saw healthy growth in 2021 and is expected to continue on the path and surpass one trillion U.S. dollars in 2026. North America is the region that invests most in advertising, however, Asia Pacific has been on its heels for quite some time, and Western Europe closes the top three. Middle East and Africa as well as Central and Eastern Europe spend the least, however, they can boast the highest growth. American consumer goods corporation Procter & Gamble was the largest advertiser worldwide in 2020, having spent more than eight billion U.S. dollars on ads. Other big advertisers include Dutch-British Unilever, French L'Oréal, and American Amazon respectively second, third and fourth in the ranking.

### TV and radio

The global TV advertising spending in 2021 amounted to more than 160 billion U.S. dollars and it is expected to increase to nearly 177 billion dollars by 2024. All of the regions are expected to see growth in TV investments in the measured period. Global radio advertising is projected to slightly grow between 2021 and 2024, offset by the impact of the pandemic on the industry, and ultimately reach 29.7 billion U.S. dollars.

### Print media

With regard to print media, there has been a decrease in the advertising expenditure on both newspapers and magazines, and industry forecasts are not kind to the future of print media. In 2021, global spending on magazine ads amounted to 17 billion U.S. dollars, but it is believed to drop to 15 billion in the next three years. At the same time, newspaper advertising will not fare any better, with investments in ads declining from 29 to 25 billion U.S. dollars. In addition to the impact of the coronavirus outbreak, digital media counterparts are disrupting the market and drawing the focus away from traditional media.

### Digital and mobile

Over the past years, marketers have significantly shifted from traditional advertising to digital advertising. Traditional advertising is still an effective method of reaching a mass audience; however, it has been outperformed by digital advertising due to the cost of advertising and the lack of audience engagement. Furthermore, more brands prioritize digital advertising owing to a better return on investment, accurate targeting, and effective measurement methods.

The transformation of internet infrastructure is a major driver of growth in digital advertising. Internet infrastructure has changed rapidly in the last decade. It has become faster, cheaper, and easier to access, resulting in a significant increase in internet consumption and the number of internet users.

Before the pandemic, digital advertising was showing signs of stable and solid growth, while traditional advertising was slowly declining. However, the pandemic has accelerated digital adoption, which leads to exponential growth in digital advertising and a drastic decline in traditional advertising. In the following years, we expect to see strong growth in digital advertising due to changes in internet consumption behavior.

Spending on digital advertising worldwide amounted to 455 billion U.S. dollars in 2021. The sector is growing at an impressive rate and is expected to surpass 645 billion dollars in 2024. In the 2020 fiscal year, the American multinational technology company, Google, generated 146 billion U.S. dollars in revenue from digital advertising. In comparison, Facebook and Twitter made 84 and three billion U.S. dollars on ads, respectively.

Mobile internet advertising is the fastest growing medium on the global ad market. In 2021, mobile ad spend worldwide amounted to roughly 288 billion U.S. dollars and it is expected to grow further to 412 billion by 2024. China is the country with the largest share of mobile internet in digital advertising spending worldwide, at 92 percent. In fact, except for Mexico, with 88.5 percent, the remaining countries in the top five are all Asian. Which is not surprising given the mobile internet proliferation in the region. By comparison, the global average stands at 74 percent.

### **Global advertising revenue 2012-2027**

It is estimated that media owners ad revenue worldwide grew by 24.3 percent as the market recovered from the impact of the coronavirus pandemic. At that time the global ad revenue reached 772.4 billion U.S. dollars. By 2026, the market is expected to cross the one trillion dollars mark. North America is expected to remain the largest regional ad market, closely followed by Asia Pacific. Western Europe ranks third, with ad spend amounting to less than half of these of North America.

### **What are popular ad media used globally?**

As digital is driving the future, internet advertising is one of few media exhibiting double-digit positive growth in investments. In 2022, internet ad spend will grow by some 11.5 percent. Cinema advertising is projected to also experience a significant growth that year. What is not a revelation is that print media are seeing negative growth in investments and are expected to do so in the foreseeable future. Sadly, all media experienced a decline in 2020 due to the coronavirus outbreak, however, each one of them, with the exception of magazines, was back to positive growth in 2021. In 2022, magazines and newspapers will both see negative growth once again.

### **Digital advertising spending worldwide 2021-2026**

Digital advertising spending worldwide – which includes both desktop and laptop computers as well as mobile devices – stood at an estimated 378 billion U.S. dollars in 2020. This figure is forecast to constantly increase in the coming years, reaching a total of 646 billion U.S. dollars by 2024. Mobile internet advertising is a heavily invested sub-sector of the digital advertising industry. Mobile internet advertising spending is forecast to increase from 276 billion U.S. dollars in 2020 to nearly 495 billion U.S. dollars in 2024. Following this pattern, mobile advertising spending in the U.S. is also forecast to grow in the coming years. Mobile ad spending in the U.S. is projected to nearly double between 2019 and 2020.

### **Most attractive countries for digital creative professionals worldwide 2021**

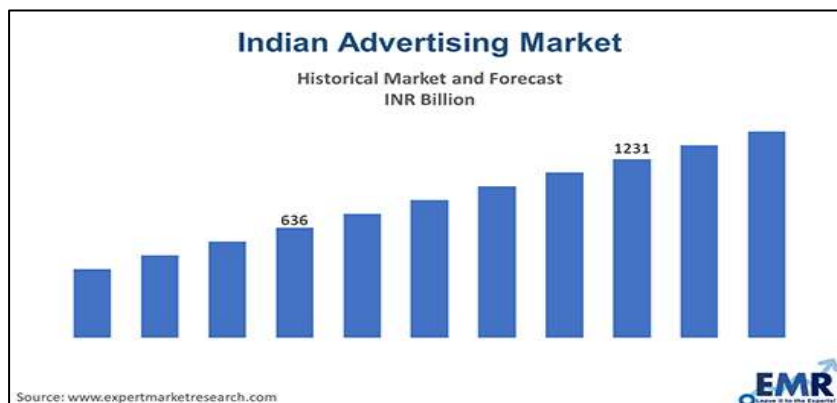
In 2021, the top two spots among the ranking of most attractive countries for digital agency professionals belonged to Belgium, with a score of 5.39 points of out 10, and the Netherlands with a score of 4.78 points. Third came India, with 4.71 points.

(Source: <https://www.statista.com/topics/990/global-advertising-market/#dossierKeyfigures>)



## Indian Advertising Market Outlook

The Indian advertising market was valued at nearly INR 670 billion in 2020. The market is further expected to grow at a CAGR of 11% during the forecast period of 2022-2027 to reach INR 1253.2 billion by 2026.



The major factors driving the Indian advertising market growth are rapid urbanisation, the growing acceptance of technology, the increasing population, and favourable government regulations in the region.

The value chain analysis of the product has also been covered in this report encompassing all the activities in the value chain such as procurement, manufacturing, sales and distribution. Furthermore, the study assesses the industry based on Porter's five forces model, which evaluates the level of competition in the industry by analysing factors such as bargaining power of buyers and suppliers, threat from substitutes and new entrants.

## Market Segmentation

Advertising is a sponsored marketing by a brand or an organisation to promote and entice consumers to buy or invest into their products or services.

The industry can be broadly categorised based on segments:

- Television Advertising
- Print Advertising
- Radio Advertising
- Internet/Online Advertising
- Mobile Advertising
- Outdoor Advertising

Among these, Television Advertising are seeing the most traction, in line with global trends:



(Source: <https://www.expertmarketresearch.com/reports/indian-advertising-market>)

## **Indian Advertising Market Trends:**

Rapid urbanization and economic growth of India are encouraging businesses to increase investments in aggressive marketing strategies, promotional activities, innovative packaging solutions, and celebrity endorsements. In addition, the rising focus of companies on improving customer retention and attracting new buyers represents one of the key factors positively influencing the market. Apart from this, the growing adoption of digital advertising solutions due to the increasing penetration of high-speed internet connectivity in India is creating a positive market outlook. This, along with the widespread utilization of smartphones, laptops, and tablets facilitates the use of digital advertising. The increasing reliance of individuals on social media platforms is also offering numerous opportunities to companies to promote their services and products. Shifting consumer preference toward online shopping and continuous improvements in the e-commerce infrastructure are offering lucrative growth opportunities to leading advertising industry players. Furthermore, the expansion of media and entertainment channels and the advent of subscription-based channel models are strengthening market growth. Additionally, the emerging trend of advertisement through key sporting events, including the Indian Premier League and sports expo in India, is offering a favourable market outlook. Moreover, the rising spending of the Government of India (GoI) on political advertising is propelling market growth.

### **1. What was the size of the Indian advertising market in 2021?**

The Indian advertising market will remain the fastest-growing in the world over the next two years, a new report by Dentsu International, recently released, said. With a growth rate of 16 per cent in 2022 and ad spending that will increase by 15.2 per cent in 2023 and 15.7 per cent in 2024, India will surpass markets such as China in terms of rate of growth, the Dentsu “Global Ad Spends Forecasts” said.

In terms of size, the Indian ad market will touch \$11 billion in 2022 from \$9.6 billion in 2021, the report said. Despite the second wave of the Covid-19 in 2021, the Indian market had grown at nearly 22 per cent over the previous year, it said. Ad spend growth rate for China, on the other hand, is forecast at 4 per cent for 2023 and at 5.4 per cent the following year. The agency did not specify China’s ad rate of growth for 2022.

Globally, ad spends will grow at about 8.7 per cent in 2022. However, it is likely to grow by 5.4 per cent in 2023 and 5.1 per cent in 2024, Dentsu said. Digital, in India, at a 33.4 per cent share of spend, will be the key medium for digital-first brands and consumer tech companies in 2022. TV continues to garner a high 41.8 per cent share in 2022 and has recovered fully, boosted by the airing of new content and sports events such as the Indian Premier League, the agency said.

Purna Mehrotra, CEO, media, Asia-Pacific (APAC), Dentsu International, said, “The latest Dentsu ad spend forecast points to a continued recovery despite economic uncertainty, with APAC 2022 ad spend of \$250 billion, based on a growth forecast at 5.1 per cent.” However, continued lockdowns in key markets, geopolitical tension and ongoing supply logistics issues could add pressure on businesses with a cascading impact on marketing spends, she said.

(Source: [https://www.business-standard.com/article/companies/indian-advertising-market-to-grow-16-in-2022-touch-11-billion-report-122071401365\\_1.html](https://www.business-standard.com/article/companies/indian-advertising-market-to-grow-16-in-2022-touch-11-billion-report-122071401365_1.html))

### **2. What is the expected growth rate of the Indian advertising market during 2022-2027?**

We expect the Indian advertising market to exhibit a CAGR of 11.3% during 2022-2027.

### **3. What are the key factors driving the Indian advertising market?**

The increasing penetration of smartphones, coupled with the rising utilization of digital advertising among numerous organizations for creating a strong brand-image, is primarily driving the Indian advertising market.

### **4. What has been the impact of COVID-19 on the Indian advertising market?**

The sudden outbreak of the COVID-19 pandemic has led to the growing adoption of online advertising over billboards by several end-use industries across the nation, to remotely promote their products and services.

### **5. What has been the impact of COVID-19 on the Indian advertising market?**

The sudden outbreak of the COVID-19 pandemic has led to the growing adoption of online advertising over billboards by

several end-use industries across the nation, to remotely promote their products and services.

(Source: <https://www.imarcgroup.com/advertising-industry-india>)

### **Leading Companies in India**

- Affle (India) Limited
- Vertoz Advertising Limited
- Rediffusion Dentsu Young & Rubicam Private Ltd

*This space is left blank intentionally.*

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 21 for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 145 & 193 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

Our Company was originally incorporated on July 3, 1986 as a Private Limited Company as “Crayons Advertising and Marketing Private Limited” vide Registration No. 24711 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana. Thereafter amendments in the Name took place, please refer chapter “Our History and Certain Other Corporate Matters” on page no. 109 of this red herring prospectus.

### **BUSINESS OVERVIEW:**

Crayons Advertising Limited is Integrated marketing and communications agency, providing 360 degree solutions to its wide array clients. The company was incorporated by the founder and Chairman Mr. Kunal Lalani with an object and vision to provide advertising solutions. The company is in the same industry for the past 36 years and is continuously expanding its business horizons with the moving trends across the world, reflecting its growing expertise in the marketing and advertising industry.

Wide area of scope of work being offered and provided by Crayons to its clients make it is one of the few agencies that can truly claim to be a fully integrated and independent in providing the marketing and communications solutions. By integrated we mean that we offer world class creative, exceptional brand marketing strategy, pragmatic online & offline media planning & buying, cutting-edge digital expertise, on ground & virtual activation capabilities, and design solutions that help our clients’ in brand building. We provide high-end ecosystem and end-to-end ad-tech communication solutions platform for advertising media services consisting of Brand Strategy, Events, Digital Media, Print Media, Outdoor (OOH) Media services which covers advertisement modes such as Newspapers, Brochures, Magazines, Television Channels, FM channels and display of Outdoor Hoardings, etc. In all such mediums of advertising “Creative” exists i.e. all the services are given keeping in my the necessity of being creative, so that Crayons can deliver most compelling communications to grab attentions of the public at large.

With an aim to retain the clients, the company provide the apt solution to the marketing needs of the clients. We are able to understand the various media (advertising modes) available and how to use the right mix of media as per client’s objectives. Therefore, Crayons growth and expansion is clearly visible through the fact that the company is now operating through 5 (five) offices located at New Delhi, Mumbai, Chennai, Kolkata, Lucknow.

Because of our wide network and local talent from each State, we are able to understand the regional insights and can target the correct audience and appropriate mode of media. We understand the local sentiments of Indian businesses and keep track of the latest trends in the Indian market. Each one of our office is independently set up and is fairly capable of providing advertising, marketing and communication solutions to the local clients in their respective regional language as well.

We prefer to speak with the people in the language they think in and the results are always outstanding. We consider this as a success recipe, indeed it has helped us to create some very effective campaigns for both the Government of India as well as the private sector. Some of our notable campaigns are ‘Desh Ki Mitti’ for Kajaria, ‘Wings of Change’ for TATA Air India and the global launch of the ‘Incredible India’ campaign. Apart from being seared into the minds of the public, our campaigns have also won us several accolades such as the Montreux Awards in Switzerland, Gold Aster Award in New York and Bronze at IPA awards London among numerous others.

The talented, passionate and creative team of Crayons are capable of handling projects of any scale and complexity as they have wide experience in the advertising and communication industry. The entire team of Crayons aim to provide best communication solutions to our clients and thereby build and nurture their brands. Therefore, since our inception, we have steadily added to our roster, newer brands from across categories.

## WE OFFER AND DO AS FOLLOWS:



### A. BRAND STRATEGY

We offer our advisory services for “strategy formulation” for the clients to enable them understand the course of action to be executed by them in order to brand their products and/or services. Strategy is at the core of everything we do at Crayons. We believe that in order to create effective communication, it is very important to understand human behaviour. Most of our competition approaches communication from human behaviour perspective. When we focus on human behaviour, we enter into the lives of the people and understand what makes them tick as humans. We live their lives through what music they listen, what movies they watch, how much time they spend in deciding what to order on Swiggy or Zomato, how do they shop and why do they shop the way they do. How do we do it? Peoplewatching by Desond Morris is almost like a Bible for us. In this day and age, it has become lot easier when one can follow the conversations in social space, track various trends. For most, this would lead to an insight but for us, it helps us form a foresight, what is likely to happen. This allows us to have a macro and micro understanding when developing strategy for any brand in any product category, thereby helping us framing the best marketing strategy for clients.

### B. CREATIVE

Our Creative services cover a wide range of artwork and copy deliverables. some examples would be logo design and conceptualisation, font creation, packaging designs, brochures, hoarding designs, standees, print ads, radio scripts, film scripts, stationary design, 3D rendering of projects, video visuals, Website design, email design, signage designs, video editing, film production supervision among various other deliverables.

### C. MEDIA

- Offline Media
- Digital Media

#### 1. Offline Media

<u>Offline Media Services</u>	<u>Offline Media Capabilities</u>	<u>Offline Media Clients</u>
<ul style="list-style-type: none"> <li>✓ TV</li> <li>✓ Print</li> <li>✓ Radio</li> <li>✓ OOH</li> </ul>	<ul style="list-style-type: none"> <li>✓ Campaign Planning &amp; Strategy</li> <li>✓ Campaign Media Buying</li> <li>✓ Campaign Management &amp; Execution</li> <li>✓ Campaign Post &amp; Pre Evaluation</li> </ul>	Kajaria Ceramics, APL Apollo, NSDC, NHDC, LIC, Air India, TN-DIPR, UP-DIPR, NPCI, MP Tourism, Goa Tourism, Uttarakhand Tourism, ONGC,

✓ Cinema*		RBI, PMFBY, AIDMK, BJP, ESIC, NHA, etc
<b><u>Offline Media Scope of Work</u></b> ✓ Creating and executing a solid marketing strategy & plan ✓ Managing budgets and campaigns across all channels to drive the best return on investment ✓ Get best rates from Media Partners ✓ For Campaign visibility & Reach have to place the Ads in better position. ✓ Close monitoring for the best implementation of the Campaign	<b><u>Detailed Scope of Work offline Media Vertical</u></b> <b>Media Planning:-</b> A series of decisions involving the delivery of messages to audiences. Media Planning Criteria Considerations: - ◆ Geographic coverage ◆ The media mix ◆ Target market coverage ◆ Scheduling ◆ Reach versus frequency ◆ Creative aspects and mood ◆ Budget considerations	<b><u>Media Buying:-</u></b> • <b>Tactical Planning</b> ✓ Meet reach/ frequency target ✓ Optimize plan • <b>Extracting a fair price</b> ✓ Cost efficiency ✓ Striking an optimal Price-Value equation ✓ Being in tune with the market, if there is scale also shape the market • <b>Implementation</b> ✓ Manage deals

\* Our offline cinema advertising services encompasses buying advertising space in cinema theatres as standee or on screen before a film begins and during the interval.

## 2. Digital Media

<b><u>Digital Media Services</u></b> ✓ Performance Marketing ✓ Digital Brand Awareness ✓ Influencer Marketing ✓ Affiliate Marketing ✓ Programmatic Advertising	<b><u>Digital Media Capabilities</u></b> ✓ Campaign Planning & Strategy ✓ Campaign Media Buying ✓ Campaign Management & Execution ✓ Campaign Post & Pre-Evaluation	<b><u>Digital Media Campaign Types</u></b> Managing CPL, CPV, CPE, CPI, CPS, CPA & CPM campaigns CPL: Cost per lead, CPV: Cost per View, CPE: Cost per engagement, CPI, Cost per Install, CPS: Cost per Sent, CPM: Cost per thousand impressions & CPA: Cost per acquisition
<b><i>Some of the brands we've helped with finding their digital feet are:</i></b> State Bank of India * Indian Oil * Tata Sons * NSDC * Air India * BPTP * Som Distilleries * Bank of Baroda * APL Apollo Steel Pipes / CPVC Pipes * Incredible India * Madhya Pradesh Tourism * Assam Tourism * Uttar Pradesh Tourism * Arunachal Pradesh Tourism * Kajaria Ply * Kerovit by Kajaria * FitBit * JK Tyres * Pee Safe * Adani Realty * Department of Financial Services (Ministry of Finance) * Punjab Grill * Nissan Motors * Social Home Inc. * Indian Bank * MSDE * Swatch Lacoste, Herohomes, Estee Lauder, Balmain, Hugo Boss, Vatika.		

### Digital Media Scope of Work

- ✓ Creating and executing a solid marketing strategy & execution plan
- ✓ Developing and managing digital prospecting and remarketing campaigns
- ✓ Managing budgets and campaigns across all digital channels to drive the best return on investment
- ✓ Planning, execution, and optimization for key traffic KPIs via paid media channels
- ✓ Identifying and testing new channels to continue to meet or exceed established critical metrics
- ✓ working closely with the client end to share funnel conversion
- ✓ Develop and oversee overall performance/brand awareness marketing strategy
- ✓ Create and manage digital media campaigns
- ✓ regularly review and optimize all advertising campaigns for positive ROAS
- ✓ Manage the paid listing on third-party websites and media partners
- ✓ Creating & building paid media automation strategy

### Detailed Scope of Work of Digital Media Vertical

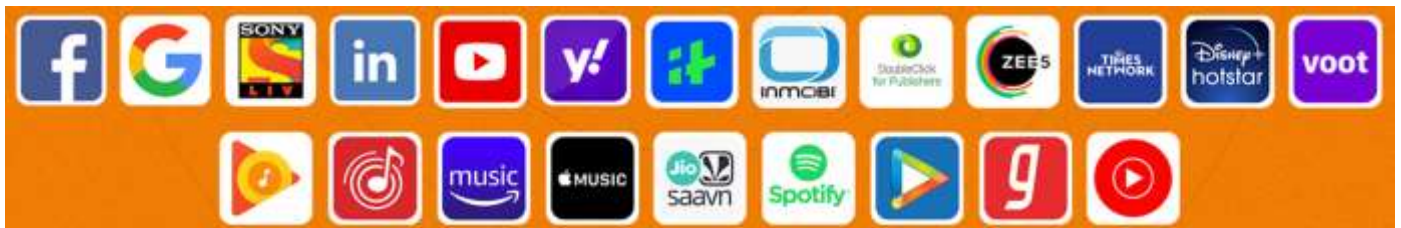
- ✓ Social Media Ads Google Ads Publisher Ads Influencer Marketing Programmatic Ads Affiliate Marketing
- ✓ Developing, executing, and managing paid marketing strategies & campaigns for clients like Tata Group, Bank of Baroda,



Kajaria, Uttar Pradesh Govt., Central Bank of India, Indian Bank, Exim Bank, APL Apollo, Social Home, Air India, Arunachal Pradesh Tourism & Welcome Heritage

- ✓ Creating digital media strategies for brands that include all digital touchpoints
- ✓ framing media investment strategies for clients' short-term & long-term goals
- ✓ building an impactful media plan by selecting the right channels, formats & placements within the client budget.
- ✓ Achieving the objectives & digital media KPIs of paid marketing channels for clients
- ✓ Paid advertising: Development, execution & optimization of strategies across platforms like google ads, LinkedIn, Facebook, Twitter, ATT & OTT Platforms, etc.
- ✓ Adapting the latest digital marketing trends, best practices, and technologies for clients.
- ✓ Managing CPL, CPV, CPE, CPI, CPS & CPM campaigns as per client objectives while ensuring results through paid channels are met or exceeded.

### Digital Media Partners



### Digital Media Certifications



### Digital Media Tools



### D. Events

The hallmark of a successful event is the absolute absence of hiccup or glitches. Being an integrated and full service event management set up, Crayons takes care of everything: starting from the idea, to budgeting, scheduling, site selection, acquiring necessary permits, coordinating transportation and parking, arranging for speakers or entertainers, decor, event security, catering, coordinating with third party vendors, and emergency plans. We have seamlessly organised events of all sizes from

large scale tourism events, travel agent meets, product launches, State Government events to National and international exhibitions of repute. We have had the honour of hosting the most reputed personnel across industries as well as the leading government personnel of India, including the prime minister of the country who attended as the speaker and chief guest on various events.

#### Glimpse of some Big Events

We have organized several big tickets events, few of them are listed below –



- Bayut Your Homes Your Choice Awards 2021- Dubai opera house
- Kohinoor's Guinness World Record Biryani Event
- Rashtriya Sanskriti Mahotsav - 2019, 2021 & 2022
- Interpersonal Communication campaign - BECIL 2019
- International road shows for Goa Tourism
- HPCL Regional Manager Conference (RMC) - 2020, 2021 & 2022
- 2nd Ground Breaking Ceremony 2019, Lucknow
- Pariksha Pe Charcha 2020,2021,2022
- Toyota Urban Cruiser High Rider Car Launch Event.
- UNESCO India-Africa Hackathon 2022
- Prime Minister's Visit to Kumbh Mela Opening Ceremony 2019, Prayagraj
- Visit of Sh. Amit Shah with CM and other Cabinet Minister to Kumbh Mela 2019, Prayagraj
- Organisation of Dharam Sansad at Kumbh Mela 2019, Prayagraj.
- Organisation of Vaicharik Kumbh at Kumbh Mela 2019, Prayagraj
- Grand Kerala Shopping Festival – 3 years in a row Kerala Tourism Road Shows in India and abroad.dkjens

#### Services provided by us:

Services Provided by us	Description						
Commercial Films (TVC)	We had created advertising Films across various media for our clients, following are most renowned films created by Crayons – BABA ZARDA (1990), LIC (2016), KAJARIA (2016), ASSAM TOURISM (2017), KAJARIA PLY (2021), APL APOLLO (2021), KEROVIT (2022), CROMA (2022).						
Digital Marketing	<div>We help brands in promotion of their product or services to connect with potential customers using the internet and other forms of digital communication. We have done a lot of Advertisement campaign digitally, some campaigns made by crayons are shown below-</div> <table><tr><td><ul style="list-style-type: none"><li>• Re-launching of <b>TATA Air India</b> on social media platform.</li></ul><b>Results:</b><ul style="list-style-type: none"><li>▪ Organic twitter hashtag <b>trended #1 across India</b></li><li>▪ Impressions 728 million+</li><li>▪ Engagement 1million+</li><li>▪ Website traffic 7 million+</li></ul></td><td><ul style="list-style-type: none"><li>• Social media campaign on the theme of Independence Day for <b>TATA Group</b>.</li></ul><b>Results:</b><ul style="list-style-type: none"><li>▪ Impressions 3.16 million+</li><li>▪ Reach: 2.73 million+</li><li>▪ Engagement 0.09 million+</li><li>▪ Video views: 0.32 million+</li></ul></td><td><ul style="list-style-type: none"><li>• App Launch Campaign – For sign up on <b>Social Home</b>.</li></ul>Objective – Ultimate object is member sign ups. <b>Estimated Leads-</b> 50k member sign ups. <b>Leads Achieved-</b> 245k member sign ups.</td></tr><tr><td colspan="3"><ul style="list-style-type: none"><li>• Product Launch Campaign - Launch of <b>Nissan Patrol</b> 2020.</li></ul>1<sup>st</sup> in the Industry gaming campaign was conceptualized and executed to launch the new car by Nissan. <ul style="list-style-type: none"><li>• <b>Bayut Campaign</b> – Awareness around Brand and Promoting its mobile app via top influencers.</li></ul></td></tr></table>	<ul style="list-style-type: none"><li>• Re-launching of <b>TATA Air India</b> on social media platform.</li></ul> <b>Results:</b> <ul style="list-style-type: none"><li>▪ Organic twitter hashtag <b>trended #1 across India</b></li><li>▪ Impressions 728 million+</li><li>▪ Engagement 1million+</li><li>▪ Website traffic 7 million+</li></ul>	<ul style="list-style-type: none"><li>• Social media campaign on the theme of Independence Day for <b>TATA Group</b>.</li></ul> <b>Results:</b> <ul style="list-style-type: none"><li>▪ Impressions 3.16 million+</li><li>▪ Reach: 2.73 million+</li><li>▪ Engagement 0.09 million+</li><li>▪ Video views: 0.32 million+</li></ul>	<ul style="list-style-type: none"><li>• App Launch Campaign – For sign up on <b>Social Home</b>.</li></ul> Objective – Ultimate object is member sign ups. <b>Estimated Leads-</b> 50k member sign ups. <b>Leads Achieved-</b> 245k member sign ups.	<ul style="list-style-type: none"><li>• Product Launch Campaign - Launch of <b>Nissan Patrol</b> 2020.</li></ul> 1 <sup>st</sup> in the Industry gaming campaign was conceptualized and executed to launch the new car by Nissan. <ul style="list-style-type: none"><li>• <b>Bayut Campaign</b> – Awareness around Brand and Promoting its mobile app via top influencers.</li></ul>		
<ul style="list-style-type: none"><li>• Re-launching of <b>TATA Air India</b> on social media platform.</li></ul> <b>Results:</b> <ul style="list-style-type: none"><li>▪ Organic twitter hashtag <b>trended #1 across India</b></li><li>▪ Impressions 728 million+</li><li>▪ Engagement 1million+</li><li>▪ Website traffic 7 million+</li></ul>	<ul style="list-style-type: none"><li>• Social media campaign on the theme of Independence Day for <b>TATA Group</b>.</li></ul> <b>Results:</b> <ul style="list-style-type: none"><li>▪ Impressions 3.16 million+</li><li>▪ Reach: 2.73 million+</li><li>▪ Engagement 0.09 million+</li><li>▪ Video views: 0.32 million+</li></ul>	<ul style="list-style-type: none"><li>• App Launch Campaign – For sign up on <b>Social Home</b>.</li></ul> Objective – Ultimate object is member sign ups. <b>Estimated Leads-</b> 50k member sign ups. <b>Leads Achieved-</b> 245k member sign ups.					
<ul style="list-style-type: none"><li>• Product Launch Campaign - Launch of <b>Nissan Patrol</b> 2020.</li></ul> 1 <sup>st</sup> in the Industry gaming campaign was conceptualized and executed to launch the new car by Nissan. <ul style="list-style-type: none"><li>• <b>Bayut Campaign</b> – Awareness around Brand and Promoting its mobile app via top influencers.</li></ul>							
Print Ads	Print Media is effective and has wide readership. Under the print media services, we connect the client to public through magazines, newspapers, brochures, and Journal. Following are some famous ad projects done by us –						

<p><b>KOHINOOR (2005)</b></p> 	<p><b>PUNJAB GRILL (2021)</b></p> 	<p><b>CROMA (2022)</b></p> 
<p><b>DELHI POLICE (2013)</b></p> 	<p><b>TATA AIR INDIA (2022)</b></p> 	

### Out of Our Existing Services We Plan to Explore More:

#### 1. **WEB 3: THE METAVERSE**

While strengthening our already wide array of creative capabilities, the key driver of growth in the future will be to maintain the most immersive way of communication. Our goal is to have Web3 development capabilities in house, wherein with the help of Augmented Reality and Virtual Reality we can take our marketing efforts to a whole new level. We want to allow brands to communicate in a tech-led world, and the consumers to experience the product with the most dynamically created and targeted content.

#### 2. **Enabling OOH (Outdoor Advertising) with Technology**

We plan to expand our already large portfolio of owned sites and enable them with digital screens, equipped with AI enabled cameras, which allow more than one brand to be present on a hoarding in a day while also tracking impressions. The intelligent targeting and content of the ad can change the basis of the crowd present. The inventory can not only change the basis of the time of the day (office hours/school hours), but also house the capability of showcasing dynamic and 3D content. It would allow brands to execute some of the most engaging animated content. This would be a major cost saver for the clients, given that they will no longer have to block the entire inventory for themselves. The potential for OOH to become a larger volume business will effectively be unlocked.

#### 3. **Enabling Events with Cutting Edge Technology**

Housing a 'first of its kind' immersive technology to allow our clients to bring their events to life and offer more through events hosted by them, following technology which we will integrate to further enable our brands:

- **Hologram Technology** - An event while being physically hosted elsewhere, can be hosted by the same individuals in multiple locations with a life-like experience.





We have used this technology in our Bayut Your Homes Your Choice Awards 2021.

- **Augmented Reality & Virtual Reality** - Can be used to offer a near-to-life experience to consumers. It can be leveraged by sharing experiences, tours/product demos or even enhancing the atmosphere of where an event is being hosted.
4. **Aggregate Media Inventory** - Building an aggregation tool to aid large, as well as small companies in planning and executing their own media strategies and plans through a single portal, while generating detailed reports. The technology will allow us to house our own inventory, inventory of larger publishers (Google/Meta/Times etc), programmatic service providers as well as affiliates for performance marketing. These will eventually act as our vendors as well as clients. The rates can be compared and the client can have absolute transparency while picking their platforms. This technology can be sold to our clients, or to app's/websites looking to be pushed as well as recommended.

Further to know more about our expansion plans please refer to the title “Object of the Issue” at page No. 62

### **AWARDS & RECOGNITION:**

Our company has been honoured with various Awards and Recognitions, some of them are cited below -

Awards & Recognition	
<p>1. Our Company has been honoured with “Best Agency Servicing Healthcare Industry” and also “Best Marketing Campaign” received from Healthcare Leadership Awards – India in the year 2014.</p> 	<p>2. Aster Awards Honouring Excellence In Healthcare Advertisement, 2019 – Crayons is a Gold Winner for Niyati Healthcare</p> 
<p>3. Dainik Bhaskar Ink Awards 2014 –Awarded by Delhi Traffic Police</p> 	<p>4. Creative Abby Awards at GOA Fest 2015 awarded by Bakson's Hair Clinic.</p> 



5. Aster Awards, USA – 2016 – Awarded by Apollo Sugar Clinics Ltd.



6. Big Bang Awards – Awarded by Bangalore Ad Club on World Heart Day



7. Award for Excellence at Travel & Tourism Fair (TTF), Ahmedabad, 2015 & 2016.



8. Award for Excellence at OTM, Mumbai, 2015



9. Excellence in Advertising Awards, 2014 – awarded by Delhi Ad Club for Certificate for Creative Excellence



10. Excellence in Advertising Awards, 2018 - Delhi Advertising Club



11. Excellence in Advertising Awards, 2015 - Delhi Advertising Club



12. Excellence in Advertising Awards, 2015 - Delhi Advertising Club



**TALENT BEHIND SUCCESS OF CRAYONS:**

**SAMIR DATAR (Chief Strategy Officer)**

Samir has 30 years of experience in the advertising industry. He Has worked across agencies like Wunderman Thompson (JWT), Cheil, Grey and Hakuhodo. Samir was responsible for resurgence of Maggi Noodles, launched Nature Fresh in India, created campaigns for Indian Army, Indian Air Force and Indian Navy and been the brand custodian for Samsung for 6 years and a lot more. He led the strategy for launch and success of Samsung Mobile Phones during 2002 and onwards. At Crayons as CSO, Samir has won Air India and Croma in large multi- agency pitches. Apart from this Samir has also been part of Swach Bharat initiatives with the government. Very strong on human insights rather than consumer insights, Samir is a keen follower of human behaviour.

**SANJEEV BHIRANI (Sr. Vice President – Mumbai)**

A Post Graduate in Marketing Management with a Diploma in Public Relations and Journalism, Sanjeev has been trained at the National Training Institute, Muscat. He has 15 years of experience in the advertising industry and has handled prestigious accounts like Siemens, VSNL, Bharat Petroleum, British Bank of the Middle East, Toyota Passenger Cars, SANYO, CANON, Oman Cement, ANZ Grindlays Bank and Pantaloon Fashions. Prior to this tenure at Crayons, Sanjeev has worked with Pressman Advertising, United Media Services, Speer Marketing and Percept Advertising.

**SUNIL DAFTARY (Branch Head – Kolkata)**

Sunil has 18 years of experience in the advertising industry. He started his career at Crayons as intern at the age of 19 and revealed his capabilities at every level with a sense of responsibility and leadership. He has single-handedly led many PAN India campaigns for Crayons. In this tenure, he handled brands like LIC, HIDCO, Indian Oil, West Bengal Govt. He was in-charge for the strategy and media planning for National Jute Board against the single-use plastic initiative by PMO. Currently, Sunil is the Branch Director of Kolkata and RAMR.

**RAMESH SHARMA (Branch Head – Lucknow)**

Ramesh has 16+ years of experience in leading Advertising, PR, Event and communication projects across sectors like tourism, hospitality, consumer durables, FMCG sectors to name a few. Based out of Lucknow, he is responsible for developing 360degree communication campaigns for all the clients present with the branch, such as, DIPR Lucknow, Lucknow Development Authority, Udyog Bandhu, Kumbh Melam 2019 etc.

**VIJAY ANAND (Branch Head, Chennai)**

With over 22 years of experience in the advertising industry, Vijay has worked across agencies like MAA Bozell, Disha



Communications and RK Swamy BBDO. Through the years, he has led communication strategies for large corporates like Hero Honda, Amrutanjan, Comfy Sanitary Napkins, TECUMSEH, TMC & Viveks to name a few. He was also the brand custodian for CBZ in Andhra Pradesh for 8 years. At Crayons, as Branch Head of Chennai, Vijay has successfully on boarded brands like TVS Supply Chain, Star Eta, Renault Nissan Technology Division & Jains Housing.

### **OUR COMPETITIVE STRENGTHS:**

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

#### **1. Meeting expectation of clients and maintaining Long Term Relationship with clients.**

We believe that maintaining good relationship with customers is a most critical factor in our business to keep growing. Through regular interaction with our clients and understanding the client requirements such as location, target audience, concept, ad design etc. and choosing the most appropriate media source which enables us to not only attract new customers but also leads to recurring business with our existing clients. We will continue to focus on timely and accurate delivery of quality services which will help in forging strong relationships with our customers and gaining increased business from them.

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

Our Promoter have significant industry experience and have been instrumental in the consistent growth of our Company. Our management and team combine expertise and experience to outline plans for future development of our company.

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

Our Company is well equipped with all the advance equipment's as may be generally required in our industry. This provides our Company edge over our competitors. We use several software to create the ad.

#### **Marque Clientele**

Our partnership with our clients reflects their trust and belief on our company. We are anything and everything brands need to communicate their story to a diverse and distinguished clientele. Our Company has worked with large number of marque clients and served advertising services some of them are provided below-

S. No.	Name of Client	Project
1.	Kajaria Ply	Print media, Electronic media, Events and Activations, Print Media Services - Newspapers, Brochures, Magazines; Television Channels, FM Channels and Display of Outdoor Hoardings Social Media, Management, Google Ads, Campaign Planning & Strategy, Digital Content Creation, Campaign Management & Execution, Campaign Post & Pre Evaluation, Social Media Ads, Digital Media Strategy.
2.	Lotto Shoes	Print Campaign, Strategic Planning for the brand
3.	Nayati	Strategic Planning, Print Campaign, Digital Campaign
4.	Kohinoor Foods Limited	Brand Development, Brand Strategy, Integrated Media Campaigns – TVC, Print, BTL, Event planning and execution
5.	J & K Tourism	Brand Strategy Planning, Print Campaigns
6.	Leela	Brand Planning for Leela Gurugram – Flagship Restaurants Promotion, Food festivals, Internal Communication – Newsletters, Posters
7.	Fortis	Brand Development, Brand Strategy, Integrated Media Campaigns – TVC, Print, BTL, Event Planning and Management
8.	ITC Fortune	Campaign Planning & Strategy, Brand Development, Print Campaigns, Social Media Creatives, Creative Strategy, Brand Building, Outdoor Branding, Internal Communication, Brand Development, Flagship Restaurant Promotions, Food Festivals
9.	ITC Welcom Heritage	Campaign Planning & Strategy, Brand Development, Print Campaign, Creative Strategy, Brand Building, Outdoor Branding, Brand Development Search Engine Optimization, Google Ads, Performance Marketing, Performance Marketing
10.	Casio	Strategic Planning, Print Campaign, Shoot
11.	C K Birla	Strategic Planning, Print Campaign, Digital Campaign
12.	Delhi Police	Print Media, Radio Commercials,

13.	SBI	Film production, Strategic Planning, Performance Marketing, Digital Brand Awareness, Influencer Marketing, Affiliate Marketing, Campaign Planning & Strategy, Campaign Media Buying, Campaign Management & Execution, Campaign Post & Pre Evaluation, Social Media Management, Email marketing, WhatsApp marketing, Social Media Ads, Google Ads, Digital Media Strategy, Online Reputation Management
14.	Air India	Campaign Planning & Strategy, Digital Content Creation, Campaign Management & Execution, Campaign Post & Pre Evaluation, Social Media Ads, Google Ads, Social Media Management, Digital Media Strategy, Online Reputation Management, Campaign Planning and execution, Film Production, PSS Turnover (ATL+BTL), Print Media, Brand Communication, Electronic Media (TV & Radio Commercials), Outdoor Advertising
15.	Apollo Sugar	Strategic Planning, TV Commercial Development, Print Campaign
16.	Kajaria Tiles	Print Media, Electronic Media, Media Buying and Planning, Campaign Planning & Strategy, Cinema
17.	Assam Tourism	Brand Strategy, TVC Campaigns
18.	LIC	Integration Media Campaign – TVC, Print, BTL, Event Management and Planning
19.	Kerovit	Brand Development, Brand Strategy, Integrated Media Campaigns – TVC, Print, BTL, Event and schemes
20.	Korea Tourism	Digital Media Campaign, Content Development, Social Media Ads, Google Ads, Digital Media Strategy
21.	APL Apollo Steel Pipes	OOH Campaign, Cinema, Strategic Planning, Digital Marketing, Social Media Management, TVC Campaign, Performance Marketing, Digital Brand Awareness, Campaign Planning & Strategy, Campaign Media Buying, Campaign Management & Execution, Campaign Post & Pre-Evaluation, Social Media Management, Email marketing, WhatsApp marketing Social Media Ads, Google Ads, Digital Media Strategy, Online Reputation Management, Film Production
22.	APL Apollo CPVC Pipes	Strategic Planning, Digital Marketing, Social Media Management, TVC Campaign, Performance Marketing, Digital Brand Awareness, Campaign Planning & Strategy, Campaign Media Buying, Campaign Management & Execution, Campaign Post & Pre Evaluation, Social Media Management, Email marketing, WhatsApp marketing, Social Media Ads, Google Ads, Digital Media Strategy, Online Reputation Management, Film Production.

## OUR BUSINESS STRATEGIES

### 1. Expanding our Network

Our Company believes in maintaining long term relationship with our clients and our company focused on increasing the number of client relationships and having a greater number of relationship managers to service these relationships. We aim to achieve this by adding value to our customers through the use of latest and updated technology, quality assurances and timely delivery of results.

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

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

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

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

### 4. Competitive Pricing

To remain aggressive and gain new business, we believe in offering competitive prices to our customers. This helps us to sustain the competition and claim a position of strength in the marketplace.

## 5. Marketing Strategy

We help our clients find the right strategy to meet their goals in the corporate world by using the appropriate tools, models, research, and approach. We create unique Brands that are memorable and captivating with a potential message or concept. We provide full printing solutions for your business from promotional items such as billboards, signages, business cards, flyers, brochures and other branding materials.

### EQUIPMENTS

Following is the list of the Software used by our Company:

S.No	Name of Major Software	
1.	Adobe	<i>These all adobe software's are used by us-</i> Adobe Photoshop, Adobe illustrator, Adobe Acrobat Pro, Adobe InDesign, Adobe XD, Adobe Premiere Pro, Adobe After Effects, Adobe Lightroom, Adobe Dreamweaver, Adobe Animate, Adobe Audition, Adobe Dimension, Adobe InCopy, Adobe Media Encoder, Adobe UXP Developer Tool, Adobe Character Animator, Adobe Bridge, Adobe Lightroom Classic
2.	Microsoft	<i>These all Microsoft software's are used by us-</i> Microsoft Office, Microsoft OneNote, Microsoft Teams, Microsoft OneDrive, Microsoft Forms, Microsoft Kaizala, Microsoft Lists, Microsoft Sway, Microsoft To Do, Microsoft Whiteboard, Microsoft Planner.
3.	CorelDraw	CoreIDRAW is a graphic design software which enables users to create professional designs with vector illustration, layout, photo editing, typography, template tools, and more. CoreIDRAW allows users to create, access and store artwork, web graphics and prints in the cloud, via the web app.
4.	VISIO	Organize complex ideas visually. Get started with hundreds of templates, including flowcharts, timelines, floor plans, and more. Add and connect shapes, text, and pictures to show relationships in your data. Give diagrams a professional look with styles, effects, themes, and background. Create dynamic diagrams and link to data from Excel, Access, or SharePoint.
5.	YAMMER	Yammer is a place where an organization's leadership can post updates, requests for feedback, announcements, and more in an open and transparent way. This makes it easier for employees to respond, provide suggestions, and ask questions using an interface that prioritizes previews of files like photos and documents.
6.	LOCObUZZ	Locobuzz is an award winning social media analytics and engagement platform, which can be effectively deployed to listen and respond to online buzz created by the brand and assess effectiveness of a given marketing campaign.
7.	SPRINKLR	Sprinklr gives you a better understanding of feedback on your products and services — plus key insights on your competitors' offerings and strategies — so you can identify critical market trends and capitalize on unmet customer needs.

Following is the list of the Digital Media Tools used by our Company:

S. No.	Software Name	Description
1	Marin Software	Marin software provides a unified platform for search, social, and e-commerce advertising. & help digital marketers convert precise audiences, win new customers, and make better decisions.
2	AdParlor	AdParlor is a social advertising solution for Facebook and Twitter. The app provides a single platform for both Twitter and Facebook campaign management. AdParlor is a Facebook Strategic Preferred Marketing Developer and an Official Twitter Marketing Platform Partner
3	AdEspresso	AdEspresso is a user-friendly advertising tool that can revolutionize how to approach Facebook Ads. With the power to quickly create multiple versions of a single campaign, coupled with split testing options, marketers can gain valuable insight into their audience and hopefully generate maximum ROI.

4	<b>Criteo</b>	Criteo is a dynamic retargeting company that works closely with internet service providers to create personalized ads for consumers. Criteo works with ISP's to create online ads based on user internet history
5	<b>Adobe marketing cloud</b>	Adobe Marketing Cloud, includes powerful web analytics and website optimization products that deliver actionable, real-time data and insights to drive successful online initiatives. It offers an integrated and open platform for online business optimization.
6	<b>App Nexus/Xandr</b>	App Nexus is a cloud-based software platform that enables and optimizes programmatic online advertising also led by data-enabled technology which powers a global marketplace for premium advertising.
7	<b>ReTargeter</b>	ReTargeter helps in creating campaigns that are customized to individual business needs and will help in standing out from the competitors. With the AI tech-driven tool, it becomes easy to keep the business top of mind with your audience, wherever they spend time online.
8	<b>Nielsen</b>	Nielsen is a global leader in audience measurement, data, and analytics, it helps in measuring behaviour across all channels and platforms to discover what audiences love, with trusted intelligence
9	<b>Moat</b>	Oracle Moat is an ad measurement and marketing analytics suite designed to help advertisers, publishers, and platforms measure media performance across the breadth of their digital advertising campaigns.

## HUMAN RESOURCE

Our employees are the key to the success of our business. As on date, we have the total strength of 188 in various departments as per the below details:

S. No.	Departments	No. of Employees
1	Client Servicing	46
2	Media	10
3	Digital	44
4	Account & Finance	14
5	Strategy	5
6	Creative	40
7	Studio	5
8	Events	2
9	HR/Admin	22
<b>Total</b>		<b>188</b>

## FINANCIAL ACHIEVEMENTS OF THE COMPANY

(₹ in Lakhs)

Particulars	December 31,2022	March 31, 2022	March 31, 2021	March 31, 2020
<b>Share Capital</b>	1,800.00	225.00	225.00	225.00
<b>Reserves &amp; Surplus</b>	3,191.03	3,498.95	3,337.61	3,324.64
<b>Net Worth</b>	4,991.03	3,723.95	3,562.61	3,549.64
<b>Total Income</b>	20,374.52	19,404.97	10,661.22	16,367.65
<b>PAT</b>	1,267.08	161.34	12.97	116.57

## GEOGRAPHICAL WISE REVENUE BREAKUP

Geographical distribution of our revenue during the last 3 years and up to the December 2022 are as under:

(₹ in Lakhs)

State	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020	Total Revenue Statewise	% of Total
<b>Delhi</b>	12,819.80	11,750.22	3,960.08	8,857.51	37,387.62	56.86%
<b>Maharashtra</b>	2,506.00	2,454.81	963.41	3,553.00	9,477.22	14.41%

<b>Tamil Nadu</b>	2,774.43	1,219.92	2,961.20	641.16	7,596.71	11.55%
<b>West Bengal</b>	1,377.04	1,876.19	1,149.19	1,906.77	6,309.19	9.60%
<b>Uttar Pradesh</b>	313.35	1,814.81	809.23	240.73	3,178.12	4.83%
<b>Rajasthan</b>	-	-	252.10	373.38	625.48	0.95%
<b>Chandigarh</b>	10.00	51.60	326.61	186.34	574.54	0.87%
<b>Bihar</b>	0.84	2.53	56.22	123.77	183.13	0.28%
<b>Karnataka</b>	-	(0.22)	13.73	138.61	152.33	0.23%
<b>Delhi (Foreign)</b>	99.71	82.72	-	-	182.43	0.28%
<b>Kerala</b>	-	-	-	78.77	78.77	0.12%
<b>Maharashtra (foreign)</b>	-	-	4.85	-	4.85	0.01%
<b>Grand Total</b>	<b>19,901.18</b>	<b>19,252.57</b>	<b>10,496.63</b>	<b>16,100.04</b>	<b>65,750.41</b>	<b>100.00%</b>

## SEGMENT WISE REVENUE BREAKUP

Segment Wise distribution of our revenue during the last 3 years and for the period ended December 31, 2022 are as under:

(₹ in Lakhs)

Segments	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020	Total	% to Total
<b>Media (Print, TV &amp; Radio)</b>	8,504.90	11,491.65	4,552.08	7,766.69	32,315.32	49.15%
<b>Outdoor Advertising</b>	4,421.46	3,095.15	2,354.58	1,551.45	11,422.64	17.37%
<b>Digital Revenue</b>	1,149.46	882.44	1,177.43	3,230.74	6,440.07	9.79%
<b>Event Management</b>	3,696.66	363.85	650.63	1,453.96	6,165.11	9.38%
<b>Creative &amp; Artwork</b>	2,128.69	3,419.48	1,761.90	2,097.20	9,407.27	14.31%
<b>Grand Total</b>	<b>19,901.18</b>	<b>19,252.57</b>	<b>10,496.63</b>	<b>16,100.04</b>	<b>65,750.41</b>	<b>100.00%</b>

## TOP TEN SUPPLIERS

Our top 10 suppliers in terms of amount during the last 3 years and for the period ended December 31, 2022 are as under:

(₹ in Lakhs)

Particulars	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020	Total	% to total
CASH UR DRIVE MARKETING PVT. LTD.	1,066.63	2,602.03	2,118.30	747.87	6,534.83	28.98%
BENNETT, COLEMAN AND CO. LTD.	1,151.63	1,477.48	307.51	855.78	3,792.40	16.82%
STAR INDIA PVT.LTD.	60.27	862.17	37.87	471.81	1,432.12	6.35%
FACEBOOK INDIA ONLINE SERVICES P.L.	153.41	150.80	288.59	1,059.33	1,652.11	7.33%
THG PUBLISHING PRIVATE LIMITED	767.66	575.75	98.41	285.64	1,727.45	7.66%
JAGRAN PRAKASHAN LIMITED	69.29	874.93	40.40	152.33	1,136.94	5.04%
GOOGLE INDIA PVT. LTD.	230.13	134.85	303.51	247.25	915.75	4.06%
HT MEDIA LIMITED	99.52	196.17	119.22	280.94	695.84	3.09%
ZEE ENTERTAINMENT ENTERPRISES LTD.	147.60	394.13	484.08	195.91	1,221.73	5.42%
ABP PVT.LIMITED	90.64	130.67	46.13	288.49	555.93	2.47%
BIOSCOPE COMMUNICATION	2,785.25	76.31	21.43	-	2,882.99	12.79%
<b>TOTAL</b>	<b>6,622.04</b>	<b>7,475.27</b>	<b>3,865.45</b>	<b>4,585.34</b>	<b>22,548.10</b>	<b>100.00%</b>

## TOP TEN CUSTOMERS

Our top 10 clients in terms of revenue generated during the last 3 years are as under:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020	Total	% to total
BHARTIYA JANTA PARTY	4,949.31	-	190.11	5,139.42	18.60%
ROSMERTA SAFETY SYSTEMS PVT. LTD.	1,953.52	2,253.80	485.43	4,692.75	16.98%
LIFE INSURANCE CORPORATION OF INDIA	1,024.39	792.48	1,192.82	3,009.70	10.89%
DIPR	2,355.45	345.16	225.30	2,925.92	10.59%
KAJARIA CERAMICS LTD	859.14	221.99	1,350.23	2,431.37	8.80%
STATE BANK OF INDIA	-	3.47	2,250.92	2,254.39	8.16%
APL APOLLO TUBES LIMITED	46.40	-	1,875.84	1,922.24	6.96%
YAAP DIGITAL PRIVATE LIMITED	951.21	247.75	550.59	1,749.56	6.33%
BANK OF BARODA	805.20	289.31	143.24	1,237.76	4.48%
MADHYA PRADESH TOURISM BOARD	71.54	169.12	928.57	1,169.23	4.23%
AIR INDIA LIMITED	772.22	34.12	293.10	1,099.44	3.98%
<b>TOTAL</b>	<b>13,788.40</b>	<b>4,357.21</b>	<b>9,486.16</b>	<b>27,631.77</b>	<b>100.00%</b>

Our top 10 clients in terms of revenue generated for the period ended December 31, 2022 are as under:

(₹ in Lakhs)

Particulars	December 31, 2022
IEC ADVISORY COMMITTEE	5,253.35
G SQUARE REALTORS PRIVATE LIMITED	2,162.39
EdCIL (INDIA) LIMITED	1,524.95
SOUTH ZONE CULTURAL CENTRE	1,321.07
ROSMERTA SAFETY SYSTEMS PVT. LTD.	1,023.49
BANK OF BARODA	1,013.01
KAJARIA CERAMICS LTD	761.92
YAAP DIGITAL PRIVATE LIMITED	691.88
INFINITI RETAIL LIMITED (CROMA)	456.55
GOVT. OF WB, INFORMATION & CULTURAL	367.81
AIR INDIA LIMITED	332.40
<b>TOTAL</b>	<b>14,908.82</b>

## CORPORATE SOCIAL RESPONSIBILITY

Our Company is exempted from the provisions of section 135 of the Companies Act, 2013, till March 31, 2023, in respect of Corporate Social Responsibility. As our company falls in the criteria specified in Section 135 of Companies Act, 2013 as per the Financial Statements ended on September 30, 2022 and we are strongly expecting it to fall under this provision as on March 31, 2023, therefore our Company has constituted Corporate Social Responsibility Committee, as a part of Good Corporate Governance. We have set up a CSR committee in compliance with the requirements of the Companies Act and the relevant rules.

For further details, please refer to the section titled “Our Management” on page 114 of this Red Herring Prospectus.

## MARKETING

Our success lies in the strength of our relationship with our clients and providing client specific advertising services to achieve the clients marketing objective and use the correct media to achieve that objective. We continuously make follow-ups to clients, set-up meetings and track record, in order to garner clients, also focus on direct understanding of client’s job requirements combined with skill set required for the particular role. Due to strong network and expertise in the industry, we have been able to get repeated projects from our clients. The efficiency of the marketing and sales network is critical success factor of our Company. Our marketing team along with our promoters through their experience and good rapport with customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding the sales network of our Company. Our team through their experience and good rapport with the clients owing to timely and quality delivery of service plays an




instrumental role in creating and expanding a work platform for our Company.

## CAPACITY AND CAPACITY UTILISATION

Capacity and capacity utilization is not applicable to our Company since our business is not in the nature of a manufacturing concern with specified installed capacity.

## INTELLECTUAL PROPERTY

The Company owned the following trademark which are owned by our Company and applied for registration:

Sr No.	Original Trademark Name	Registration No.	Application No.	Class	Current Status
1		-	5540408	35	Pending for Approval - Objected
2.	CRAYONS	1883418	5546389	35	For renewal objection submit
3.	MELON	2160877	2160877	35	Approved
4.	JADE EVENTS	2161780	2161780	35	Approved

## INSURANCE

Sr. No.	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (Rs. In Lakhs)
<b>Delhi Branch</b>					
1.	ICICI Lombard General Insurance Company Limited	Burglary Insurance Policy – Office premises/Meeting Rooms for Furniture, Fixtures & Fittings	4002/247331791/00/000	May 17,2023	Rs. 300 Lakhs
2.	ICICI Lombard General Insurance Company Limited	General Insurance	1016/247331788/00/000	May 17,2023	Rs. 300 Lakhs
3.	Reliance General Insurance Company Limited	Group Medclaim – for Employees	130532228120000008	June 30, 2023	Rs. 89.50 Lakhs
4.	Reliance General Insurance Company Limited	Group Personal Accident - for Employees	130532229140000074	June 30, 2023	Rs. 150 Lakhs

## PROPERTIES

We operate our activities from our registered office and other branch offices, details of which are given below:

### Leased Properties

S. No.	Details of Property	Purpose	Total Area	Tenure	Rent (in Rs.)
--------	---------------------	---------	------------	--------	---------------

S. No.	Details of Property	Purpose	Total Area	Tenure	Rent (in Rs.)
1.	NSIC Complex, Maa Anandmayee Marg, Okhla Industrial Estate, Phase - III, New Delhi - 110020	Registered Office and Corporate Office	11,099 sq. ft.	36 Months w.e.f April 1, 2021 to March 31, 2024	Rs. 9,21,217/- p.m.
2.	Unit No. 701,702,703 Classic Pentagon, Western Express Highway, Next to Bisleri Factory, Andheri (E), Mumbai – 400099	Branch	5,000 sq. ft.	60 months w.e.f. August 01,2022 to July 31 <sup>st</sup> , 2027	Rs. 4,45,000 p.m.
3.	“East India Building” at No. 8, Madan Street, 4th Floor, P.O Princep Street, P.S. Bowbazar Kolkata – 700072	Branch	1,705 sq. ft.	60 months w.e.f. January 30,2022 to January 29, 2026.	Rs. 87,467 p.m.
4.	A – 2, Sana Palace – II, Shahnajaf Road, Lucknow – 226001	Branch	1,600sq. ft	12 months w.e.f. August 01,2022 to July 31 <sup>st</sup> , 2023	Rs. 22,000 p.m.
5.	No.23, 2nd Floor, Lake Area, 3rd Cross Street, Nungambakkam, Chennai 600034	Branch	1,800 sq. ft	11 months w.e.f. August 01,2022 to June 30, 2023	Rs. 60,000 p.m.

## FINANCIALS

As per Restated Financial Statements for the Nine (9) months period ended December 31, 2022 and fiscal 2022, 2021 and 2020, our total revenues were Rs. 20,374.52 Lakhs, Rs. 19,404.97 Lakhs, Rs. 10,661.22 Lakhs, and Rs. 16,367.65 Lakhs, respectively. Our Profit after Tax for the similar period mentioned above was Rs. 1,267.08 Lakhs, Rs. 161.34 Lakhs, Rs. 12.97 Lakhs, and Rs. 116.57 Lakhs, and, respectively.

*This space has been left blank intentionally.*

## KEY INDUSTRY REGULATIONS AND POLICIES

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

*The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “Government and Other Approvals” beginning on page 208 of this Red Herring Prospectus.*

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

### INDUSTRY SPECIFIC LAWS

#### **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.

#### **Code for Commercial Advertising on Doordarshan and All India Radio**

It is a specific code that is to be followed by Doordarshan for governing the prescribed nature of advertising on it. The code establishes a standard that shall be complied with to advertise on Doordarshan. If you are thinking of advertising your product or service, this code is instrumental to be known. However, this is a general code that means that it is to be applied generally to all other broadcasts and not particularly Doordarshan. The practices which are derogatory to constitutional provisions and law are prohibited to be advertised. The obscenity or defamatory content is not to be advertised. It aims to prevent the promotion of unfair trade practices by advertisement. It ensures that the advertisement shall not contain any false claims or facts. They shall not mislead the viewer. They cannot be shown in the form of news unless they contain a ‘super’ titled ‘THIS IS AN ADVERTISEMENT’. It further provides for the action by the viewer if any of the provisions contained in the code is violated.

### TAX RELATED LAWS

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

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

## **The Professional Tax**

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

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

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

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

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

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

## **The Customs Act, 1962**

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

## **INTELLECTUAL PROPERTY RELATED LAWS**

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

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

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption

favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years from the beginning of the next calendar year, following the year in which the work is first published.

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

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

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

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

## **CORPORATE LAWS**

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

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

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

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

## **FOREIGN REGULATIONS**

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

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

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

When a business enterprise imports goods from other countries, exports its products to them or makes investments abroad, it

deals in foreign exchange. Foreign Exchange Management Act, 1999 (—FEMA) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention committed thereunder outside India by any person to whom the Act is applied. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

## **EMPLOYMENT AND LABOUR LAWS**

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

The Employees Provident Funds and Miscellaneous Provisions Act, 1952, as amended from time to time (—EPF Act), mandates provisioning for provident fund, family pension fund and deposit linked insurance in factories and other establishments for the benefits of the employees. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities.

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

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

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

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

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

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

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

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

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

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



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

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

### **The Maternity Benefit Act, 1961**

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

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

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

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

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

## **GENERAL LEGISLATIONS**

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

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

### **The Competition Act, 2002**

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

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

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

### **The Indian Stamp Act, 1899**

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

### **The Registration Act, 1908**

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

### **Negotiable Instruments Act, 1881**

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

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

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

### **Limitation Act, 1963**

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

*This space has been left blank intentionally.*

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### HISTORY OF OUR COMPANY

Our Company was originally incorporated on July 3, 1986 as a Private Limited Company as “Crayons Advertising and Marketing Private Limited” vide Registration No. 24711 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Delhi and Haryana. Thereafter following amendments in the Name took place:

- Our Company had changed its name from “Crayons Advertising and Marketing Private Limited” to “Crayons Advertising Private Limited” and Fresh Certificate of Incorporation was issued on September 5th, 2000 by the Registrar of Companies, Delhi and Haryana.
- Pursuant to a special resolution passed by the Shareholders at their General Meeting held on September 23, 2000, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Crayons Advertising Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on October 16, 2000 by the Registrar of Companies, NCT of Delhi and Haryana.
- Subsequently, our company was converted from a Public Limited Company to Private Limited Company, the name of our Company was changed to ‘Crayons Advertising Private Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 3rd, 2014 by the Registrar of Companies, NCT of Delhi and Haryana.
- Further, our company again converted from a Private Limited Company to Public Limited Company, pursuant to a special resolution passed by the Shareholders at their Extraordinary General Meeting held on September 16, 2022. Consequently, the name of our Company was changed to ‘Crayons Advertising Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 22, 2022 by the Registrar of Companies, NCT of Delhi and Haryana. The Corporate Identification Number of our Company is U52109DL1986PLC024711.

Presently, we carry out our operations from our Registered Office and 5 (Five) offices for business purpose as per the below details:

Sr. No.	Particulars	Address
1.	Registered Office	NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase- III New Delhi 110020.
2.	Mumbai Branch	Unit No. 701,702,703 Classic Pentagon, Western Express Highway, Next to Bisleri Factory, Andheri (E), Mumbai – 400099.
3.	Kolkata Branch	“East India Building” at No. 8, Madan Street, 4th Floor, P.O Princep Street, P.S. Bowbazar Kolkata – 700 072.
4.	Lucknow Branch	A – 2, Sana Palace – II, Shahnajaf Road, Lucknow – 226001.
5.	Chennai Branch	No.23, 2nd Floor, Lake Area, 3rd Cross Street, Nungambakkam, Chennai – 600034.

### CHANGES IN OUR REGISTERED OFFICE

Registered Office of the Company is presently situated at NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase- III New Delhi 110020.

The Details of the change of Registered Office of the Company are as follows:

Sr. No.	Date of Change	Shifted From	Shifted to
1	February 28, 2008*	B-23, Greater Kailash-1, New Delhi, Delhi-110048	NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase- III New Delhi 110020.

*\*We were unable to trace the old records of the company, hence we are unable to comment on the shift or change in registered office of the company from the period starting from inception i.e July 03, 1986 till date May 09, 2006. We have relied on the search report by Mr. Suryakant Gupta (COP No. 10828) Practising Company Secretary for tracing changes in Registered Office of the company. For further information, please refer to the Chapter titled “Risk Factors” and Risk No.5 on the Page No. 23 of this Red Herring Prospectus.*

## MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company as per the Object Clause of Memorandum of Association of the Company are as under:

1. To carry on the business of advertising agents, advertising contractors, designers of advertisements, research, outdoor publicity, audio – Visuals, Animation & Graphics, Multimedia and any other areas related to publicity and advertising including Film making, T.V Serials and Software development for Advertising Industry.
2. To carry on any business as dealers, selling agents, sole selling agents, brokers, commission agents for the business referred to in Para (1) above.
3. To undertake, handle and carry on the business of Website Development & Maintenance, Application development, Social Media Management, PR Activities, Mobile Marketing, Data Analyses, AI Development in India and abroad.
4. To undertake, handle and carry on the business of Events, Exhibitions, Activation, Rural Marketing Programs.

## AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, there has been following amendment made to the MoA of our Company:

Date of Amendment	Particulars of Amendment
September 5, 2000	Change of name of Company from “Crayons Advertising and Marketing Private Limited” to “Crayons Advertising Private Limited”.
October 16, 2000	Change of name of Company from “Crayons Advertising Private Limited” to “Crayons Advertising Limited”.
May 9, 2006	Change of Authorised Capital of the Company from Rs. 1,25,00,000 to Rs. 2,50,00,000.
November 3, 2014	Change of name of Company from “Crayons Advertising Limited” to “Crayons Advertising Private Limited”.
January 16, 2019	Change in object clause of the Company – Addition of 2 clauses in the main objects of the Company.
September 16, 2022	Change of Authorised Capital of the Company from Rs. 2,50,00,000 to Rs. 25,00,00,000.
November 22, 2022	Change of name of Company from “Crayons Advertising Private Limited” to ‘Crayons Advertising Limited’.

*\*Note: We are unable to trace complete documents of the resolution passed by the Shareholders of our Company and relevant form filings with ROC for changes in MOA since from the period starting from inception i.e July 03, 1986 till date September 5, 2000 and therefore details mentioned above are extracted from available Forms & registers in the records of the Company. We have relied on the search report by Mr. Suryakant Gupta (COP No. 10828) Practising Company Secretary for tracing changes in MOA of the company. For further information, please refer to the Chapter titled “Risk Factors” and Risk No.5 on the Page No. 23 of this Red Herring Prospectus.*

## KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

YEAR	PARTICULARS
1986	Incorporation of our Company as a private limited company with the name of “Crayons Advertising and Marketing Private Limited” with the motive to provide advertising media services consisting of Print media, electronic media, outdoor media services and events.
1996-1997	Opened the branch office in Chandigarh.
1998-1999	Opened the branch office in Mumbai.
2000-2001	Change of name of Company from “Crayons Advertising and Marketing Private Limited” to “Crayons

	Advertising Private Limited”.
2013-2014	Adoption of Articles of Association of the company, while in transition from Companies Act,1956 to Companies Act,2013.
2014-2015	<ul style="list-style-type: none"> <li>• Crayons has been honoured with Dainik Bhaskar Ink Awards 2014 –Awarded by Delhi Traffic Police</li> <li>• “Best Agency Servicing Healthcare Industry” and also “Best Marketing Campaign” received from Healthcare Leadership Awards – India.</li> </ul>
2015-2016	Crayons has been honoured following awards- <ul style="list-style-type: none"> <li>• Award for Excellence at OTM, Mumbai, 2015</li> <li>• Award for Excellence at Travel &amp; Tourism Fair (TTF), Ahmedabad, 2015 &amp; 2016.</li> <li>• The Rx Club Silver Print Award – USA (Client: Apollo sugar clinics Limited)</li> <li>• Aster Awards – USA (Client: Fortis Healthcare Limited)</li> <li>• Creative Abby Awards at GOA Fest 2015 awarded by Bakson’s Hair Clinic.</li> </ul>
2016-2017	Our Company obtained Importer Exporter Code.
2018- 2019	Crayons has been honoured following awards- <ul style="list-style-type: none"> <li>• Excellence in Advertising Awards, 2018 - Delhi Advertising Club</li> <li>• Aster Awards for Ck Birla Hospital, 2018</li> <li>• Aster Awards Honouring Excellence in Healthcare Advertisement, 2019 – Crayons is a Gold Winner for Niyati Healthcare</li> </ul>
2022-23	Change of Status of our Company from Private to Public Company.
2022-23	Adoption of Articles of Associations of the Company in line with the Public company.

## DETAILS OF BUSINESS OF OUR COMPANY

Crayons Advertising Limited is a full-fledged innovative advertising solution with offices operating in Delhi, Mumbai, Chandigarh, Chennai, Kolkata, Lucknow. Our Promoter Mr. Lalani started the journey of advertising media services in the year 1986 by pitching advertisement assignment from the renowned brands. Today, Crayons offers end-to-end ad-tech communication solutions platform for advertising media services consisting of print media, electronic media, outdoor media services which covers advertisement modes such as newspapers, brochures, magazines, television channels, FM channels and display of outdoor hoardings etc. The team of talented and passionate creatives at Crayons are capable of handling projects of any scale and complexity as they have experience in the advertising domain.

We create and execute advertising campaigns across various media that help our client’s business and brands grow. We offer a complete range of designing, media and printing services. Our strength is media buying where we understand the clients marketing objective and use the correct media to achieve that objective. We are able to understand the various media available and use the right mix of media and the right prices to the achieve the client’s media objectives.

Our company provide 360 Degree communication solutions. Our company have delivered hundreds of stories in the form advertising campaigns across various media in the past 36 years.

For details on the description of Our Company’s activity, business model, marketing strategy, strength, completion of business, please see “Our Business”, “Management Discussion and Analysis of Financial Conditions” and “Basis for Issue Price” on page 86, 193, 70 of this Red Herring Prospectus respectively.

## HOLDING COMPANY OF OUR COMPANY

Vimi Investment and Finance Private Limited, the Promoter of our Company, is our holding company as on date of this Red Herring Prospectus, for further details, please see “Our Promoter and Promoter Group” on page no. 128.

## SUBSIDIARY COMPANY OF OUR COMPANY

Our Company has no Subsidiary Company as on the date of filing of this Red Herring Prospectus.

## ASSOCIATE AND JOINT VENTURES OF OUR COMPANY

Our Company does not have any associate and joint ventures as on the date of this Red Herring Prospectus.

## OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has received a notice for striking off its name from the relevant Registrar of Companies.

## **FUND RAISING THROUGH EQUITY OR DEBT**

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled “*Capital Structure*” beginning on page number 47 respectively, of this Red Herring Prospectus.

## **REVALUATION OF ASSETS**

Our Company has not re-valued its assets during the stub period ended on December 31, 2022 and last three Financial Years i.e 20-21, 21-22 and 22-23.

## **INJUNCTIONS OR RESTRAINING ORDERS**

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

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

## **STRIKES AND LOCK-OUTS**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Red Herring Prospectus, our employees are not unionized.

## **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

As on the date of this Red Herring Prospectus, there have been no time and cost overrun in any of the projects undertaken by our Company.

## **SHAREHOLDERS' AGREEMENT**

Our Company does not have any subsisting shareholders' agreement as on the date of this Red Herring Prospectus.

## **OTHER AGREEMENTS**

Except as disclosed in the title “*Material Contracts and Documents for Inspection*” on page No. 276 as on the date of this Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Red Herring Prospectus.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE**

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



## **COLLABORATION AGREEMENT**

As on the date of this Red Herring Prospectus, our Company is not party to any collaboration agreement.

## **STRATEGIC PARTNERS**

Our Company does not have any strategic partner(s) as on the date of this Red Herring Prospectus.

## **FINANCIAL PARTNERS**

As on the date of this Red Herring Prospectus, our Company does not have any financial partners.

## **ACQUISITION OF BUSINESS/UNDERTAKINGS**

There is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company and we have not acquired a business undertaking in last 10 years.

## **DIVESTMENT OF BUSINESS/UNDERTAKING BY COMPANY IN THE SINCE INCEPTION.**

There has been no divestment by the Company of any business or undertaking since inception.

## **NUMBER OF SHAREHOLDER OF OUR COMPANY**

Our Company has 11 (Eleven ) shareholders as on date of this Red Herring Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled “*Capital Structure*” beginning on page 47 of this Red Herring Prospectus.

## **DETAILS OF PAST PERFORMANCE**

For details of Change of management, please see chapter titled “*Our Business*” and “*Our History and Certain Corporate Matters*” on page 86 and 109 respectively of this Red Herring Prospectus.

## **DETAILS OF FINANCIAL PERFORMANCE**

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled “*Financial Statements*” beginning on page 145 of this Red Herring Prospectus.

## **GUARANTEES GIVEN BY PROMOTER OFFERING ITS SHARES IN THE OFFER FOR SALE**

This Issue is a fresh issue of Equity Shares and our Promoters is not offering his shares in this Issue.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on its Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Red Herring Prospectus, our Board consist of Seven (6) Directors, out of which One (1) is Executive Director, Three (3) are Non-Executive Director, Two (2) are Non-Executive Independent Director.

Sr.No.	Name	DIN	Category	Designation
1.	Mr. Kunal Lalani	00002756	Executive	Chairman and Managing Director
2.	Mr. Hulasmal Lalani	00257693	Non-Executive	Director
3.	Mrs. Vimi Lalani	00010548	Non-Executive	Director
4.	Mr. Atul Jeevandhar kumar Hegde	02699927	Non -Executive	Director
5.	Mr. Vinod Zutshi	00502876	Non-Executive	Independent Director
6.	Mr. Surendra Kumar Pagaria	0295040	Non-Executive	Independent Director

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Red Herring Prospectus:

S. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
1.	<b>Mr. Kunal Lalani</b>  <b>Designation:</b> Chairman and Managing Director  <b>Address:</b> 14 Oak Drive, DLF Chhattarpur Farms, Chhattarpur, South Delhi - 110074  <b>Date of Birth:</b> August 01, 1960  <b>Qualification:</b> Matriculate  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> 5 years w.e.f January 2, 2023  <b>Date of First Appointment:</b> August 01, 1986  <b>Date of Appointment as MD:</b> August 01, 1986  <b>DIN:</b> 00002756	62	<b><u>Indian Private Limited Company</u></b>  1. New Age Mobility Private Limited 2. Advertising Agencies Association of India 3. Britonna Hotel And Yacht Club Private Limited 4. V and R Auto Gauges Private Limited 5. Plasopan Engineers India Private Limited 6. Vimi Investments and Finance Private Limited 7. Crayons Global Finance Private Limited 8. Ultraviolet Digital Solutions Private Limited 9. Sahyog Properties Private limited 10. Mega Infotel Private Limited 11. Mega Cabs Private Limited 12. Sanya Resorts and Hospitality Private Limited 13. B. Bar Mumbai Private Limited 14. Bengaluru Megacabs Private Limited 15. Ecotec Developers Private Limited 16. Bollywood Merchandise Private Limited  <b><u>Indian Public Limited Company</u></b>  1. Mega Corporation Limited  <b><u>Indian Limited Liability Partnership</u></b>  1. Ultraviolet Digital Solutions LLP

S. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
2.	<p><b>Mr. Hulasmal Lalani</b></p> <p><b>Designation:</b> Director</p> <p><b>Address:</b> B-10, Chirag Enclave, Greater Kailash, Defence colony, South Delhi – 110048.</p> <p><b>Date of Birth:</b> May 01, 1944</p> <p><b>Qualification:</b> Matriculate</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> liable to retire by rotation.</p> <p><b>Appointed on:</b> August 01, 1986</p> <p><b>DIN:</b> 00257693</p>	79	<p><b><u>Indian Private Limited Company</u></b></p> <ol style="list-style-type: none"> <li>1. Indication Instruments Limited</li> <li>2. Duopan Engineers (India) Private Limited</li> <li>3. Duro Prints Private Limited</li> <li>4. Plasopan Engineers India Private Limited</li> </ol> <p><b><u>Indian Public Limited Company</u></b></p> <p>Nil</p> <p><b><u>Indian Limited Liability Partnership</u></b></p> <p>Nil</p>
3.	<p><b>Mrs Vimi Lalani</b></p> <p><b>Designation:</b> Director</p> <p><b>Address:</b> 14 Oak Drive, DLF Chhattarpur Farms, Chhattarpur, South Delhi - 110074</p> <p><b>Date of Birth:</b> August 29, 1966</p> <p><b>Qualification:</b> Polytechnic 3-year Diploma in Commercial Art Certificate*</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> liable to retire by rotation</p> <p><b>Date of First Appointment:</b> January 01, 2002</p> <p><b>Date of Appointment as NED:</b> November 12, 2018</p> <p><b>DIN:</b> 00010548</p>	56	<p><b><u>Indian Private Limited Company</u></b></p> <ol style="list-style-type: none"> <li>1. J Tech Communication India Private Limited</li> <li>2. Mega Motoren &amp; Lifestyles Private Limited</li> <li>3. Ludhiana Call Taxi Private Limited</li> <li>4. Mega Holidays Private Limited</li> <li>5. Sahyog Properties Private Limited</li> <li>6. Crayons Global Finance Private Limited</li> <li>7. Vimi Investments and Finance Private Limited</li> <li>8. Chandra Mukhi Goods Pvt Ltd</li> </ol> <p><b><u>Indian Public Limited Company</u></b></p> <p>Nil</p> <p><b><u>Indian Limited Liability Partnership</u></b></p> <ol style="list-style-type: none"> <li>1. Ultraviolet Digital Solutions LLP</li> <li>2. Mega Luxuries &amp; Hotels LLP</li> <li>3. Crayons Academy for Skills Excellence LLP</li> </ol>

S. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
4.	<p><b>Mr. Atul Jeevandharkumar Hegde</b></p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> B-1605, Oberoi Springs, New Link Road, Near Monginis Cake Factory, Andheri West, Mumbai, Azad Nagar, Maharashtra - 400053</p> <p><b>Date of Birth:</b> March 27, 1973</p> <p><b>Qualification:</b> Graduate from University of Mumbai. *</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Appointed on:</b> December 01,2022</p> <p><b>DIN:</b> 02699927</p>	50	<p><b><u>Indian Private Limited Company</u></b></p> <ol style="list-style-type: none"> <li>1. Brand Planet Consultants India Private Limited</li> <li>2. FFC Information Solution Private Limited</li> <li>3. Rainmaker Ventures Private Limited</li> <li>4. YAAP Digital Private Limited</li> <li>5. OPLIFI Digital Private Limited</li> </ol> <p><b><u>Indian Public Limited Company</u></b></p> <p>Nil</p> <p><b><u>Indian Limited Liability Partnership</u></b></p> <p>Nil</p>
5.	<p><b>Mr. Vinod Zutshi</b></p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> D - 2- 3, M S Flat, Sector -13, R.k puram, N.D.M.C, South West Delhi, Delhi -110066.</p> <p><b>Date of Birth:</b> February 28,1957</p> <p><b>Qualification:</b> Diploma in Law from University of Delhi, Masters of Business Administration from University of Delhi.</p> <p><b>Occupation:</b> Retired IAS, Currently Advocate enrolled with Bar Council of Delhi.</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> 5 years i.e till the financial year 2026-2027 and liable to retire by rotation.</p> <p><b>Appointed on:</b> December 01,2022</p> <p><b>DIN:</b> 00502876</p>	66	<p><b><u>Indian Private Limited Company</u></b></p> <p>Nil</p> <p><b><u>Indian Public Limited Company</u></b></p> <p>Nil</p> <p><b><u>Indian Limited Liability Partnership</u></b></p> <p>Nil</p>

S. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
6.	<b>Mr. Surendra Kumar Pagaria</b>  <b>Designation:</b> Non-Executive Independent Director  <b>Address:</b> 2A, Alipore Avenue, Alipore, Kolkata, West Bengal -700027  <b>Date of Birth:</b> October 21,1965  <b>Qualification:</b> <u>B.Com</u> from St Xaviers, Kolkata*  <b>Occupation:</b> Business.  <b>Nationality:</b> Indian  <b>Term:</b> 5 years i.e till the financial year 2026-2027 and liable to retire by rotation.  <b>Appointed on:</b> January 21 <sup>st</sup> ,2023  <b>DIN:</b> 02945040	57	<u><b>Indian Public Limited Company</b></u>  Mega Corporation Limited

**Notes-** \* Educational documents were misplaced and were not made available for diligence purpose. For Further details please refer Risk Factor no. 4 on page no. of 23.

#### **BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY**

**Mr. Kunal Lalani**, aged 62 years, is the Promoter and Chairman & Managing Director of our Company. He was originally appointed on the Board on August 01, 1986 as the Managing Director of the Company. He has an experience of around 36 years in our Industry. The company was started off in 1986 by Mr. Lalani with a vision to provide 360 Degree communication solutions & to build long lasting relationships with brands. He is the key driver of the growth of the Company from the inception. He is responsible for the managing and supervising operations, expansion of business, sourcing new projects and overall management of the business of our Company. Over the years, he has been actively involved with various Industry & Associations i.e Executive Committee Member of AAAI (Advertising Agencies Association India), President of DAC (Delhi Advertising Club), President of AORT (Association of Radio Taxis), ManCom Member of IAA, India Chapter (International Advertising Association).

**Mr. Hulasmal Lalani**, aged 79 years, is a Director of our Company. He's the Promoter and Managing Director of Plasopan Engineers India Pvt Ltd. – one of the India's Oldest Plastic Extrusion manufacturing company. He set up Plasopan Engineers India Pvt Ltd. In 1979 which is into extruding Plastic profiles for various industries including Building & construction, Electricals, Automobile, Textile & various other industries. He is actively looking after the Company in the Administration & the production side of the company.

**Mrs. Vimi Lalani**, aged 56 years, is the Non-Executive Director of our Company. She holds a diploma in Commercial Arts and has further done an Advance Multimedia Course from APTECH. She has over 28 years of experience in industry. She started her journey into advertising as a Visualiser in her tenure at M/s Visualiser Trikaya Grey (Now Grey Worldwide Ltd.) Not only did she work on campaigns for leading brands, but also learnt photography and print production during her time at Grey. She joined Crayons in 1994 as Director to spearhead the Creative Department with a clear mandate to add value to the Creative Department. She continues to play an instrumental role in providing creative direction and quality check on all the creative works of the agency. As a result, Crayons has made a distinct image for itself for producing outstanding creatives. At Crayons, she has been able to build memorable campaigns and brands with clutter breaking work for brands such as Kohinoor Basmati Rice, Kajaria, Bang & Olufsen and Incredible India, and many more.

**Mr. Atul Jeevandhar kumar Hegde**, aged 50 years, is a Non-Executive Director of our Company. He holds degree of Graduate from University of Mumbai. He reached the top management level in Public Sector Bank enriching with 36 years of experience in Banking, Management, Finance, Marketing and Human Resources. He has been Director in companies in the field of BPO, KPO and Pharma. Presently, he is also an Independent Director in Regenix Biosciences Limited.

**Mr. Vinod Zutshi**, aged 66 years, is an Independent Director of our Company. Vinod Zutshi belongs to 1982 Batch of Indian Administrative Service (IAS) with 35 years' experience in Administration at National, State and District levels. He superannuated from Indian Administrative Service (IAS) in 2017 as Secretary, Ministry of Tourism, Government of India. He also held positions of Secretary, Ministry of Culture, Govt. of India and Deputy Election Commissioner in Election Commission of India. Zutshi is an MBA from Faculty of Management Studies, Delhi University. He is also an Advocate, enrolled with Bar Council of Delhi. He did LLB from the University of Delhi.

**Mr. Surendra Kumar Pagaria**, aged 57 years, is an Independent Director of our Company. Surendra Kumar Pagaria is an B.com from St Xaviers, Kolkata. In the year 2006-2010 – He Worked as Executive Producer for India Television Serial 'Shri Bimal Mitra's Saheb Biwi Gulam' telecast on Sahara TV, b) Worked as Co Producer and Executive Producer for Bengali Daily Soap "KAANTA TARER BERA" telecast on ETV Bangla. c) Producer for Bengali Daily Soap "MEGH BALIKA" telecast on ETV Bangla. Presently, He is involved in Manufacturing /Marketing of Frozen Food Products , with a Pan India Presence.

**Note:**

*None of the above-mentioned Directors are on the RBI List of willful defaulters as on the date of this Red Herring Prospectus.*

- 1) *None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.*
- 2) *None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.*

**FAMILY RELATIONSHIP BETWEEN DIRECTORS**

Except as stated below, none of the Directors of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

S. No.	Name of the Director	Relationship with other Director
1.	Kunal Lalani	Spouse of Vimi Lalani
2.	Vimi Lalani	Spouse of Kunal Lalani

**Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension**

None of our Directors is / was a Director in any listed company during the last five years before the date of filing of this Red Herring Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

**Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting**

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

**Details of arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.**

There are no arrangements or understandings with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.

**TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS**



**i. Executive Directors**

<b>Name</b>	Kunal Lalani
<b>Designation</b>	Chairman and Managing Director
<b>Period</b>	5 years w.e.f January 24, 2023 ( <i>reappointed</i> )
<b>Date of approval of shareholder</b>	January 24, 2023
<b>Remuneration</b>	30,60,000 p.a ( <i>Basic pay</i> )
<b>Perquisite</b>	As per the Rules of the Company

**ii. Non-Executive Directors**

Non-Executive Directors including Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

*Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.*

**SHAREHOLDING OF DIRECTORS IN OUR COMPANY**

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name of the Directors</b>	<b>No. of Equity Shares held</b>	<b>% of pre-issue paid-up Equity Share capital in our Company</b>
1.	Mr. Kunal Lalani	43,90,160	24.39%
2.	Mrs. Vimi Lalani	22,00,800	12.23%
3.	Mr. Hulasmal Lalani	14,640	0.08%
4.	Mr. Atul Jeevandharkumar Hegde	-	0.00%
5.	Mr. Vinod Zutshi	-	0.00%
6.	Mr. Surendra Kumar Pagaria	-	0.00%

**INTEREST OF DIRECTORS**

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to any bodies corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

**Interest in promotion of Our Company**

Except Promoters, none of our Directors have any interest in the promotion of our Company.

### ***Interest in the property of Our Company***

Our Directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Red Herring Prospectus. Our Directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

### ***Interest in the business of Our Company***

Save and except as stated otherwise in Related Party Transaction in the chapter titled “*Financial Information*” beginning on page number 145 of this Red Herring Prospectus, Our Directors do not have any other interests in our Company as on the date of this Red Herring Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

### ***Details of Service Contracts***

None of our directors have entered into any service contracts with our Company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

### **Bonus or Profit-Sharing Plan for the Directors**

There is no bonus or profit-sharing plan for the Directors of our Company.

### **Contingent and Deferred Compensation Payable to Directors**

No Director has received or is entitled to any contingent or deferred compensation.

### **Other Indirect Interest**

Except as stated in chapter titled –“*Financial Information*” beginning on page 145 of this Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

### **Borrowing Power of the Board**

The Board of Directors are vested with the power to borrow, pursuant to Section 179(3)(d) of Companies Act 2013. However, pursuant to Section 180(1)(c) Companies Act, 2013 and the rules made thereunder that any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), exceeds the aggregate of the paid-up capital of the Company and free reserve, the approval of shareholders by way of Special Resolution will be required. The company has passed a special resolution dated December 14, 2022 for approval of borrowing limits not exceeding ₹ 400 Crores.

### **Changes in The Board for the Last Three Years**

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

<b>Name of Director</b>	<b>Date of Event (D/M/Y)</b>	<b>Reason for Change</b>
Sachi Lalani	14/10/2019	Cessation - Resignation u/s 168
Raghu Khanna	03/11/2021	Appointment - Additional director
Raghu Khanna	30/11/2021	Change in designation - Director
Raghu Khanna	09/05/2022	Cessation - Resignation u/s 168
Vinod Zutshi	01/12/2022	Appointment - Additional director

Atul Jeevandhar kumar Hegde	01/12/2022	Appointment - Additional director
Vinod Zutshi	14/12/2022	Change in designation - Director
Atul Jeevandhar kumar Hegde	14/12/2022	Change in designation - Director

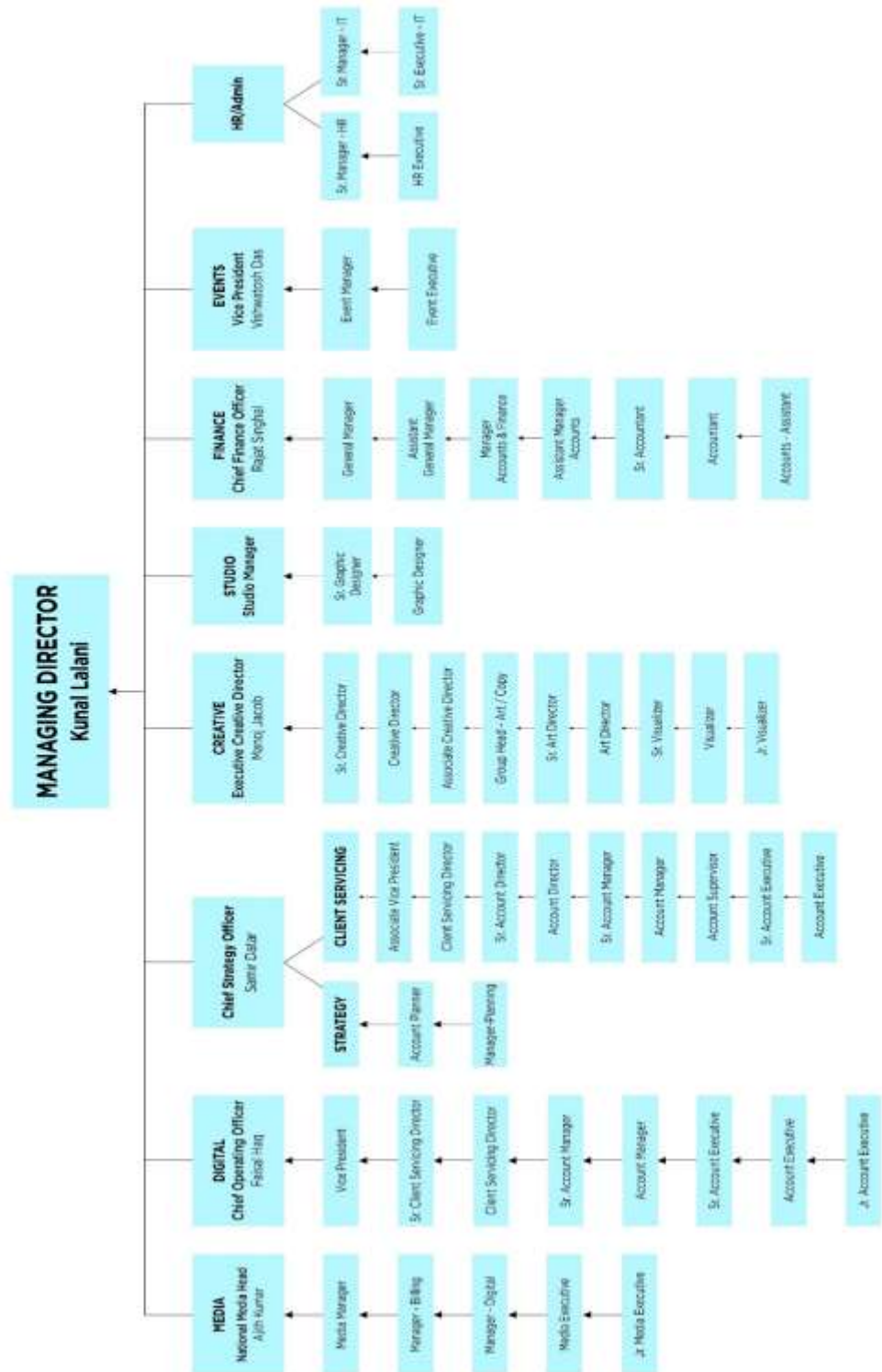
## Management Organization Structure

The Management Organization Structure of the company is depicted from the following chart;

## Organizational Chart



## Organisation Structure - Corporate



## CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors, woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committees. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

### AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated January 21, 2023 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Red Herring Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Surendra Kumar	Chairperson	Non-Executive Independent Director
Mr. Vinod Zutshi	Member	Non-Executive Independent Director
Mr. Kunal Lalani	Member	Managing Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

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

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a

public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

**The Audit Committee enjoys following powers:**

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

**The Audit Committee shall mandatorily review the following information:**

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

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

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on January 21, 2023. As on the date of this Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Surendra Kumar	Chairperson	Non-Executive Independent Director
Mr. Vinod Zutshi	Member	Non-Executive Independent Director
Mrs. Vimi Lalani	Member	Non-Executive Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria, laid down, and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at-least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been formed by the Board of Directors, at the meeting held on January 21, 2023. As on the date of this Red Herring Prospectus the Stakeholders Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Surendra Kumar	Chairperson	Non-Executive Independent Director
Mr. Vinod Zutshi	Member	Non-Executive Independent Director
Mr. Kunal Lalani	Member	Managing Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

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

The Stakeholders Relationship Committee is required to meet at-least once in a year.



Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been formed by the Board of Directors, at the meeting held on January 21, 2023. As on the date of this Red Herring Prospectus the Stakeholders Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mrs. Vimi Lalani	Chairperson	Non-Executive Director
Mr. Surendra Kumar Pagaria	Member	Non-Executive Independent Director
Mr. Atul Jeevandharkumar Hedge	Member	Non-Executive Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

## Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

## KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

<b>Name</b>	<b>: Mr. Kunal Lalani</b>
<b>Designation</b>	: Managing Director
<b>Date of Appointment</b>	: August 01, 1986
<b>Expiration of Term</b>	: 5 years w.e.f. September 30, 2022 and liable to retire by rotation.
<b>Qualification</b>	: Matriculate
<b>Previous Employment</b>	: Not Applicable
<b>Overall Experience</b>	: Overall experience of around 36 years in our Advertising Industry
<b>Remuneration paid in F.Y. 2021-22)</b>	: Rs. 21,65,000

<b>Name</b>	<b>: Mr. Rajat Singhal</b>
<b>Designation</b>	: Chief Financial Officer
<b>Date of Appointment</b>	: December 01, 2022
<b>Qualification</b>	: Chartered Accountant
<b>Previous Employment</b>	: Times Innovative Media Limited –TIMESOOH (Times of India Group), Noida
<b>Overall Experience</b>	: Having 15 years of experiences in accounting, taxation, risk management, statutory compliance and planning.
<b>Remuneration paid in F.Y. 2021-22</b>	: 26,80,000

<b>Name</b>	<b>: Mr. Gagan Mahajan</b>
<b>Designation</b>	: Company Secretary & Compliance Officer
<b>Date of Appointment</b>	: May 08, 2023
<b>Qualification</b>	: Company Secretary
<b>Previous Employment</b>	: IndusInd Bank Limited
<b>Overall Experience</b>	: Having experience of more than 10 years.
<b>Remuneration paid in F.Y. 2021-22</b>	: N.A

**Notes:**

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel was selected as a director or member of senior management.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

**Family Relationship Between Key Managerial Personnel**

None of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

**Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel**

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

**Contingent and Deferred Compensation Payable to Key Managerial Personnel**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

**Shareholding of the Key Managerial Personnel**

Except Mr. Kunal Lalani who is holding 43,90,160 Equity Shares of the Company none of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Red Herring Prospectus.

**Interest of Key Managerial Personnel**

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by

them during the ordinary course of business.

### **Changes in Our Company's Key Managerial Personnel During the Last three Years**

Following have been the changes in the Key Managerial Personnel during the last three years:

<b>Sr. No.</b>	<b>Name of KMP</b>	<b>Date of Change</b>	<b>Reason</b>
1.	Rajat Singhal	01/12/2022	Appointment as Chief Financial Officer
2.	Neelu Prajapati	15/12/2022	Appointment as Company Secretary
3.	Neelu Prajapati	08/05/2023	Resignation as Company Secretary
4.	Gagan Mahajan	08/05/2023	Appointment as Company Secretary

*Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.*

### **Scheme of Employee Stock Options or Employee Stock Purchase**

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

### **Loans to Key Managerial Personnel**

There are no loans outstanding against the key managerial personnel other than the loan mentioned in the chapter – “Restated Financial Statement” page no. 145.

### **Payment of Benefits to Officers of Our Company (Non-Salary Related)**

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages 145 and 86 of this Red Herring Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Red Herring Prospectus.

### **RETIREMENT BENEFITS**

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.

*This space left blank intentionally*

## OUR PROMOTERS AND PROMOTER GROUP


### OUR INDIVIDUAL PROMOTER:

1. Mr. Kunal Lalani
2. Mrs. Vimi Lalani


### OUR CORPORATE PROMOTER:

3. Vimi Investment & Finance Private Limited

### DETAILS OF OUR INDIVIDUAL PROMOTER

	<p><b>Mr. Kunal Lalani</b>, aged 62 years, is the Promoter and Chairman &amp; Managing Director of our Company. He was originally appointed on the Board on August 01, 1986 as the Managing Director of the Company. He has an experience of around 36 years in our Industry. The company was started off in 1986 by Mr. Lalani with a vision to provide 360 Degree communication solutions &amp; to build long lasting relationships with brands. He is the key driver of the growth of the Company from the inception. He is responsible for the managing and supervising operations, expansion of business, sourcing new projects and overall management of the business of the Company. Over the years, he has been actively involved with various Industry &amp; Associations i.e Executive Committee Member of AAAI (Advertising Agencies Association India), President of DAC (Delhi Advertising Club), President of AORT (Association of Radio Taxis), ManCom Member of IAA, India Chapter (International Advertising Association).</p>
Particulars	Details
Permanent Account Number	AAGPL0992C
Passport No.	Z6360171
Bank Account Details	Name of the Bank- HDFC Bank Account No: 50100230604673

	<p><b>Mrs. Vimi Lalani</b>, aged 56 years, is the Non-Executive Director of our Company. She holds a diploma in Commercial Arts and has further done an Advance Multimedia Course from APTECH. She has over 28 years of experience in industry. She started her journey into advertising as a Visualiser in her tenure at M/s Visualiser Trikaya Grey (Now Grey Worldwide Ltd.) Not only did she work on campaigns for leading brands, but also learnt photography and print production during her time at Grey. She continues to play an instrumental role in providing creative direction and quality check on all the creative works of the agency. As a result, Crayons has made a distinct image for itself for producing outstanding creatives. At Crayons, she has been able to build memorable campaigns and brands with clutter breaking work for brands such as Kohinoor Basmati Rice, Kajaria, Bang &amp; Olufsen and Incredible India, and many more.</p>
Particulars	Details
Permanent Account Number	AACPL7519F
Passport No.	Z2620091
Bank Account Details	Name of the Bank – HDFC Bank Account No: 50100450979962

## DETAILS OF CORPORATE PROMOTER

### Vimi Investment & Finance Private Limited

#### Corporate Information

Vimi Investment & Finance Private Limited (VIFL) was incorporated on February 17, 1992 as a private limited under the Companies Act 1956. The registered office of the company is situated at First and Second Floor SCO No. 283, Sector-32D Chandigarh Chandigarh, 160032. The Corporate Identification Number is U74110CH1992PTC042512. VIFL is a Non-Banking Financial Company categorized as a Core Investment Company as defined in the “Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 (Updated as on December 29, 2022)” and is not required to be registered with Reserve Bank of India as per above directions. The same has been confirmed by the Statutory Auditors of VIFL i.e Sipani & Associates having Rirm registration No. 007712N vide its letter dated March 09, 2023 having UDIN 23083850BGXFZS5653.

1. To carry on in India or elsewhere as its principal business the business of an investment Company and for that purpose to acquire subscribe and hold either in the name of the company or in the name of its nominee, shares, stock, debentures bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated.
2. To acquire any such shares, stock, debentures, bonds, notes, obligations or securities by original subscription contract, tender, purchase, exchange, under-I, participation in syndicates or otherwise and whether or not fully paid up and to subscribe for the same, subject to such terms and conditions (if any) as may be thought fit.
3. To carry on the business of finance company and to assist or subsidising in purchasing of industrial and office plant, equipments Machinery Vehicles, movable assets, land and buildings and real estate and consumer goods of all kind by way of finance.
4. To carry on the business of motor and general finance in India and elsewhere in all their branches.

#### Board of Directors

The Directors of Vimi Investments & Finance Private Limited as on date of this Red Herring prospectus are as follows:

Sr. No.	Name	Designation
1.	Kunal Lalani	Director
2.	Vimi Lalani	Director

#### Capital Structure and Shareholding Pattern

As on the date of this Red Herring Prospectus, the authorized share capital of VIFL is Rs 5,70,00,000/- (5,70,000 Equity shares of Rs.100/- each). The paid-up share capital Rs. 4,50,88,500/- (4,50,885 Equity shares of Rs.100/- each).

As on the date of this Red Herring Prospectus, the shareholding pattern of VIFPL is as follows:

Sr. No.	Name of the Share Holders	No. Equity Shares Held	Percentage of Shareholding
1.	Mr. Kunal Lalani	1,70,178	37.74%
2.	Mrs. Vimi Lalani	2,38,220	52.38%
3.	Ms. Sachi Lalani	8,650	1.92%
4.	Ms. Trisha Lalani	7,940	1.76%
5.	M/s Anand Control Systems Private Limited	11,250	2.50%
6.	M/s Duropan Engineers (I) Private Limited	11,250	2.50%
7.	Mr. Rajendra Kumar Bengani	113	0.03%
8.	Mr. T.M Lalani	3,284	0.73%
	<b>Total</b>	<b>4,50,885</b>	<b>100.00%</b>

## **Financial Performance**

Particular	Financial year ended March 31, 2022		Financial year ended March 31, 2021		Financial year ended March 31, 2020	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Equity Share Capital	4,50,88,500	4,50,89,000	3,46,36,000	3,46,36,000	3,46,36,000	3,46,36,000
Reserve and surplus (excluding Revaluation reserve, if any)	23,42,87,300	34,35,91,000	4,97,29,242	17,96,12,835	4,97,71,445	13,76,34,657
Net Worth	27,93,75,800	38,86,80,000	8,43,65,242	21,42,48,835	8,44,07,445	17,22,70,657
Sales/Turnover including Other Income	45,08,100	2,25,14,37,000	341	341	35,043	35,043
Profit/(Loss) after Tax	22,72,600	1,89,52,000	(42,203)	(78,52,812)	(94,540)	(36,373)
Earnings Per Share (in Rs)	5.40	25.60	(0.12)	(22.67)	(0.27)	(0.11)
Net Asset Value per Share (in Rs.)	619.61	862.03	243.57	618.57	243.69	497.37

## **Other disclosures**

The equity share of the company are not listed on any exchange. No action has been taken against the company by any stock Exchange or SEBI.

In relation to our Corporate Promoter, our company confirm that the PAN, Bank Account Number, the LLP registration number and address of the registrar of companies where our Corporate Promoter are registered, shall be submitted to the NSE at the time of filing of this Red Herring Prospectus.

## **OUR PROMOTER GROUP**

Our Promoter Group in terms of Regulation 2(1)(pp) of SEBI (ICDR) Regulations, 2018 includes the following persons:

### **a. Individual Promoter**

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

Sr. No.	Relationship	Kunal Lalani	Mrs. Vimi Lalani
3.	Father	T.M. Lalani	Manohar Lal Anand
4.	Mother	Durga Devi Lalani	Rani Anand
5.	Spouse	Vimi Lalani	Kunal Lalani
6.	Brother	Vishal Lalani	Vikram Anand
7.	Sister	Varsha Bengani	Vinita Mehra
8.	Son	Ashraye Lalani	Ashraye Lalani
9.	Daughters	1. Sachi Lalani 2. Trisha Lalani	1. Sachi Lalani 2. Trisha Lalani
10.	Spouse Father	Manohar Lal Anand	T.M. Lalani
11.	Spouse Mother	Rani Anand	Durga Devi Lalani
12.	Spouse Brother	Vikram Anand	Vishal Lalani
13.	Spouse Sister	Vinita Mehra	Varsha Bengani



**b. Companies and proprietorship firms forming part of our Promoter Group are as follows:**

Relationship with Promoter	Promoters		
	Individual Promoter		Corporate Promoter
	Kunal Lalani	Vimi Lalani	Vimi Investment & Finance Private Limited
Any company in which 20% or more of the share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relatives is a member	1. Ecotec Developers Private Limited. 2. OPM Promoters Private Limited. 3. Vimi Investments and Finance Private Limited. 4. Ultraviolet Digital Solutions LLP.	1. Vimi Investment and Finance Private Limited. 2. Crayons Academy for skills and excellence LLP.	1. Mega Corporation Limited 2. Mega Cabs Private Limited 3. Ultra Violet Digital Solution LLP. 4. Omni Media Communication Private Limited. 5. Crayons Advertising Limited. 6. Bengaluru Megacabs Private Limited.
Any company in which a company (mentioned above) holds 20% of the total holding	Vimi Investments and Finance Private Limited holds – <ul style="list-style-type: none"> <li>• 46.26% of Total holding of Mega Corporation Limited.</li> <li>• 63.11% of Total holding of Crayons Advertising Limited.</li> </ul>	Vimi Investments and Finance Private Limited holds – <ul style="list-style-type: none"> <li>• 46.26% of Total holding of Mega Corporation Limited.</li> <li>• 63.11% of Total holding of Crayons Advertising Limited.</li> </ul>	Mega Cabs Private Limited holds – <ul style="list-style-type: none"> <li>• Bengaluru Megacabs private Limited (Associate)</li> <li>• Kolkata Call taxi Private limited (Subsidiary)</li> </ul>
Any HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 20% of the total holding	-	-	-

## OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Red Herring Prospectus.

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

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

## COMMON PURSUITS OF OUR PROMOTERS

Ultraviolet Digital Solutions LLP and Omni Media Communications Private Limited of the Promoter Group Entity is having business objects similar to our business as mentioned in the Chapter “Our Group Entities” beginning on page 133 of the Red Herring Prospectus except the below mentioned Promoter Group Entities:

## INTEREST OF THE PROMOTERS

### *Interest in the promotion of Our Company*

Our Promoters are Mr. Kunal Lalani, Mrs. Vimi Lalani and Vimi Investments & Finance Private Limited may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, Our Promoter 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 which either of them are interested as a director, member or partner.

***Interest in the property of Our Company***

Our Promoters do not have any interest in any property acquired by Our Company in last two years or proposed to be acquired by our Company.

***Interest as Member of our Company***

As on the date of this Red Herring Prospectus, our Promoters and Promoter Group together hold 1,79,55,760 (99.75%) Equity Shares of our Company and are 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 Promoters in our Company, our Promoters does not hold any other interest in our Company.

***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 Red Herring Prospectus except as mentioned / referred to in this chapter and in the section titled 'Our Management', 'Financial Statements' and 'Capital Structure' on page 114, 145 and 47 respectively of this Red Herring Prospectus. Further as on the date of this Red Herring Prospectus, there is no bonus or profit sharing plan for our Promoters.

**CONFIRMATIONS**

There are no Litigations and disputes pending against the Promoters and defaults made by them including violations of securities laws, please refer to the section titled "Outstanding Litigation and Material Developments" on page 203 of this Red Herring Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority.

***This space is left blank intentionally.***

## OUR GROUP COMPANIES / ENTITIES

As per definition of group companies as per Sections 2(1)(t) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 shall include (i) the companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements during any of the last three Fiscals in respect of which the Restated Financial Information is included in this Red Herring Prospectus; and (ii) such other companies as are considered material by the Board. Our Board considered the below mentioned companies as material, pursuant to which the following entities are identified as Group Entities of our Company-

Except as stated below, there is no company which is considered material by the Board of Directors of our Company to be identified as Group Company. No equity shares of our group entities are listed on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years.

1. Coeus Communication India LLP
2. All White Communication LLP
3. Ultra Violet Digital Solutions LLP
4. Mega Luxuries & Hotels LLP
5. Omni Media Communications Pvt Ltd
6. Mega Cabs Private Limited
7. Bengaluru Megacabs Private Limited
8. Mega Corporation Limited
9. Cash Ur Drive Marketing Private Limited
10. Indication Instruments Limited

### 1. COEUS COMMUNICATION INDIA LLP

#### Corporate Information

Coeus Communication India LLP was incorporated on June 11, 2022 under Limited Liability Partnership Act, 2008. The registered office of the LLP is situated at No. 12, 2<sup>nd</sup> Floor, Lake Area 3<sup>rd</sup> Cross ST, Nungambakkam, Chennai Tamil Nadu – 600034, India. The LLP Identification Number is AAS-5852

#### Brief of Business profile

Coeus Communications India LLP (CCIL) is a joint venture between Crayons Advertising Ltd. And Kavitha B Srinivasan. CCIL is a Marketing Communications agency specializing in providing Strategic Communication Directions, Media Plans, Media Negotiations and Media Plan implementation across all Medium – Print, Radio, Television, Cinema, OOH and Digital. CCIL has been consistently performing in-terms of New Business Development, Existing Business Farming amidst all the economic ups and downs across the past 3 years. Based out of Chennai, CCIL is looking at expansion plan across other South Markets – Bengaluru, Hyderabad and Kochi in the next couple of years.

#### Designated Partners their Contribution and profit-sharing ratio in LLP

The Partners of Coeus Communication India LLP as on the date of this Red Herring Prospectus are as follows:

Name of Designated Partner	Contribution	Profit sharing Ration
Kavitha Basil Srinivasan	Rs 10,00,000	35.00 %
Crayons Advertising Ltd (Ashraye Lalani) *	Rs 50,00,000	65.00 %
<b>Total</b>	<b>Rs. 60,00,000</b>	<b>100.00 %</b>

\* Authorized Signatory on behalf of Crayons Advertising Limited.

#### Financial Information

Particulars	March 31, 2022	March 31, 2021
Reserve & Surplus	50,75,985.83	30,00,387.39
Revenue from operations	29,38,64,856.11	23,77,78,494.50
Total Income	29,39,67,266.15	23,77,78,765.47

Profit Before tax	31,95,060.44	43,61,028.39
Net Profit after tax	20,75,598.44	30,00,387.39

## 2. ALL WHITE COMMUNICATION LLP

### Corporate Information

All White Communication LLP was incorporated on July 12, 2019 under Limited Liability Partnership Act, 2008. The registered office of the LLP is situated at NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase III South Delhi – 110020. The LLP Identification Number is – AAP-9006.

### Brief of Business Profile

ALL White Communications LLP is a joint venture between Crayons Advertising Ltd. And Raghu Khanna. All White is an Out of Home advertising agency specializing in transit media advertising. All White Communications owns the Exclusive Marketing rights on various public utilities, bus shelters, e-cycle shelters, etc. and offer these spaces to their clients for advertising & display of their products.

### Partners their Contribution and profit-sharing ratio in LLP

The Partners of Coeus Communication India LLP as on the date of this Red Herring Prospectus are as follows:

Name of Partners	Contribution	Profit sharing Ration
Crayons Advertising Pvt Ltd (Kunal Lalani) *	6,58,350	60.00%
Raghu Khanna	6,46,350	40.00%
<b>Total</b>	<b>13,04,700</b>	<b>100.00%</b>

\* Authorized Signatory on behalf of Crayons Advertising Limited.

### Financial Information

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Reserve & Surplus	-	21,717	(5,760)
Revenue from operations	72,50,167	4,50,000	0
Total Income	79,25,398	7,75,878	0
Profit Before tax	6,77,112	42,437	(5,760)
Net Profit after tax	4,65,854	27,477	(5,760)

## 3. ULTRA VIOLET DIGITAL SOLUTIONS LLP

### Corporate Information

Ultra Violet Digital Solutions LLP was incorporated on January 05, 2015 under Limited Liability Partnership Act, 2008. The registered office of the LLP is situated at 14 Oak Drive DLF Chhattarpur South Delhi – 110074. The LLP Identification Number is – AAD-1434

### Brief of Business Profile

Ultraviolet Digital Solutions LLP (UV) is a subsidiary of Crayons Advertising Ltd. UV is a special purpose vehicle formed for the purpose of investment in the tech driven businesses.

### Partners their Contribution and profit-sharing ratio in LLP

The Partners of Coeus Communication India LLP as on the date of this Red Herring Prospectus are as follows:

Name of Partner	Contribution	Profit sharing Ration
Kunal Lalani	30,00,000	21.49%
Vimi Lalani	4,00,000	6.45%
Vimi Investments and Finance Pvt Ltd	93,00,000	14.76%

Crayons Advertising Ltd	3,25,00,000	57.31%
<b>Total</b>	<b>4,52,00,000</b>	<b>100%</b>

**NOTE:** Ms. Trisha Lalani is the Authorized Representative of Vimi Investments and Finance Pvt Ltd. and Ms. Sachi Lalani is the Authorized Representative of Crayons Advertising Limited.

#### **Financial Information**

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Reserve & Surplus	-	-	-
Turnover	-	1,67,95,019	66,302,182
Profit Before tax	1,83,045	35,294	2,266,524
Net Profit after tax	<b>1,25,936</b>	<b>22,231</b>	<b>1,557,772</b>

#### **4. MEGA LUXURIES & HOTELS LLP**

##### **Corporate Information**

Mega Luxuries & Hotels LLP was incorporated on June 30, 2015 under Limited Liability Partnership Act, 2008. The registered office of the LLP is situated at A-33, Second Floor, F.I.E.E, Okhla Industrial Area, Phase II, Okhla Industrial Estate, South Delhi - 110020. The LLP Identification Number is – AAE-2873.

##### **Brief of Business Profile**

Mega Luxuries & hotels LLP is an emerging leader in India's Taxi Service Market, known for delivering enhanced end-to-end mobility through comfortable and affordable rides. They have entered into a joint venture agreement with Uber for providing supply of Taxis in Hyderabad & Bangalore. Currently 50 vehicles are plying in Hyderabad which will be ramped up to 500 vehicles by Dec'23. Subsequently they plan to enter Bengaluru in 2024 January.

##### **Partners their Contribution and profit-sharing ratio in LLP**

The Partners of Mega Luxuries & Hotels LLP as on the date of this Red Herring Prospectus are as follows:

Name of Partners	Contribution	Profit sharing Ratio
Mega Cabs Pvt Ltd (Kunal Lalani) *	1,00,00,000	50.00%
Adarsh Jain	1,00,00,000	50.00%
<b>Total</b>	<b>2,00,00,000</b>	<b>100.00%</b>

\* Authorized Signatory on behalf of Mega Luxuries & Hotels LLP.

##### **Financial Information**

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Reserve & Surplus	(16,17,112)	(16,32,736)	(16,20,335)
Revenue from operations	-	-	-
Total Income	102702	603	-
Profit Before tax	15,625	(12,401)	(1,37,523)
Net Profit after tax	15,625	(12,401)	(1,37,523)

#### **5. OMNI MEDIA COMMUNICATIONS PRIVATE LIMITED**

##### **Corporate Information**

Omni Media Communications Private Limited was incorporated on January 04, 1996 under Companies Act, 1956. The registered office of the Company is situated at A-33, Second Floor, F.I.E.E Complex Okhla Industrial Area, Phase-II, South Delhi- 10020, having its Corporate Identification Number is – U74300DL1996PTC075184.

##### **Main Object of the Company**

To carry on the business as advertising agents, advertising contractors, designers of advertisements, research, marketing, sales promotion, outdoor publicity, audio visuals, novelties, packing, artwork, block printing materials, desk-top printing, production, hiring, booking, telecasting of TV programmes/serials/136 documentaries/short-films/feature films, operate video, satellite television network and any other areas related to Advertising, Publicity and Marketing.

To carry on any business as dealers, selling agents, sole selling agents, brokers, commission agents, for the business related to in Para (1) above

To carry on business of providing advertising consultancy and professional market research.

### **Board of Director**

The Directors of Omni Media Communications Private Limited as on the date of Red Herring are as follows:

<b>Name</b>	<b>Designation</b>
Vishal Lalani	Director
Trisha Lalani Chandhok	Director
Sachi Ananya Mittal	Director
Ashraye Lalani	Director
Viral Chopra	Director

### **Capital Structure and Shareholding Pattern**

As on the date of this Red Herring Prospectus, the authorized share capital of Omni Media Communications Pvt. Ltd. is Rs 20,00,000/- (2,00,000 Equity shares of Rs.10/- each). The paid-up share capital Rs.10,50,000/- (1,05,000 Equity shares of Rs.10/- each).

As on the date of this Red Herring Prospectus, the shareholding pattern of Omni Media Communications Private Ltd is as follows:

<b>Sr. No.</b>	<b>Name of the Share Holders</b>	<b>No. Equity Shares Held</b>	<b>Percentage of Shareholding</b>
1.	Mrs Vimi Lalani	1,000	00.95%
2.	M/s Vimi Investments & Finance Pvt Ltd	1,04,000	99.05%
	<b>Total</b>	<b>1,05,000</b>	<b>100%</b>

### **Financial Performance**

<b>Particular</b>	<b>Financial year ended March 31, 2022</b>	<b>Financial year ended March 31, 2021</b>	<b>Financial year ended March 31, 2020</b>
Equity Share Capital	10,50,000	10,50,000	10,50,000
Reserve and surplus (excluding Revaluation reserve, if any)	4,59,99,549	4,54,67,315	4,38,29,625
Net Worth	4,70,49,549	4,65,17,315	4,48,79,625
Sales/Turnover including Other Income	22,62,30,304	21,29,56,218	26,90,92,077
Profit/(Loss) after Tax	5,32,234	16,37,690	44,18,277
Earnings Per Share (in Rs)	5.07	15.60	42.08
Net Asset Value per Share (in Rs.)	448.09	443.02	427.425

## **6. MEGA CABS PRIVATE LIMITED**

### **Corporate Information**

Mega Cabs Private Limited was incorporated on February 01, 2000 under Companies Act, 1956. The registered office of the Company is situated at A-33, Second Floor, F.I.E.E Complex Okhla Industrial Area, Phase-II New Delhi - 110020., having its Corporate Identification Number is – U74999DL2000PTC103535

### **Board of Director**



The Directors of Mega Cabs Pvt Ltd as on the date of Red Herring are as follows:

Name	Designation
Kunal Lalani	Director
Vikram Anand	Director
Pawan Suri	Director
Shurab Kumar	Director
Trisha Lalani Chandhok	Director
Ashraye Lalani	Director

### **Capital Structure and Shareholding Pattern**

As on the date of this Red Herring Prospectus, the authorized share capital of Mega Cabs Pvt Ltd is Rs 20,00,00,000/- (2,00,00,000 Equity shares of Rs.10/- each). The paid-up share capital Rs. 20,00,00,000/- (2,00,00,000 Equity shares of Rs.10/- each).

As on the date of this Red Herring Prospectus, the shareholding pattern of Mega Cabs Pvt Ltd is as follows:

Sr. No.	Name of the Share Holders	No. Equity Shares Held	Percentage of Shareholding
1.	Mrs. Vimi Lalani	100100	0.50050%
2.	Mr. Kunal Lalani	1,390	0.00695%
3.	Mr. Todar Mal Lalani	700100	3.50050%
4.	Mr. Vishal Lalani	100	0.00050%
5.	Mr. Hulas Mal Lalani	100	0.00050%
6.	M/s Odyssey Global FZC	820000	4.10000%
7.	M/s Vimi Investments and Finance Private Limited	16464200	82.32100%
8.	Mr. Hans Raj Deep Jain	13000	0.06500%
9.	Mr. Mayank Lalani	50000	0.25000%
10.	Mr. Amit Trehan	500000	0.00005%
11.	Mr. Pawan Suri	10	0.75000%
12.	Mr. Dhir Singh Chaudhary	1200000	0.00500%
13.	Mr. Vikram Anand	150000	0.50050%
14.	Mrs. Trisha Chandhok	1000	0.00695%
	<b>Total</b>	<b>2,00,00,000</b>	<b>100.00%</b>

### **Financial Performance**

Particular	Financial year ended March 31, 2022	Financial year ended March 31, 2021		Financial year ended March 31, 2020	
	Standalone	Standalone	Consolidated	Standalone	Consolidated
Equity Share Capital	19,33,08,000	18,83,08,000	18,83,08,000	18,83,08,000	18,83,08,000
Reserve and surplus (excluding Revaluation reserve, if any)	(18,80,86,0000)	(18,80,79,081)	(19,03,53,292)	(16,34,92,726)	(15,98,70,155)
Net Worth	52,22,000	2,28,919	(20,45,292)	2,48,15,274	2,84,37,845
Sales/Turnover including Other Income	11,50,21,000	5,05,05,111	12,10,93,978	23,31,49,798	46,06,81,863
Profit/(Loss) after Tax	(7,000)	(2,45,86,355)	(3,04,83,137)	(1,95,26,109)	(1,86,77,198)
Earnings Per Share (in Rs)	0	(1.36)	(2)	(1.08)	(1.03)
Minority's share	-	-	-	-	(4,20,636)
Profit/(Loss) after Tax					(1,90,97,834)
Net Asset Value per Share (in	0.27	0.012	(0.10)	1.31	

Rs.)					
------	--	--	--	--	--

## 7. BENGALURU MEGACABS PRIVATE LIMITED

### Corporate Information

Bengaluru Megacabs Private Limited was incorporated on February 28, 2012 under Companies Act, 1956. The registered office of the Company is situated at NSIC Complex, Maa Anandmayee Marg Okhla Phase-III, South Delhi-110020, having its Corporate Identification Number is – U63000DL2012PTC232126.

### Main Object of the Company

To carry on the business of running Radio taxis, GPS based taxis & fleet management systems, other motor taxis, motor omni buses, lorries coaches, tankers, jeeps, trailers, trolleys and conveyances of all kinds and on such lines & routes as the company may think fit and to transport passengers and goods and generally to do the business of common carriers.

To carry on the business of booking and reserving seats, berths, compartments and accommodations in aeroplanes, ships, railways, boats, omni buses, motor buses, motor cars, taxis and to issue tickets for the same and to hire or own taxis, motor cars, ships, aeroplanes, omnibuses, motor buses and all other kind of public transport vehicles.

To carry on the business as inbound and outbound travel agents, tour operators, traveling consultants, general sales agents for any airlines, steamship company, taxi and tour operators, railways or for any person in India or abroad.

### Board of Director

The Directors of Bengaluru Mega cabs Pvt Ltd as on the date of Red Herring are as follows:

Name	Designation
Kunal Lalani	Director
Iqbal Ahmed Siddiqui	Director
Sachi Ananya Mittal	Director
Abdul Kader Subhan	Director

### Capital Structure and Shareholding Pattern

As on the date of this Red Herring Prospectus, the authorized share capital of Bengaluru Megacabs Private Limited is Rs 2,50,00,000/- (25,00,000 Equity shares of Rs.10/- each). The paid-up share capital Rs. 2,50,00,000/- (25,00,000 Equity shares of Rs.10/- each).

As on the date of this Red Herring Prospectus, the shareholding pattern of Bengaluru Megacabs Private Limited is as follows:

Sr. No.	Name of the Share Holders	No. Equity Shares Held	Percentage of Shareholding
1.	Mr. Kunal Lalani	5000	0.2000
2.	Mrs. Vimi Lalani	100	0.0040
3.	Mega Cabs Pvt. Ltd.	12,69,500	50.7800
4.	M/s Karnataka Commercial and Industrial Corporation Pvt. Ltd.	12,25,000	49.0000
5.	Mrs. Sachi Lalani	100	0.0040
6.	Mrs. Trisha Lalani	100	0.0040
7.	Mr. Rajendra Bengani	100	0.0040
8.	Mr. Vishal Lalani	100	0.0040
<b>Total</b>		<b>25,00,000</b>	<b>100%</b>

### Financial Performance

Particular	Financial year ended March 31, 2022	Financial year ended March 31, 2021	Financial year ended March 31, 2020
------------	--	--	--

Equity Share Capital	2,50,00,000	1,00,00,000	1,00,00,000
Reserve and surplus (excluding Revaluation reserve, if any)	(28,55,401)	(17,78,124)	99,10,239
Net Worth	2,21,44,599	82,21,876	1,99,10,239
Sales/Turnover including Other Income	9,76,58,213	6,44,88,430	22,75,32,065
Profit/(Loss) after Tax	(10,77,277)	(1,16,88,363)	8,48,912
Earnings Per Share (in Rs)	(1.01)	(11.69)	1.06
Net Asset Value per Share (in Rs.)	8.85	8.22	19.91

## 8. MEGA CORPORATION LIMITED (MCL)

### Corporate Information

Mega Corporation Limited was incorporated on March 26, 1985 under Companies Act, 1956. The registered office of the Company is situated at A-33, Second Floor, F.I.E.E, Okhla Industrial Area Phase II, South Delhi – 110020, having Corporate Identification Number is – L65100DL1985PLC092375. The Equity Shares of the MCL are currently are listed on BSE Limited. MCL is a Systemically Important Non-Deposit Taking NBFC is registered with Reserve Bank of India so, currently engaged in the investments business.

### Board of Director

The Directors of Mega Corporation Ltd as on the date of Red Herring are as follows:

Name	Designation
Mr. Kunal Lalani	Executive Director
Mr. Surendra Chhalani	Executive Director
Mrs. Anisha Anand	Executive Director
Mr. Surendra Kumar Chhajer	Non-Executive Independent Director
Mr. Surendra Kumar Pagaria	Non-Executive Independent Director
Mrs. Abhilasha Lalani	Non-Executive Independent Director

The Key Managerial Personnel of Mega Corporation Ltd as on the date of Red Herring are as follows:

Name	Designation
Mr. Surendra Chhalani	Chief Financial Officer
Ms. Krashmee Bhartiya	Company Secretary

### Capital Structure and Shareholding Pattern

As on the date of this Red Herring Prospectus, the authorized share capital of Mega Corporation Limited is Rs 40,00,00,000/- (40,00,00,000 Equity shares of Rs.1/- each). The paid-up share capital Rs. 10,00,00,000/- (10,00,00,000 Equity shares of Rs.1/- each).

As on the date of this Red Herring Prospectus, the shareholding pattern Mega Corporation Limited is as follows:

Sr. No.	Name of the Share Holders	No. Equity Shares Held	Percentage of Shareholding
<b>A. Promoter &amp; Promoter Group</b>			
1.	Mr. Kunal Lalani	33,95,000	3.40%
2.	Hulas Mal Lalani	7,86,000	0.79%
3.	Mr. Vimi Lalani	5,41,000	0.54%
4.	Varsha Bengani.	5,00,000	0.50%
5.	Seema Lalani	2,50,000	0.25%
6.	Mr. Mayank Lalani	1,28,586	0.13%
7.	M/s. Vimi Investments and Finance Pvt Ltd	4,62,60,878	46.26%
<b>B. Public</b>			

8.	Public	4,81,38,536	48.14%
<b>Total</b>		<b>10,00,00,000</b>	<b>100%</b>

### **Financial Performance**

Particular	Financial year ended March 31, 2022	Financial year ended March 31, 2021	Financial year ended March 31, 2020
Equity Share Capital	10,00,00,000	10,00,00,000	10,00,00,000
Reserve and surplus (excluding Revaluation reserve, if any)	137569943	13,56,88,653	14,21,78,618
Net Worth	45,27,64,422	23,56,88,653	24,21,78,618
Sales/Turnover including Other Income	3,12,55,605	28,434,722	2,75,52,087
Profit/(Loss) before Tax	610,270	41,59,118	41,68,968
Earnings Per Share (in Rs)	0.02	(0.03)	0.01
Net Asset Value per Share (in Rs.)	4.52	2.35	2.42

## **9. CASH UR DRIVE MARKETING PVT LTD**

### **Corporate Information**

Cash Ur Drive Marketing Private Limited was incorporated on July 06, 2009 under Companies Act, 1956. The registered office of the Company is situated at House number – 3010, Sector 28-D Chandigarh – 160028 and having its Corporate Identification Number – U74999CH2009PTC031677.

### **Main object of the company**

To carry the business of advertisement and publicity agents and contractors in various ways and manners including outdoors cars, buses, railways and other transport vehicles and in newspaper, magazines, books, screens, slides, walls and public places, audio visual display and to prepare, advise, manufacture, and construct advertising devices and to publish and advertise the same through and media whatsoever.

### **Board of Director**

The Directors of Cash Ur Drive Marketing Private Limited as on the date of Red Herring are as follows:

Name	Designation
Raghu Khanna	Director
Parveen K Khanna	Director

### **Capital Structure and Shareholding Pattern**

As on the date of this Red Herring Prospectus, the authorized share capital of Cash Ur Drive Marketing Private Limited is Rs 10,00,000/- (1,00,000 Equity shares of Rs.10/- each). The paid-up share capital Rs. 10,00,000/- (1,00,000 Equity shares of Rs.10/- each).

As on the date of this Red Herring Prospectus, the shareholding pattern Cash Ur Drive Marketing Private Limited is as follows:

Sr. No.	Name of the Share Holders	No. Equity Shares Held	Percentage of Shareholding
1.	Raghu Khanna	40,903	40.903%
2.	Parveen K Khanna	59,097	59.097%
<b>Total</b>		<b>1,00,000</b>	<b>100%</b>

### **Financial Performance**

Particular	Financial year ended March 31, 2022	Financial year ended March 31, 2021	Financial year ended March 31, 2020
Equity Share Capital	1,15,150	1,15,150	1,15,150

Reserve and surplus (excluding Revaluation reserve, if any)	14,87,15,811.51	10,68,12,768.46	9,39,11,692.50
Net Worth	14,88,30,961.51	10,69,27,918.46	9,40,26,842.50
Sales/Turnover including Other Income	85,23,15,487.02	51,31,36,358.60	38,53,69,894.53
Profit/(Loss) after Tax	4,18,91,836.22	1,27,88,604.02	2,12,88,385.34
Earnings Per Share (in Rs)	363.80	111.06	184.87
Net Asset Value per Share (in Rs.)	1292.49	928.59	816.55

## 10. INDICATION INSTRUMENTS LIMITED

### Corporate Information

Indication Instruments Limited was incorporated on January 30, 1976 under Companies Act, 1956. The registered office of the Company is situated NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase- III, New Delhi - 110020 and having its Corporate Identification Number - U74899DL1976PLC008058.

### Main object of the Company

To carry on business of importers, exporters, manufactures of and dealers in all kinds and classes of instruments including dashboard instruments and indication instruments, automobile parts, meters and cables including speedometer and control cables used inter alia in all types of vehicles, tractors, stationery engines, pumps, compressors and such other equipment's.

To manufacture, Import, Indent, export, trade in, buy, sell, let on hire, repair, clean, store, exchange, alter, Improve, manipulate, prepare for market and otherwise deal in all kinds and classes of machinery, components, parts, apparatus, tools, accessories, cables, meters, Instruments and fittings of scooters, mopeds, motor-cycles, motor cars, trucks, motor boats, tractors, launches, motor vans and other conveyances of all descriptions whether propelled or assisted by means of petrol, spirit, steam, diesel oil, gas, electricity, animal atomic or other power and other things used for or in connection with the above mentioned things.

### Board of Director

The Directors of Indication Instruments Limited as on the date of Red Herring are as follows:

Name	Designation
Todar Mal Lalani	Director
Vishal Lalani	Director
Seema Lalani	Director
Hulasmal Lalani	Director
Sohan Choudhery Lal	Director
Manoj Kumar Bengani	Director
Jagdish Lal Gambhair	Director

### Capital Structure and Shareholding Pattern

As on the date of this Red Herring Prospectus, the authorized share capital of Indication Instruments Limited is Rs 13,50,00,000 /- (13,50,000 Equity shares of Rs.100/- each). The paid-up share capital Rs 7,59,61,200 /- (1,00,000 Equity shares of Rs.100/- each).

As on the date of this Red Herring Prospectus, the shareholding pattern Indication Instruments Limited is as follows:

Sr. No.	Name of the Share Holders	No. Equity Shares Held	Percentage of Shareholding
1.	T.M Lalani	3,13,630	45.81%
2.	Durga Devi Lalani	15,564	2.27%
3.	Vishal Lalani	2,63,644	38.51%
4.	Varsha Bengani	9,480	1.39%
5.	Hulasmal Lalani	1,020	0.15%
6.	Vikas Lalani	1,288	0.19%

7.	Mayank Lalani	1,284	0.19%
8.	Smita Dhariwal	1,200	0.18%
9.	Jyoti H.Lalani	1,868	0.27%
10.	Seema Kochar	1,400	0.20%
11.	TML Investments Pvt Ltd	74,186	10.84%
<b>Total</b>		<b>6,84,564</b>	<b>100%</b>

- The Paid-up Equity Share capital of the Company as at 31st March 2022 stood at Rs.759.61 lakhs. Pursuant to the approval of the Board of Directors on 2nd June 2022, your Company has bought back 75,048 Equity Shares of face value of Rs.100/- each on 30th June 2022. Consequently, the paid-up equity share capital has changed from 7,59,612 Equity Shares of face value of Rs.100/- each as on March 31, 2022, to 6,84,564 Equity shares of Rs.100/- each as on June 30, 2022.

### **Financial Performance**

Particular	Financial year ended March 31, 2022	Financial year ended March 31, 2021	Financial year ended March 31, 2020
Equity Share Capital	7,59,61,200	7,59,61,200	8,33,00,000
Reserve and surplus (excluding Revaluation reserve, if any)	126,39,37,000	994,131,731	972,594,334
Net Worth	133,98,98,000	107,00,92,931	105,58,94,334
Sales/Turnover including Other Income	213,08,65,000	155,71,37,944	113,07,49,123
Profit/(Loss) after Tax	28,11,99,000	14,44,15,311	4,03,68,989
Earnings Per Share (in Rs)	370.19	190.12	48.46
Net Asset Value per Share (in Rs.)	1,763.92	1,408.74	1267.58

### **CONFIRMATION**

Our Promoter and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the group entities have negative net worth as on the date of this Red Herring Prospectus.

Further, our company or our group entity or any entity promoted by the promoters, has not been in default in payment of listing fees to any stock exchange in the last three years or has not been delisted or suspended in the past and not been proceeded against by SEBI or other regulatory authority in connection with investor related issues or otherwise.

### **INTEREST OF OUR GROUP ENTITIES**

None of our Group Entities are interested in the promotion of our Company. Except as disclosed in the section titled “Restated Financial Statements” beginning on page 145 of the Red Herring Prospectus and to the extent of their shareholding in our Company, our Group Entities do not have any other interest in our Company.

### **SICK COMPANIES / WINDING UP**

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985. There are no winding up proceedings against any of the Promoter Group Entities.

### **LITIGATION**

For details on litigations and disputes pending against the Promoters and Promoter Group entities and defaults made by them, please refer to the chapter titled, ‘Outstanding Litigations and Material Developments’ beginning on page 203 of this Red Herring Prospectus.



#### **DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS**

None of our Promoters have disassociated themselves from any of the companies / partnership firms during preceding three years.

#### **SALES / PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES**

There is no sale purchase between our Company and Group Entities except as mentioned in Note No. 33 Related Party Disclosures under the chapter titled “Financial Statement” beginning on page 145 of this Red Herring Prospectus.

#### **COMMON PURSUITS**

There are no common pursuits among our Company and Group Entities or any objects similar to that of our Company’s business

#### **RELATED PARTY TRANSACTION**

For details on related party transaction of our Company, please refer to Note 33 of Restated Financial statement beginning on page 183 of this Red Herring Prospectus.

*This space is left blank intentionally.*

## **DIVIDEND POLICY**

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividend in any Financial Year.

***This space is left blank intentionally.***

## SECTION IX – RESTATED FINANCIAL STATEMENTS

### **INDEPENDENT AUDITOR’S EXAMINATION REPORT ON RESTATED FINANCIAL STATEMENTS OF CRAYONS ADVERTISING LIMITED**

The Board of Directors

**CRAYONS ADVERTISING LIMITED (Formerly known as Crayons Advertising Private Limited) (“Company”)**

NSIC Complex, Maa Anandmayee Marg Okhla

Industrial Estate, Phase- III

New Delhi 110020

**Independent Auditor’s Examination Report on Restated Financial Statements in connection with the proposed Initial Public Offering on SME Platform (“IPO” or “SME IPO”) of Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited)**

Dear Sir,

1. This report is issued in accordance with the terms of our agreement dated December 1, 2022.
2. We have examined, the attached Restated Financial Statements, expressed in Indian Rupees in Lakhs of Crayons Advertising Limited (Formerly known as Crayons Advertising Private Limited) (the “Company” or the “Issuer”), comprising:
  - a) the “Restated Statement of Assets and Liabilities” as at December 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020;
  - b) the “Restated Statement of Profit and Loss” for the period ended December 31, 2022, for years ended March 31, 2022, March 31, 2021 and March 31, 2020;
  - c) the “Restated Statement of Cash Flows” for the period ended December 31, 2022, for years ended March 31, 2022, March 31, 2021 and March 31, 2020; and
  - d) the “Notes to the Restated Financial Statements” for the period ended December 31, 2022, for years ended March 31, 2022 March 31, 2021 and March 31, 2020;

(Hereinafter together referred to as the “Restated Financial Statements”), as approved by the Board of Directors of the Company at their meeting held on February 06, 2023 for the purpose of inclusion in the Red Herring Prospectus (“RHP”)/ Prospectus prepared by the Company in connection SME IPO of NSE Limited (“NSE”).

3. These restated summary statements have been prepared in accordance with the requirements of
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (“the Act”) as amended from time to time;
  - b) Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the “SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India (the “SEBI”); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

#### **Management’s Responsibility for the Restated Financial Statements**

4. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the Red Herring Prospectus/ Prospectus to be filed with Securities and Exchange Board of India (“SEBI”), SME platform of NSE Limited (“NSE”) and Registrar of Companies (New Delhi, Delhi), where the equity shares of the Company are proposed to be listed (“Stock Exchanges”), in connection with the proposed IPO. The Restated Financial Statements have been prepared by the Management of the Company in accordance with the basis of preparation stated in Note 2 forming part of ‘Significant Accounting Policies’ of the Restated Financial Statements.

The Board of Directors of the Company is responsible for designing, implementing and maintaining adequate internal

control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors of the Company are also responsible for identifying and ensuring that the Company complies with the Act, the ICDR Regulations and the Guidance Note.

### **Auditor's Responsibilities**

5. We have examined such Restated Financial Statements taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 1, 2022 in connection with the proposed SME IPO of equity shares of the Company;
  - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO of equity shares of the Company.
  
6. These Restated Financial Statements have been compiled by the Company's management from:
  - a) Audited special purpose interim financial statements of the Company as at and for the nine period ended December 31, 2022 prepared in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2006 as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (IGAAP) which was approved by the Board of Directors at their meeting held on December 12, 2022 and

Audited Financial Statements of the Company as at and for years ended March 31, 2022, March 31, 2021 and March 31, 2020, prepared in accordance with the IGAAP which has been approved by the Board of Directors at their meeting held on August 16, 2022, November 26, 2021 and December 31, 2020 respectively.
  
7. For the purpose of our examination, we have relied on:
  - a) Auditors' reports issued by us dated December 12, 2022 on the special purpose Interim financial statements of the Company as at and for the nine months period ended December 31, 2022, and
  - b) Auditors' Report issued by us, dated August 16, 2022, November 26, 2021 and December 31, 2020 on the financial statements of the Company as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 respectively, as referred in Paragraph 6 above.

### **Opinion**

8. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Statements:
  - a) have been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications, if any, retrospectively in the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the nine months period ended December 31, 2022;
  - b) does not contain any qualifications requiring adjustments. However, our audit reports as at and for the year ended March 31, 2021 and March 31, 2020 contains Matters of emphasis which are reproduced as under:
    - Matter of Emphasis in the Audit report on audited financial statements as at and for the year ended March 31, 2021

We draw attention to Note 42 in the restated financial statements, which describes the possible effects of uncertainties relating to COVID-19 on Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter

- Matter of Emphasis in the Audit report on audited financial statements as at and for the year ended March 31, 2020

We draw attention to Note 42 in the financial statements, which describes the possible effects of uncertainties relating to COVID-19 on Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter

Note 43 in the restated financial statements which describes, during the year, one of the vendor of the Company has file Application with National Company Law Tribunal ("NCLT"), New Delhi under Insolvency and Bankruptcy Code, 2016 to recover their outstanding disputed balances. The NCLT has admitted the application and appointed the Interim resolution professional. Subsequent to the March 31, 2020 the Company has made settlement with the above said vendor and NCLT has withdrawn their Order on application of Interim Resolution professional. There is no impact of the same on the functioning of the Company. We have relied upon the management contention.

c) have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

9. The Restated Financial Statements does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 6 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report

#### **Restriction on Use**

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

**For S.S Kothari Mehta & Company**  
**Chartered Accountants**  
**FRN No. 000756N**

**CA Amit Goel**  
**Partner**  
**Mem No. 500607**

**ICAI UDIN – 23500607BGURJJ6643**

**Place: New Delhi**  
**Date: April 25, 2023**

**SUMMARY OF OUR FINANCIAL INFORMATION**  
**RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Lacs)

Particulars	Annexure No.	As at 31-Dec-2022	As at 31-Mar-2022	As at 31-Mar-2021	As at 31-Mar-2020
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
(a) Share Capital	3	1,800.00	225.00	225.00	225.00
(b) Reserves and surplus	4	3,191.03	3,498.95	3,337.61	3,324.64
<b>Total shareholders' funds</b>		<b>4,991.03</b>	<b>3,723.95</b>	<b>3,562.61</b>	<b>3,549.64</b>
<b>Non-Current Liabilities</b>					
(a) Long Term Borrowings	5	179.94	352.42	952.59	1,336.76
(b) Long term Provisions	6	171.30	166.50	170.36	215.59
<b>Total non- current liabilities</b>		<b>351.24</b>	<b>518.92</b>	<b>1,122.95</b>	<b>1,552.35</b>
<b>Current Liabilities</b>					
(i) Short Term Borrowings	7	635.68	608.15	580.27	191.40
(ii) Trade Payables	8				
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,793.48	5,821.81	4,417.00	6,177.16
(iii) Other current liabilities	9	4,191.05	2,028.55	959.60	1,719.97
(iv) Short-term provisions	10	30.68	24.09	22.34	27.51
<b>Total current liabilities</b>		<b>7,650.89</b>	<b>8,482.60</b>	<b>5,979.21</b>	<b>8,116.04</b>
<b>TOTAL</b>		<b>12,993.16</b>	<b>12,725.47</b>	<b>10,664.77</b>	<b>13,218.03</b>
<b>ASSETS</b>					
<b>Non - Current Assets</b>					
(a) Property, Plant and Equipment's	11	352.25	582.72	653.90	757.31
(b) Intangible Assets	11A	5.60	7.23	6.63	6.82
(c) Non-current investments	12	834.49	1,136.36	1,850.96	1,879.65
(d) Deferred tax assets (net)	13	113.86	111.31	109.68	125.58
(e) Long-term loan and advances	14	816.98	946.37	544.95	1,160.23
(f) Other non-current assets	15	289.35	226.72	326.63	296.66
<b>Total non- current assets</b>		<b>2,412.53</b>	<b>3,010.71</b>	<b>3,492.75</b>	<b>4,226.25</b>
<b>Current Assets</b>					
(a) Trade Receivables	16	4,521.35	5,902.13	6,010.55	7,554.52
(b) Cash and bank balances	17	316.11	1,784.80	306.90	587.03
(c) Short-term loans and advances	18	2,682.83	1,830.81	682.47	711.90
(d) Other current assets	19	3,060.34	197.02	172.10	138.33
<b>Total current assets</b>		<b>10,580.63</b>	<b>9,714.76</b>	<b>7,172.02</b>	<b>8,991.78</b>
<b>TOTAL</b>		<b>12,993.16</b>	<b>12,725.47</b>	<b>10,664.77</b>	<b>13,218.03</b>
Significant accounting policies	2				



The accompanying notes form an integral part of restated financial statements

**As per our report of even date attached**

**For and on behalf of the Board of Directors of  
Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)**

**For S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm registration no. 000756N

**Kunal Lalani**  
Managing Director  
DIN No. 00002756

**H.M Lalani**  
Director  
DIN No. 00257693

**Amit Goel**  
Partner  
Membership No. 500607

**Rajat Singhal**  
Chief Financial Officer  
PAN No. BGGPS6160L

**Neelu Prajapati**  
Company Secretary  
Membership No. 43403

Place: New Delhi  
Date: April 25, 2023

# RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Rs. in Lacs)

Particulars	Annexure No.	Period Ended	Year Ended	Year Ended	Year Ended
		31-Dec-2022	31-Mar-2022	31-Mar-2021	31-Mar-2020
<b>INCOME</b>					
(a) Revenue from operations		19,901.18	19,252.59	10,496.62	16,100.04
(b) Other income	20	473.34	152.38	164.60	267.61
<b>Total Revenue</b>		<b>20,374.52</b>	<b>19,404.97</b>	<b>10,661.22</b>	<b>16,367.65</b>
<b>EXPENSES</b>					
(a) Advertising and job work costs		16,571.31	16,992.79	8,794.73	13,765.00
(b) Employee benefits expense	21	810.38	751.00	660.84	864.99
(b) Finance costs	22	44.03	107.86	125.00	236.40
(c) Depreciation and amortisation	11&11A	78.06	92.89	114.15	141.96
(d) Other expenses	23	1,114.16	1,225.11	936.96	1,178.74
<b>Total Expenses</b>		<b>18,617.94</b>	<b>19,169.65</b>	<b>10,631.68</b>	<b>16,187.09</b>
<b>Profit / (Loss) before tax</b>		<b>1,756.58</b>	<b>235.32</b>	<b>29.54</b>	<b>180.56</b>
<b>Less: Tax expenses</b>					
- Current tax		476.12	75.61	0.67	44.48
- Earlier year tax expenses		15.92	-	-	-
- MAT credit entitlement for earlier year		-	-	-	(11.42)
- Deferred tax charge		(2.54)	(1.63)	15.90	30.93
<b>Net profit for the period/ year after tax</b>		<b>1,267.08</b>	<b>161.33</b>	<b>12.97</b>	<b>116.57</b>
Earning per equity share:		-	-	-	-
Basic and diluted earnings per share (In Rs.)	24	<b>7.04</b>	<b>0.9</b>	<b>0.07</b>	<b>0.65</b>
(Nominal value of share Rs.10 each)					
Significant accounting policies	2				
The accompanying notes form an integral part of restated financial statements					

As per our report of even date attached

For and on behalf of the Board of Directors of  
Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)

For S.S. Kothari Mehta & Company  
Chartered Accountants  
Firm registration no. 000756N

Kunal Lalani  
Managing Director  
DIN No. 00002756

H.M Lalani  
Director  
DIN No. 00257693

Amit Goel  
Partner  
Membership No. 500607

Rajat Singhal  
Chief Financial Officer  
PAN No. BGGPS6160L

Neelu Prajapati  
Company Secretary  
Membership No. 43403

Place: New Delhi  
Date: April 25, 2023

## RESTATED STANDALONE STATEMENT OF CASH FLOW

(Rs. In Lacs)

Particular	Period Ended	Year Ended	Year Ended	Year Ended
	31-Dec-22	31-Mar-22	31-Mar-21	31-Mar-20
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net profit before tax	1,756.58	235.32	29.54	180.56
Adjustment for:				
Loss on sale of Investments	51.13	53.02	52.60	-
Depreciation and amortization	78.06	92.89	114.15	141.96
Interest and finance charges	44.03	107.86	125.00	236.40
Interest income received	(137.41)	(68.76)	(54.17)	(83.97)
Amount written back	(18.88)	(7.17)	(2.92)	(16.70)
Profit/loss on sale of property plant & equipment	0.95	(2.37)	0.92	0.03
Profit from partnership firms	2.72	(20.10)	(25.27)	(7.80)
Provision for bad and doubtful debts	39.86	68.79	-	-
Bad debts written off	49.65	294.30	9.38	114.86
Profit on sale of investment	(250.47)	(26.75)	(0.79)	(0.79)
<b>Operating profit before working capital changes</b>	<b>1,616.22</b>	<b>727.03</b>	<b>248.44</b>	<b>564.55</b>
Adjustment for:				
(Decrease)/Increase in long term and short-term provisions	11.39	(2.12)	(50.41)	(18.89)
(Decrease)/Increase in current and other liabilities	2,572.03	688.16	(223.89)	(2,208.93)
(Decrease)/Increase in trade payables	(3,009.45)	1,411.98	(1,757.25)	1,246.98
(Increase)/decrease in trade receivables	(1,535.39)	(254.67)	1,534.59	(545.41)
(Increase)/decrease in short-term loans and advances, other non-current asset	(814.53)	(1,104.92)	(545.63)	(104.66)
<b>Cash generated from operations</b>	<b>(1,159.73)</b>	<b>1,465.46</b>	<b>(794.15)</b>	<b>(1,066.36)</b>
Adjustment for :				
Income tax paid (Net of refund)	(99.34)	(477.03)	602.47	(4.80)
<b>Net cash flow used in operating activities (A)</b>	<b>(1,259.07)</b>	<b>988.43</b>	<b>(191.68)</b>	<b>(1,071.16)</b>
<b>Cash flow from investing activities</b>				
Advance Against Property	(409.05)	385.05	129.38	545.20
Purchase of property plant & equipment & intangible (net of capital advance)	(533.87)	(36.16)	(16.02)	(7.45)
Proceeds from sale of property plant & equipment	386.97	16.24	5.48	(76.38)
(Purchase)/sale of investments (net)	498.48	708.21	(34.74)	(103.32)
Interest income received	43.51	46.37	49.74	85.70
Fixed deposits (investment)/ matured	(27.37)	44.49	(14.23)	241.01
<b>Net cash flow used in Investing activities (B)</b>	<b>(41.34)</b>	<b>1,164.20</b>	<b>119.61</b>	<b>684.76</b>
<b>Cash flow used in financing activities</b>				
Amount of Loan Taken/(Repayment Of Borrowings)	-	-	(100.00)	-
Proceeds from short term borrowing	10.44	192.17	394.31	100.00
Repayment of long-term borrowings	(155.39)	(764.47)	(289.60)	(46.13)
Finance charges paid	(44.51)	(112.13)	(140.27)	(220.84)
<b>Net cash flow used in financing activities (C)</b>	<b>(189.46)</b>	<b>(684.42)</b>	<b>(135.56)</b>	<b>(166.97)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(1,489.87)</b>	<b>1,468.21</b>	<b>(207.63)</b>	<b>(553.37)</b>
Cash and cash equivalents at beginning of the year	1,772.96	304.75	512.38	1,065.75
Cash and cash equivalents at the end of the year	<b>283.09</b>	<b>1,772.96</b>	<b>304.75</b>	<b>512.38</b>

Particular	Period Ended	Year Ended	Year Ended	Year Ended
	31-Dec-22	31-Mar-22	31-Mar-21	31-Mar-20
<b>Components of closing cash and cash equivalents</b>				
Balance with banks in current accounts	243.87	1,715.73	275.69	138.83
Cash in hand as certified by management	39.22	33.92	29.06	16.51
Fixed deposits having maturity of less than 3 months	-	23.31	-	357.04
	<b>283.09</b>	<b>1,772.96</b>	<b>304.75</b>	<b>512.38</b>

As per our report of even date attached

For and on behalf of the Board of Directors of  
Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)

**For S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm registration no. 000756N

**Kunal Lalani**  
Managing Director  
DIN No. 00002756

**H.M Lalani**  
Director  
DIN No. 00257693

**Amit Goel**  
Partner  
Membership No. 500607

**Rajat Singhal**  
Chief Financial Officer  
PAN No. BGGPS6160L

**Neelu Prajapati**  
Company Secretary  
Membership No. 43403

Place: New Delhi  
Date: April 25, 2023

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS AS RESTATED

### 1. Corporate Information

Crayons Advertising Limited (formerly known as Crayons Advertising Private Limited) (the company) is a limited company registered under the erstwhile Companies Act 1956 is in the business of advertising, branding and communication. It started its operations in 1986 has an all-India footprint with 9 offices. The company operates from its office at New Delhi.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on September 16, 2022 and consequently the name of the Company has been changed to Crayons Advertising Limited in a fresh certificate of incorporation obtained from the Registrar of Companies on November 22, 2022.

These restated financial statements were authorized for issue in accordance with a resolution of the Board of Directors on April 25, 2023.

These restated financial statements are presented in Indian Rupees ('Rupees' or 'Rs.' or 'INR') and are rounded to the nearest Lakhs, except per share data and unless stated otherwise.

### 2. Summary of significant accounting policies

#### A. Basis of preparation of restated financial statements

The restated financial statements of the Company comprise financial statement for the nine months period ended December 31, 2022, for the year ended March 31, 2022, March 31, 2021 and March 31, 2020 that had been previously prepared and audited as per the requirements of Companies Act, 2013 and now restated as per the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the SEBI ICDR Regulations) issued by the Securities and Exchange Board of India (SEBI) on September 11, 2018 as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 and Guidance note on reports in Company Prospectus (Revised 2019) (Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous years.

These Statements have been prepared by the Management for the purpose of inclusion in the Red Herring Prospectus ('RHP')/Prospectus in connection with its proposed initial public offering of equity shares.

1. The Restated Financial Information have been compiled by the Management from:

- I) Audited special purpose interim financial statements of the Company as at and for the nine months period ended December 31, 2022 prepared in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2006 as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (IGAAP) which was approved by the Board of Directors at their meeting held on April 25, 2022 and
- II) Audited Financial Statements of the Company as at and for years ended March 31, 2022, March 31, 2021 and March 31, 2020, prepared in accordance with the IGAAP which has been approved by the Board of Directors at their meeting held on August 16, 2022, November 26, 2021 and December 31, 2020 respectively.

2. The Restated Financial Information have been prepared to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations:

- i) Adjustments to the profits or losses of the earlier years for the changes in accounting policies if any to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years and of material errors, if any;

- ii) Adjustments for reclassification/regroupings of the corresponding items of income, expenses, assets and liabilities retrospectively in the nine months period /years ended December 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, in order to bring them in line with the groupings as per the Restated Financial Information of the Company for the period ended December 31, 2022 and the requirements of the SEBI Regulations, if any; and

iii) The resultant impact of tax due to the aforesaid adjustments, if any.

## **B. Use of estimates**

The preparation of restated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

## **C. Property plant and equipment**

Tangible assets are stated at cost, less accumulated depreciation and impairment (if any). Cost consists of acquisition cost comprising purchase price (excluding rebates and discounts) and direct cost incurred to make the asset ready to use. All assets costing Rs. 5,000 or below are fully depreciated in the year of addition.

Subsequent expenditure related to an item of property plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of property plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

## **D. Depreciation on property plant and equipment**

Depreciation on property plant and equipment is provided on written down value method considering the useful lives prescribed in Schedule II to the Companies Act, 2013.

## **E. Intangible assets**

Intangible assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets are amortized over the expected duration of benefit or ten years on written down value method. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

## **F. Impairment of property plant and equipment (PPE) and intangible assets (IA)**



The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on PPE and IA, are recognized in the statement of profit and loss.

## **G. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the restated financial statements at lower of cost and fair value determined for each category separately. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

## **H. Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## **I. Foreign currency transactions and balances**

### **Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### **Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

### **Exchange differences**

All other exchange differences are recognized as income or as expenses in the period in which they arise.

## **J. Provisions and contingent liabilities & contingent assets**

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

## **K. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## **I. Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred income tax reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of

credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

#### **M. Revenue recognition**

Revenue from operations are recognized on completion of the project and rendering of services.

Interest income is recognized on the basis of accrual method on the rates applicable to the transactions.

Rent is recognized on the basis of accrual as per the agreement.

Income from investment is accounted for on accrual basis when the right to receive income is established.

#### **N. Employee benefits**

Retirement benefit in the form of provident fund contribution to statutory provident fund, pension fund, superannuation fund and ESI are defined contribution schemes. The contributions are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates two defined benefit plans for its employees, viz., gratuity and provident fund contribution to Dalmia Cement Provident Fund Trust. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

#### **O. Accounting for lease**

##### **Where the company is lessee**

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a

straight-line basis over the lease term.

### **Where the Company is lessor**

Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

## **P. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **Q. Segment reporting**

### **Identification of segments**

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

### **Inter-segment transfers**

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

### **Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

### **Unallocated items**

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

### **Segment accounting policies**

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the restated financial statements of the company as a whole.

## Details of Share Capital

Note No – 3

Particular	As at December 31, 2022		As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
Share capital	Number of shares	Amount in Rs. In Lakhs	Number of shares	Amount in Rs. In Lakhs	Number of shares	Amount in Rs. In Lakhs	Number of shares	Amount in Rs. In Lakhs
<b>Authorized Capital</b>								
Equity shares of Rs.10/- each	2,50,00,000	2,500	25,00,000	250	25,00,000	250	25,00,000	250
<b>Issued, subscribed and paid up</b>								
Equity shares of Rs.10/- each fully paid up	1,80,00,000	1,800	22,50,000	225	22,50,000	225	22,50,000	225
	<b>180,00,000</b>	<b>1,800</b>	<b>22,50,000</b>	<b>225</b>	<b>22,50,000</b>	<b>225</b>	<b>22,50,000</b>	<b>225</b>

### a) Reconciliation of shares outstanding at beginning and at end of the year

Particular	As at December 31, 2022		As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
Share capital	Number of shares	Amount in Rs. In Lakhs	Number of shares	Amount in Rs. In Lakhs	Number of shares	Amount in Rs. In Lakhs	Number of shares	Amount in Rs. In Lakhs
Equity share outstanding at the beginning of the year	22,50,000	225	22,50,000	225	22,50,000	225	22,50,000	225
Bonus share issue during the period	1,57,50,000	1,575	-	-	-	-	-	-
	<b>1,80,00,000</b>	<b>1,800</b>	<b>22,50,000</b>	<b>225</b>	<b>22,50,000</b>	<b>225</b>	<b>22,50,000</b>	<b>225</b>

During the nine month ended December 2022, the company on 15th December, 2022 allotted 157,50,000 bonus shares of face value of Rs. 10/- each. The bonus issue of share has been made in the ratio of 7 : 1 ( ie 7 ( seven ) fully paid up equity share for every 1 ( one ) Equity share held to the shareholders. Refer to note 44(B) for further details.

### b) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10/- per share. Each equity share holder is entitled for one vote per share. Dividend, if declared and paid, will be in Indian rupees and shall be subject to the approval of shareholders in the ensuing Annual General Meeting.

The Company has not declared any dividend during the year ended March 31, 2020, March 31, 2021, March 31, 2022 and nine month ended December 31, 2022.

In the event of liquidation of the Company, the holder of equity shares shall be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion of the number of fully paid equity shares held by each shareholder.

### c) Details of shareholders holding more than 5% shares in the Company

Particular	As at December 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
------------	-------------------------	----------------------	----------------------	----------------------

	No. of shares	% Shares held	No. of shares	% Shares held	No. of shares	% Shares held	No. of shares	% Shares held
<b>Kunal Lalani</b>	43,90,160	24.39%	5,48,770	24.39%	5,48,770	24.39%	5,48,770	24.39%
<b>Vimi Lalani</b>	22,00,800	12.23%	2,75,100	12.23%	2,75,100	12.23%	2,75,100	12.23%
<b>Vimi Investments &amp; Finance Private Limited</b>	1,13,60,000	63.11%	4,20,000	18.67%	4,20,000	18.67%	4,20,000	18.67%
<b>Sahyog Properties Private Limited*</b>	-	0.00%	10,00,000	44.44%	10,00,000	44.44%	10,00,000	44.44%

\* Sahyog properties Pvt Ltd was amalgamated with Vimi investments & Finance Pvt Ltd.

**d) Note for verification of shareholding pattern**

As per records of the company including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

- e) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five year immediately preceding the reporting date: Nil (Previous Year Nil).
- Allotted any class of share as fully paid pursuant to contract (s) without payment being received in cash
  - Allotted fully paid up share by way of bonus share except for 157,50,000 share Rs 10 each in bonus issue on 15 December 2022.
  - bought back any class of share

**f) Details of shares held by promoters**

**As at 31 December 2022**

Description	Promoter Name	No. of shares in the beginning of year	Change during the nine months	No. of shares at the end of the nine months	% of Total Shares	% change during the nine months	% of Total Shares	% change during the nine months
Equity shares of INR 10 each fully paid	Kunal Lalani	43,90,160	-	43,90,160	24.39%	-	24.39%	-
Equity shares of INR 10 each fully paid	Hulas Mal Lalani	14,640	-	14,640	0.08%	-	0.08%	-
Equity shares of INR 10 each fully paid	Vimi Lalani	22,00,800	-	22,00,800	12.23%	-	12.23%	-
<b>Total</b>		<b>66,05,600</b>	<b>-</b>	<b>66,05,600</b>	<b>36.70%</b>	<b>-</b>	<b>36.70%</b>	<b>-</b>

**As at 31 March 2022**

Description	Promoter Name	No. of shares in	Change during	No. of shares at	% of Total	% change	% of Total	% change
-------------	---------------	------------------	---------------	------------------	------------	----------	------------	----------



		the begining of year	the half year	the end of the half year	Shares	during the half year	Shares	during the half year
Equity shares of INR 10 each fully paid	Kunal Lalani	5,48,770	-	5,48,770	24.39%	-	24.39%	-
Equity shares of INR 10 each fully paid	Hulas Mal Lalani	1,830	-	1,830	0.08%	-	0.08%	-
Equity shares of INR 10 each fully paid	Vimi Lalani	2,75,100	-	2,75,100	12.23%	-	12.23%	-
<b>Total</b>		<b>8,25,700</b>	<b>-</b>	<b>8,25,700</b>	<b>36.70%</b>	<b>-</b>	<b>36.70%</b>	<b>-</b>

#### As at 31 March 2021

Description	Promoter Name	No. of shares in the beginning of year	Change during the half year	No. of shares at the end of the half year	% of Total Shares	% change during the half year	% of Total Shares	% change during the half year
Equity shares of INR 10 each fully paid	Kunal Lalani	5,48,770	-	5,48,770	24.39%	-	24.39%	-
Equity shares of INR 10 each fully paid	Hulas Mal Lalani	1,830	-	1,830	0.08%	-	0.08%	-
Equity shares of INR 10 each fully paid	Vimi Lalani	2,75,100	-	2,75,100	12.23%	-	12.23%	-
<b>Total</b>		<b>8,25,700</b>	<b>-</b>	<b>8,25,700</b>	<b>36.70%</b>	<b>-</b>	<b>36.70%</b>	<b>-</b>

#### As at 31 March 2020

Description	Promoter Name	No. of shares in the beginning of year	Change during the half year	No. of shares at the end of the half year	% of Total Shares	% change during the half year	% of Total Shares	% change during the half year
Equity shares of INR 10 each fully paid	Kunal Lalani	5,48,770	-	5,48,770	24.39%	-	24.39%	-
Equity shares of INR 10 each fully paid	Hulas Mal Lalani	1,830	-	1,830	0.08%	-	0.08%	-
Equity shares of INR 10 each fully paid	Vimi Lalani	2,75,100	-	2,75,100	12.23%	-	12.23%	-
<b>Total</b>		<b>8,25,700</b>	<b>-</b>	<b>8,25,700</b>	<b>36.70%</b>	<b>-</b>	<b>36.70%</b>	<b>-</b>

#### Details of Reserve and Surplus as Restated

#### Note No - 4

Particular	As at December 31, 2022 Rs in Lakhs	As at March 31, 2022 Rs in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
<b>a) General reserve</b>				
Opening balance	27.48	27.48	27.48	27.48
Addition/(deletion) during the period/year	-	-	-	-

Closing balance	27.48	27.48	27.48	27.48
<b>b) Surplus in the statement of profit and loss</b>				
Opening balance	3,471.47	3,310.13	3,297.16	3,180.59
Add: Net profit for the period/year	1,267.08	161.34	12.97	116.57
Less: Bonus Share Issue during the nine-month ended December ,2022	(1,575.00)	-	-	-
Closing balance	3,163.55	3,471.47	3,310.13	3,297.16
<b>Total reserve &amp; surplus</b>	<b>3,191.03</b>	<b>3,498.95</b>	<b>3,337.61</b>	<b>3,324.63</b>

#### Details of Long-term borrowing as Restated

Note No - 5

Particular	As at December 31, 2022 Rs in Lakhs	As at March 31, 2022 Rs in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
<b>Secured</b>				
<b>(a) Term loans from bank</b>				
Term loans	118.00	267.36	699.53	661.73
Vehicle loans	100.28	4.02	14.07	23.22
<b>(b) Term loans from others</b>				
Term loans	-	101.66	419.40	717.46
Vehicle loans	-	0.63	5.13	25.33
<b>Total (a+b)</b>	<b>218.28</b>	<b>373.67</b>	<b>1,138.13</b>	<b>1,427.74</b>
Less: Amount disclosed under short-term borrowing as current maturities of long-term debt (refer note no. 7)	38.34	21.25	185.54	90.98
<b>Total</b>	<b>179.94</b>	<b>352.42</b>	<b>952.59</b>	<b>1,336.76</b>

#### **Nature of security & terms of repayment:**

##### **Nature of security**

- a) Term loans from banks amounting to Rs. 118.00/- (previous year Rs. 267.36/-) and from others amounting Nil /- (previous year Rs. 101.66 which are secured against properties in National Capital Region capital advance given by the company in respect of properties).

Vehicles loans from bank and other financial institutions amounting to Rs. 100.28/- (previous year Rs.4.65/- are secured against hypothecation of vehicles).

##### **Terms of repayment:**

##### **December 31, 2022**

- a) Rupee loan from bank are repayable in 60 to 180 equal monthly instalments along with interest between 8.18% to 9.25 % p.a.

##### **March 31, 2022**

- a) Rupee loan from bank and others are repayable in 180 equal monthly instalments and from other than bank 171 to 178 monthly instalments along with interest between 7.50% to 11.15% p.a.
- b) Vehicle loans from other than bank in 36 equal monthly instalments along with interest ranging of 9.36% to 9.96% p.a.

##### **March 31, 2021**

- a) Rupee loan from bank and others are repayable in 180 equal monthly instalments and from other than bank 118 to 264 monthly instalments along with interest between 8.60% to 10.90% p.a.
- b) Vehicle loans from other than bank in 36 equal monthly instalments along with interest ranging of 7.71% to 9.96% p.a.

### March 31, 2021

- a) Rupee loan from bank and others are repayable in 180 equal monthly instalments and from other than bank 118 to 264 monthly instalments along with interest between 8.60% to 10.90% p.a.
- b) Vehicle loans from other than bank in 36 equal monthly instalments along with interest ranging of 7.71% to 9.96% p.a.

### Details of Long – term provision

Note No -6

Particular	As at December 31, 2022 Rs in Lakhs	As at March 31, 2022 Rs in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Provision for employee benefits:				
Provision for gratuity (refer Note No. 38)	153.69	151.53	154.88	196.17
Provision for leave encashment (refer Note No.38)	17.61	14.97	15.49	19.42
<b>Total</b>	<b>171.30</b>	<b>166.50</b>	<b>170.37</b>	<b>215.59</b>

### Details of short-term borrowing

Note No -7

Particular	As at December 31, 2022 Rs in Lakhs	As at March 31, 2022 Rs in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Secured Cash Credit#	597.34	586.90	394.73	0.42
Current maturities of long-term debt (refer Note no.5)	38.34	21.25	185.54	90.98
Unsecured loan*	-	-	-	100.00
<b>Total</b>	<b>635.68</b>	<b>608.15</b>	<b>580.27</b>	<b>191.40</b>

# Secured Cash credit facility carrying interest rate of Floating rate of CD - six months- CC/OD +1.42% presently 8.5 % P.A at monthly rest . Presently applicable bank's CD - six month -CC /OD is 7.08 %.

1. The cash credit limit has been secured by hypothecation charge on the current assets of the company both present and future.
  2. Unencumbered fixed assets of the company both present and future.
  3. Residential property- House no-1323, Sector-14, Urban Estate, Faridabad, Haryana owned by Durga Devi Lalani.
  4. 10% cash margin for in the form of FD for BG Limit.
- (The company to maintain minimum collateral coverage (IP+CM) of 100% throughout the tenor of facility. Shortfall, if any, to be made good by way of additional collateral security acceptable to the bank)

### Reconciliation of Quarterly Bank return

Quarter	Particulars	FY 2022-23			FY 2021-22		
		Amount as reported in the quarterly return/statement (Rs. In lakh)	Amount as per books of account (Rs. In Lakhs)	Difference	Amount as reported in the quarterly return/statement	Amount as per books of account (Rs. In lakhs)	Difference
Quarter-1	Trade Receivable	3,686.69	5,523.46	(1,836.77)	6,457.83	4,286.05	2171.78
Quarter-1	Trade Payable	727.46	3,760.49	(3,033.03)	1,785.96	2,378.89	(592.93)

Quarter-2	Trade Receivable	5,781.20	5,173.58	607.62	6,051.09	4,551.38	1,499.71
Quarter-2	Trade Payable	1,958.93	4,204.57	(2,245.64)	1,378.88	2,393.99	(1,015.11)
Quarter-3	Trade Receivable	4,709.77	4,520.46	189.31	6,273.63	5,253.84	1,019.79
Quarter-3	Trade Payable	1,386.55	2,587.08	(1,200.53)	1,673.37	2,946.19	(1,272.82)
Quarter-4	Trade Receivable	-	-	-	7,287.02	5,902.13	1,384.89
Quarter-4	Trade Payable	-	-	-	2,461.42	5,821.81	(3,360.39)

Reason of Difference :

- I. Axis bank represented as cash credit lender.
- II. Difference in trade receivable represents payment received but not identified to clear the balances against particular invoice/parties.
- III. Difference in trade payable represents cheque issued but not presented in bank.

#### Details of Trade payables

Note No - 8

Particular	As at December 31,2022 Rs in Lakhs	As at March 31,2022 Rs in Lakhs	As at March 31,2021 Rs in Lakhs	As at March 31,2020 Rs in Lakhs
<b>Trade payables</b>				
Payable to Micro Enterprises & Small Enterprises (MSME) (Refer Note no. 32)	-	-	-	-
Payable to other than MSME	2,793.48	5,821.81	4,417.00	6,177.16
<b>Total</b>	<b>2,793.48</b>	<b>5,821.81</b>	<b>4,417.00</b>	<b>6,177.16</b>

#### Trade Payable Aging

Particulars	As at December 31, 2022				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total Rs. In Lakhs
MSME	-	-	-	-	-
Others	2,614.49	90.74	69.20	19.05	2,793.48
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-

Particulars	As at March 31, 2022				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total Rs. In Lakhs
MSME	-	-	-	-	-
Others	5,628.05	69.84	49.05	74.87	5,821.81
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-

Particulars	As at March 31, 2021				
	Outstanding for following periods from due date of payment				

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total Rs. In Lakhs
MSME	-	-	-	-	-
Others	4,181.61	111.92	49.05	74.87	4,417
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-

Particulars	As at March 31, 2020				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total Rs. In Lakhs
MSME	-	-	-	-	-
Others	5,421.97	243.89	78.60	432.70	6,177.16
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-

#### Details of Other current liabilities

Note No - 9

Particular	As at December 31, 2022 Rs in Lakhs	As at March 31, 2022 Rs in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
<b>a) Interest accrued but not due on:</b>				
Bank and financial institutions	0.62	1.11	5.38	7.35
Other	-	-	-	13.31
Advance from customers	1,282.58	833.83	21.09	6.43
Advance Against Investment Property	-	409.05	24.00	545.20
Accrued salaries & benefits	87.11	69.66	61.92	62.76
Security Deposit	0.64	1.24	4.51	5.58
<b>Other Payables:</b>				
Statutory liabilities	35.27	49.58	149.80	156.67
Expenses	2,739.84	632.58	647.28	889.74
Others	44.99	31.50	45.62	32.93
<b>Total</b>	<b>4,191.05</b>	<b>2,028.55</b>	<b>959.60</b>	<b>1,719.97</b>

#### Details of short-term provision

Note No - 10

Particular	As at December 31, 2022 Rs in Lakhs	As at March 31, 2022 Rs in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
<b>a) Provision for employee benefits:</b>				
Provision for gratuity (refer Note No.39)	27.89	21.46	19.75	23.92
Provision for leave encashment (refer Note No. 39)	2.79	2.63	2.59	3.59
	<b>30.68</b>	<b>24.09</b>	<b>22.34</b>	<b>27.51</b>

#### Details of Plant and equipment

Note No - 11

Particular	Building	Computer	Vehicle	Furniture & Fixtures	Office Equipment's	Total Tangible Assets
<b>Gross Block</b>						
As at April 01, 2019	1,103.21	187.13	214.35	349.86	166.86	2,021.41
Additions	-	25.66	46.92	1.73	2.07	76.38
Disposals	-	(1.75)	(10.38)	(0.27)	(0.43)	(12.83)
Adjustments of last year	-	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>1,103.21</b>	<b>211.04</b>	<b>250.89</b>	<b>351.32</b>	<b>168.50</b>	<b>2,084.96</b>
As at April 01, 2020	1,103.21	211.04	250.89	351.32	168.50	2,084.96
Additions	-	7.49	-	3.25	3.29	14.03
Disposals	-	(6.78)	(11.00)	(7.18)	(15.79)	(40.75)
Adjustments of last year	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>1,103.21</b>	<b>211.75</b>	<b>239.89</b>	<b>347.39</b>	<b>156.00</b>	<b>2,058.24</b>
As at April 01, 2021	1,103.21	211.75	239.89	347.39	156.00	2,058.24
Additions	-	26.64	-	2.62	3.60	32.86
Disposals	-	(27.80)	(30.23)	(21.86)	(16.14)	(96.03)
Adjustments of last year	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>1,103.21</b>	<b>210.59</b>	<b>209.66</b>	<b>328.15</b>	<b>143.46</b>	<b>1,995.07</b>
As at April 01, 2022	1,103.21	210.59	209.66	328.15	143.46	1,995.07
Additions	49.66	57.92	122.35	1.02	1.56	232.51
Disposals	(833.34)	(19.91)	(33.40)	-	-	(886.65)
As at December 31, 2022	<b>319.53</b>	<b>248.60</b>	<b>298.61</b>	<b>329.17</b>	<b>145.03</b>	<b>1,340.93</b>
<b>Depreciation</b>						
As at April 01, 2019	492.52	166.26	130.92	267.50	143.98	1,201.19
Charge for the year	57.72	18.54	34.05	19.70	7.89	137.90
Disposals	-	(1.64)	(9.32)	(0.08)	(0.40)	(11.44)
Adjustments of last year	-	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>550.24</b>	<b>183.16</b>	<b>155.65</b>	<b>287.12</b>	<b>151.47</b>	<b>1,327.65</b>
As at April 01, 2020	550.24	183.16	155.65	287.12	151.47	1,327.65
Charge for the year	52.26	13.81	26.37	15.04	4.48	111.96
Disposals	-	(6.26)	(7.49)	(6.63)	(14.89)	(35.27)
Adjustments of last year	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>602.50</b>	<b>190.72</b>	<b>174.53</b>	<b>295.53</b>	<b>141.06</b>	<b>1,404.34</b>
As at April 01, 2021	602.50	190.71	174.53	295.53	141.06	1,404.34
Charge for the year	47.32	10.53	16.71	11.60	4.03	90.19
Disposals	-	(24.90)	(21.50)	(20.50)	(15.28)	(82.18)
<b>As at March 31, 2022</b>	<b>649.82</b>	<b>176.34</b>	<b>169.74</b>	<b>286.63</b>	<b>129.81</b>	<b>1,412.35</b>
As at April 01, 2022	649.82	176.34	169.74	286.63	129.82	1,412.35
Charge for the nine months ended	30.03	20.73	14.69	6.87	2.74	75.06
Disposals	(448.42)	(18.69)	(31.63)	-	-	(498.73)
<b>As at December 31, 2022</b>	<b>231.43</b>	<b>178.38</b>	<b>152.80</b>	<b>293.51</b>	<b>132.56</b>	<b>988.68</b>
<b>Net Block</b>						
<b>As at March 31, 2020</b>	<b>552.97</b>	<b>27.88</b>	<b>95.24</b>	<b>64.20</b>	<b>17.03</b>	<b>757.31</b>
<b>As at March 31, 2021</b>	<b>500.71</b>	<b>21.04</b>	<b>65.35</b>	<b>51.85</b>	<b>14.94</b>	<b>653.90</b>
<b>As at March 31, 2022</b>	<b>453.39</b>	<b>34.25</b>	<b>39.92</b>	<b>41.52</b>	<b>13.65</b>	<b>582.72</b>
<b>As at December 31, 2022</b>	<b>88.10</b>	<b>70.22</b>	<b>145.81</b>	<b>35.65</b>	<b>12.47</b>	<b>352.25</b>



**Details of Intangible Assets**
**Note No – 11A**

Particular	Computer Software	Total Intangible Assets (Amount in Lakhs)
<b>Gross Block</b>		
As at April 01, 2019	43.95	43.95
Additions	1.45	1.45
Disposals	-	-
Adjustments of last year	-	-
<b>As at March 31, 2020</b>	<b>45.39</b>	<b>45.39</b>
As at April 01, 2020	45.39	45.39
Additions	2.00	2.00
Disposals	-	-
<b>As at March 31, 2021</b>	<b>47.39</b>	<b>47.39</b>
As at April 01, 2021	47.39	47.39
Additions	3.30	3.30
Disposals	-	-
<b>As at March 31, 2022</b>	<b>50.69</b>	<b>50.69</b>
As at April 01, 2022	50.69	50.69
Additions	1.37	1.37
Disposals	-	-
<b>As at December 31, 2022</b>	<b>52.06</b>	<b>52.06</b>
<b>Depreciation</b>		
As at April 01, 2019	34.52	34.52
Charge for the year	4.06	4.06
Disposals	-	-
Adjustments of last year	-	-
<b>As at March 31, 2020</b>	<b>38.58</b>	<b>38.58</b>
As at April 01, 2020	38.58	38.58
Charge for the year	2.18	2.18
Disposals	-	-
Adjustments of last year	-	-
<b>As at March 31, 2021</b>	<b>40.76</b>	<b>40.76</b>
As at April 01, 2021	40.76	40.76
Charge for the year	2.70	2.70
Disposals	-	-
Adjustments of last year	-	-
<b>As at March 31, 2022</b>	<b>43.46</b>	<b>43.46</b>
As at April 01, 2022	43.46	43.46
Charge for the nine-month period	3.00	3.00
Disposals	-	-
<b>As at December 31, 2022</b>	<b>46.45</b>	<b>46.45</b>
<b>Net Block</b>		
<b>As at March 31, 2020</b>	<b>6.82</b>	<b>6.82</b>
<b>As at March 31, 2021</b>	<b>6.63</b>	<b>6.63</b>
<b>As at March 31, 2022</b>	<b>7.23</b>	<b>7.23</b>
<b>As at December 31, 2022</b>	<b>5.60</b>	<b>5.60</b>

**Details of Non-current investments**
**Note No -12**

Particular	As at December 31, 2022 Rs in Lakhs	As at March 31, 2022 Rs in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
<b>Investment in Partnership Firms</b>				
<b>Investment in LLP</b>				
Ultra Violet Digital Solutions LLP - 50.25% contribution	325.00	325.00	325.00	200.00
Ultra Violet Digital Solutions LLP - (Current account balance)	69.87	75.83	52.00	51.88
All White Communications LLP - 51% contribution	11.57	6.57	166.77	16.77
All White Communications LLP - (Current account balance)	(8.59)	2.49	0.11	(0.03)
Coeus Communications India LLP-83.33% contribution	50.00	50.00	38.00	-
Coeus Communications LLP - (Current account balance)	48.32	42.00	25.00	-
<b>Investment in equity Instruments (unquoted)</b>				
<b>Investments in others (unquoted)</b>				
The Rajasthan Urban Co-operative Bank Limited - 15,000 (P.Y. 15,000) equity shares of Rs. 100/- each fully paid up	15.00	15.00	15.00	15.00
BB Hospitality Ventures Private Limited - 4,00,000 shares @ Rs 10 each (P.Y. Nil) Equity Shares	40.00	-	-	-
<b>Total (A+B)</b>	<b>551.17</b>	<b>516.89</b>	<b>621.88</b>	<b>283.62</b>
<b>Investment in equity Instruments (quoted)</b>				
Mega Corporation Limited Nil, (March 31, 2022- Nil, March 31, 2021- 14,45,349 and March 31, 2020- 14,45,349) equity shares of Rs. 1/- each fully paid up	-	-	5.38	5.38
Nureca Ltd - 15 (March 31, 2022- 15, March 31, 2021- Nil and March 31, 2020- Nil) equity shares of Rs. 10/- each fully paid up	0.23	0.23	-	-
Arshiya Ltd - 4,04,000 (March 31, 2022 - 2,16,821, March 31, 2021 Nil and March 31, 2020 - Nil) equity shares of Rs. 2/- each fully paid up	104.99	80.24	-	-
<b>Total</b>	<b>105.22</b>	<b>80.47</b>	<b>5.38</b>	<b>5.38</b>
<b>Investment In Property</b>				
DLF Flat	178.10	539.00	1,223.70	1,590.65
<b>Total</b>	<b>178.10</b>	<b>539.00</b>	<b>1,223.70</b>	<b>1,590.65</b>
<b>Aggregate book value of total investments</b>	<b>834.49</b>	<b>1,136.36</b>	<b>1,850.96</b>	<b>1,879.65</b>
Aggregate amount of unquoted investments	551.17	516.89	621.88	283.62
Aggregate amount of quoted investments	105.22	80.47	5.38	5.38
Aggregate market value of quoted investments	32.60	62.87	14.45	4.34
Aggregate market value of DLF Flat	178.10	539.00	1,223.70	1,590.65
Aggregate provision for diminution in the value of investments	Nil	Nil	Nil	Nil

## Details of Deferred tax assets

Note- 13

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Impact of difference between tax depreciation and depreciation/ amortization charged for financial reporting	35.68	46.00	56.07	57.95
Provision for gratuity	45.70	44.00	48.58	61.23
Provision for leave encashment	5.13	4.00	5.03	6.40
Provision for bad and doubtful debts	27.35	17.31	-	-
<b>Net deferred tax</b>	<b>113.86</b>	<b>111.31</b>	<b>109.68</b>	<b>125.58</b>

Charge/Credit during the year	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Impact of difference between tax depreciation and depreciation/ amortization charged for financial reporting	10.32	10.07	1.88	11.10
Provision for gratuity	(1.70)	4.58	12.65	18.14
Provision for leave encashment	(1.13)	1.03	1.37	1.70
Provision for bad and doubtful debts	(10.03)	(17.31)	-	-
<b>Total</b>	<b>(2.54)</b>	<b>(1.63)</b>	<b>15.90</b>	<b>30.94</b>

## Long-term loans and advances

Note No - 14

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
<b>Unsecured considered good unless stated other wise</b>				
Capital advances (Refer <b>note-1</b> mentioned below)	474.18	174.18	174.18	187.66
Advance tax	342.80	772.19	370.77	972.58
<b>Total</b>	<b>816.98</b>	<b>946.37</b>	<b>544.95</b>	<b>1,160.23</b>
<b>Note -1</b>				
Opening balance of capital advances	174.18	174.18	187.66	187.66
<b>Less:</b> Disposal during the year	-	-	(137.66)	-
<b>Add:</b> Amount deposited during the year	300.00	-	124.18	-
	<b>474.18</b>	<b>174.18</b>	<b>174.18</b>	<b>187.66</b>

## Details of Other non-current assets

Note No - 15

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Security and earnest money deposits	222.95	166.51	212.23	269.00
Fixed deposits with maturity of more than 12 months (Refer Note No. 17)	66.40	60.21	114.40	27.66
<b>Total</b>	<b>289.35</b>	<b>226.72</b>	<b>326.63</b>	<b>296.66</b>

## Trade receivables

Note No - 16

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
<b>As taken, valued and certified by management</b>				
Unsecured, considered good	4,521.35	5,902.13	6,010.55	7,554.52
Doubtful	108.65	68.79	-	-
<b>Less:</b> Provision for doubtful debts	(108.65)	(68.79)	-	-
<b>Total</b>	<b>4,521.35</b>	<b>5,902.13</b>	<b>6,010.55</b>	<b>7,554.52</b>

## Trade receivables Ageing

Particulars	As at December 31, 2022					
	Outstanding for following periods from due date of payment					
	Less than 6 Months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total Rs. In Lakhs
Undisputed trade receivables – considered good	2,686.89	819.78	37.48	466.35	510.85	4,521.35
Undisputed trade receivables – considered doubtful	-	-	-	-	108.65	108.65
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-

Particulars	As at March 31, 2022					
	Outstanding for following periods from due date of payment					
	Less than 6 Months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total Rs. In Lakhs
Undisputed trade receivables – considered good	4,750.36	53.16	379.78	208.94	509.89	5,902.13
Undisputed trade receivables – considered doubtful	-	-	-	-	68.79	68.79
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-

Particulars	As at March 31, 2021					
	Outstanding for following periods from due date of payment					
	Less than 6 Months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total Rs. In Lakhs
Undisputed trade receivables – considered good	4,052.13	584.83	532.49	247.68	593.42	6,010.55
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
Disputed trade receivables – considered	-	-	-	-	-	-

good	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-

Particulars	As at March 31, 2020					
	Outstanding for following periods from due date of payment					
	Less than 6 Months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total Rs. In Lakhs
Undisputed trade receivables – considered good	5,644.45	246.28	1,146.17	151.11	366.51	7,554.52
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-

#### Cash and bank balances

Note No - 17

Particular	As at December 31, 2022 Rs in Lakhs	As at March 31, 2022 Rs in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
<b>Cash and cash equivalents</b>				
<b>a) Balances with scheduled banks:</b>				
In current accounts	243.87	1,715.73	275.69	138.83
Cash on hand	39.22	33.92	29.06	16.51
Fixed deposits having maturity of less than 3 months	-	23.31	-	357.04
<b>Total</b>	<b>283.09</b>	<b>1,772.96</b>	<b>304.75</b>	<b>512.38</b>
<b>b) Other bank balances</b>				
Fixed deposits having maturity of more than 3 months but less than 12 months	33.02	11.84	2.15	74.65
Fixed deposits having maturity of more than 12 months	66.40	60.21	114.40	27.66
<b>Total (a+b)</b>	<b>382.51</b>	<b>1,845.01</b>	<b>421.30</b>	<b>614.69</b>
<b>Less: Non-current bank balance transferred to other non-current asset (Refer note no.15)</b>	<b>66.40</b>	<b>60.21</b>	<b>114.40</b>	<b>27.66</b>
<b>Total</b>	<b>316.11</b>	<b>1,784.80</b>	<b>306.90</b>	<b>587.03</b>

#### Short-term loans and advances

Note No -18

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs. in Lakhs	As at March 31, 2020 Rs. in Lakhs
<b>Unsecured, considered good, unless otherwise stated</b>				
Loan To Related Party & other	1,754.66	1,087.32	200.12	-
Advance to vendors	384.99	401.91	82.85	43.07
Advances to staff	11.31	10.78	14.60	15.22
Other Advances	0.60	0.55	-	-
Prepaid expenses	27.44	17.31	5.98	385.05
Security and earnest money deposits	33.35	25.00	25.00	-

Balance with statutory authorities	345.44	256.82	345.19	267.41
Interest accrued on fixed deposit	7.95	6.38	5.58	1.15
Interest Accrued on Loan	117.09	24.74	3.15	-
<b>Total</b>	<b>2,682.83</b>	<b>1,830.81</b>	<b>682.47</b>	<b>711.90</b>

#### Other current assets

Note No - 19

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs. in Lakhs	As at March 31, 2020 Rs. in Lakhs
Unbilled revenue	3,060.34	197.02	171.60	138.33
Other Receivable	-	-	0.50	-
<b>Total</b>	<b>3,060.34</b>	<b>197.02</b>	<b>172.10</b>	<b>138.33</b>

#### Other Income

Note No -20

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs. in Lakhs	As at March 31, 2020 Rs. in Lakhs
Rent received	9.88	26.54	75.49	152.71
Liabilities no longer required written back	18.88	7.17	2.92	16.70
Interest on				
Banks	3.78	4.92	12.91	8.83
Refund of income tax	58.98	0.03	22.79	41.29
Others	133.63	63.81	18.46	33.85
Profit on sale of property plant and equipment(net)	250.47	2.37	0.79	0.79
Profit on sale of investment	-	26.75	-	-
Gain on foreign exchange fluctuation	0.04			
Profit from partnership firms	(2.72)	20.10	25.27	7.80
Other miscellaneous income	0.39	0.69	5.97	5.64
<b>Total</b>	<b>473.34</b>	<b>152.38</b>	<b>164.60</b>	<b>267.61</b>

#### Employees benefit expense

Note No -21

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs. in Lakhs	As at March 31, 2020 Rs. in Lakhs
Salaries and wages	772.38	717.94	630.17	817.97
Contribution to provident & other funds	4.95	6.52	7.85	10.07
Staff welfare	33.05	26.54	22.82	36.95
<b>Total</b>	<b>810.38</b>	<b>751.00</b>	<b>660.84</b>	<b>864.99</b>

#### Finance Costs

Note No - 22

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs. in Lakhs	As at March 31, 2020 Rs. in Lakhs
Interest on bank loans, bill discounting and cash credits	44.03	107.20	120.74	147.48
Interest on others	-	0.37	2.75	97.66
Other Borrowing Cost	-	0.29	1.51	0.84



Less: Interest capitalized	-	-	-	(9.58)
<b>Total</b>	<b>44.03</b>	<b>107.86</b>	<b>125.00</b>	<b>236.40</b>

#### Other expense

Note No - 23

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs. in Lakhs	As at March 31, 2020 Rs. in Lakhs
Legal and professional charges	433.12	323.17	290.81	345.37
Rent expenses	157.95	174.10	214.96	214.05
Telephone expenses	8.52	11.46	10.85	14.81
Electricity, water and house tax	34.30	46.30	46.81	55.17
Conveyance expenses	31.76	19.81	17.35	34.18
Vehicle running and maintenance	21.49	18.83	17.30	17.48
Computer and software maintenance	24.60	21.54	35.37	26.89
Repair and maintenance expenses	12.00	16.72	9.79	8.45
Office maintenance expenses	60.56	22.37	21.49	29.31
Miscellaneous Balance written off	49.65	294.30	9.38	114.86
Provision for bad and doubtful debts	39.86	68.79	-	-
Business promotion expenses	36.44	37.30	65.17	57.44
Travelling expenses	58.08	21.21	26.22	98.11
Printing and stationery	5.90	6.85	7.31	11.62
Postage and telegram	2.12	1.81	1.86	4.05
Fees and subscription	29.44	24.36	12.41	20.52
Books and periodicals	2.47	1.59	0.79	1.44
Advertisement expenses	-	0.02	0.17	1.05
Insurance expenses	3.44	10.11	10.23	8.92
Commission expenses	8.47	14.43	55.93	78.68
Security guard expenses	6.38	7.93	7.26	7.37
Auditors' remuneration (refer note 28)	2.25	4.50	4.50	4.50
Bank charges	27.33	23.93	13.09	20.52
Loss on sale of property plant and equipment	0.95	-	0.92	0.03
Loss on sale of Investments in property	51.13	53.02	52.60	-
Foreign exchange loss	0.45	-	-	-
Misc. expenses	5.50	0.66	4.39	3.92
<b>Total</b>	<b>1,114.16</b>	<b>1,225.11</b>	<b>936.96</b>	<b>1,178.74</b>

#### Earning per share (Basic & diluted)

Note No - 24

Particular	UoM	As at December 31, 2022 Rs in Lakhs	As at March 31, 2022 Rs in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Net profit after tax as per statement of profit and loss	Rs. In lakh	1,267.08	161.34	12.97	116.57
Weighted average number of shares outstanding during the year (Face value Rs. 10/- each)	No	1,80,00,000	1,80,00,000	1,80,00,000	1,80,00,000
Basic and diluted earnings per share (Not annualized)	Rupees	7.04	0.9*	0.07*	0.65*

\*On 15th December, 2022 the company has issue the bonus share in the ratio of 1 : 7 to the exiting equity shareholders impact of the same has been considered in calculation of basic and diluted EPS and the weighted average no of share have been adjusted for such bonus issue in line with requirement of AS 20 .

**25. Contingent liability not provided for: -**

Particular	As at December 31, 2022 Rs in Lakhs	As at March 31, 2022 Rs in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Bank Guarantees Issued	667.07	423.40	408.49	362.40

26. There are no other present obligations requiring provisions in accordance with the guiding principles as enunciated in Accounting Standard (AS) - 29, "Provisions, Contingent liabilities & Contingent Assets" as it is not probable that an outflow of resources embodying economic benefits will be required.

**27. Capital and other commitments:**

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for – Rs. 100.00 Lakhs (Previous Year: Rs. Nil).

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Estimated amount of contracts remaining to be executed on capital account	100.00	Nil	Nil	Nil
Other Commitment	Nil	Nil	Nil	Nil

**28. Auditors' remuneration (Excluding service tax / cess):**

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Statutory audit fees	2.25	2.40	2.40	2.40
Tax audit	0.00	0.90	0.90	0.90
Other services	0.00	1.20	1.20	1.20

**29. Foreign exchange earned and used:**

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Foreign exchange earned	110.05	-	4.85	
Foreign exchange used	13.75	209.40	123.48	440.53

30. There are no foreign currency exposures at the end of December 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020.

31. In accordance with the provisions of Accounting Standard on impairment of Assets, (AS-28), the management has made assessment of assets in use & considering the business prospects related thereto, no provision is considered necessary in these accounts on account of impairment of assets.

32. Details of dues to Micro and Small Enterprises as per MSMED Act, to the extent of information available with the Company are as follows:

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	2.25	4.05	4.05	
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-	-	-

The information as required to be disclosed under the Micro, Small and Medium Enterprises (Development) Act, 2006 ("the Act") in the process at management level, so the disclosure requirement for balance outstanding, interest paid/payable as the year end as required by the Act has not been given.

#### 34. Assets taken on lease

The Company has entered into cancellable lease agreements with renewal option at the mutual consent of lessor & lessee some of the lease agreements contain escalation clause of up to 10%. There are no restrictions placed upon the Company by entering into these leases (Rent)

Particular	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Lease payments for the year	157.95	174.10	214.96	214.05
<b>Total</b>	157.95	174.10	214.96	214.05

Future minimum lease payments	As at December 31, 2022 Rs. in Lakhs	As at March 31, 2022 Rs. in Lakhs	As at March 31, 2021 Rs in Lakhs	As at March 31, 2020 Rs in Lakhs
Not later than one year	225.67	116.07	130.44	72.71
Later than one year and not later than five years	322.13	121.88	280.78	18.56

Later than five years	-	-		
<b>Total</b>	<b>547.80</b>	<b>237.95</b>	<b>411.22</b>	<b>91.27</b>

**There is no non-cancellable lease other than those disclosed above.**

35. The Board has certified that all the expenses accrued to the Company has been taken into consideration which belong entirely and exclusively to the business of the Company.
36. In the opinion of the Board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet.
37. **Segment reporting:** The Company's business activity primarily falls within a single business segment i.e. advertising and marketing Services. The Company operates only in one geographical segment i.e. domestic. Since there is neither more than one business segment nor more than one geographical segment hence segment information as per AS 17 is not required to be disclosed.
38. **Employees benefits:** As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:
- A. Defined contribution plan - provident fund:** Contribution to Defined Contribution Plan, recognised as expenses for the year ended in Note No. 21 'Employees Benefit Expenses' under the head 'Contribution to provident & other funds'.
- B. Defined benefit plan – gratuity:** In accordance with Accounting Standard - 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using projected unit credit method.
- C. Defined benefit plan – leave encashment:** In accordance with Accounting Standard - 15 (Revised 2005), actuarial valuation was obtained from the actuary in respect of the aforesaid defined benefit plans using projected unit credit method. The detail of same as follows:

The details of the above are as follows

#### Membership data

Particular	As at December 31, 2022 Rs. in Lakhs		As at March 31, 2022 Rs. in Lakhs		As at March 31, 2021 Rs in Lakhs		As at March 31, 2020 Rs in Lakhs	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Number of employees	152	152	126	126	115	115	130	130
Qualifying monthly salary of leave encashment	51.23	51.23	37.54	37.45	31.77	31.77	34.27	34.27
Average past service (in years)	5.83	6.13	6.69	6.69	7.12	7.12	8.08	8.08
Average age (in Years)	37.57	37.57	38.05	37.99	37.23	37.23	37.88	37.88
Average outstanding service of employees (in Years)	22.46	22.43	21.96	22.01	22.77	22.77	22.12	22.12

### Actuarial Assumptions:

Particular	As at December 31, 2022		As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Discount rate (per annum)	7.45%	7.45%	6.80%	6.80%	6.60%	6.60%	6.70%	6.70%
Increase in compensation Level	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

The estimates of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

### Statement showing changes in present value of obligations during the year:

(Amount in Rs. In Lakhs)

Particulars	As at December 31, 2022		As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Present value of obligation as at the beginning of year	172.99	17.60	174.63	18.08	220.09	23.02	237.74	24.36
Interest cost	8.28	0.83	11.53	1.19	14.75	1.54	17.59	1.80
Past service cost	-	-	-	-	-	-	-	-
Current service cost	18.18	2.87	17.08	2.96	16.96	2.78	21.12	5.99
Benefit Paid	(3.06)	(1.17)	(8.51)	(2.96)	(55.48)	(16.26)	(31.64)	(9.48)
Actuarial (gain)/loss on obligations	(14.80)	0.27	(21.73)	(1.68)	(21.69)	7.00	(24.72)	0.46
Present value of obligation at the end of the year	181.58	20.40	172.99	17.60	174.63	18.08	220.09	23.02

### Actuarial gain/loss recognized for the year:

Particulars	For the nine months period ended December 31, 2022 (Rs. In Lakhs)		For the year ended March 31, 2022 (Rs. In lakhs)		For the year ended March 31, 2021 (Rs. In Lakhs)		For the year ended March 31, 2020 (Rs. In Lakhs)	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Actuarial (gain)/loss for the period – recognized	(14.80)	0.27	(21.73)	(1.68)	(21.69)	7.00	(24.72)	0.46

Actuarial (gain)/loss for the period – unrecognized	-	-	-	-	-	-	-	-
---	---	---	---	---	---	---	---	---

Amount to be recognized in balance sheet:

(Amount in Rs in Lakhs)

Particulars	As at December 31, 2022		As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Present value of obligation	181.58	20.40	172.99	17.60	174.63	18.08	220.09	23.02
Funded status	-	-	-	-	-	-	-	-
Net Liability recognized in balance sheet	181.58	20.40	172.99	17.60	174.63	18.08	220.09	23.02

Expenses recognized in the statement of profit and loss:

Particulars	For the period ended December 31, 2022		For the period ended March 31, 2022		For the period ended March 31, 2021		For the period ended March 31, 2020	
	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)	Gratuity (unfunded)	Leave encashment (unfunded)
Current service cost	18.18	2.87	17.07	2.96	16.96	2.78	21.12	5.99
Total employer expense	-	-	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-	-	-
Interest cost	8.28	0.83	11.53	1.19	14.74	1.54	17.59	1.80
Expected return on planned assets	-	-	-	-	-	-	-	-
Curtailment/settlement Cost	-	-	-	-	-	-	-	-
Net actuarial (gain)/loss recognized	(14.80)	0.27	(21.73)	(1.68)	(21.69)	7.00	(24.72)	0.46
Expenses recognized in the statement of profit and loss	11.66	3.97	6.87	2.48	10.01	11.32	13.99	8.24

40. The Company had given loans / advances to various companies. Loans amount outstanding as at year end is given in below mentioned table as per Section 186(4) of the Companies Act, 2013.

December 31, 2022

(a) Particulars of loan given

S.No.	Name of loanee	Opening balance	Loan given	Loan repaid	Outstanding balance	Purpose
1	Omni Media	1045	343.50	433.00	955.50	Operational



	Communication Private Limited					
--	-------------------------------	--	--	--	--	--

**(b) Particulars of Investment made**

S. No.	Name of investee	Opening balance	Investment made	Investment redeemed	Outstanding balance	Purpose
1	Ultraviolet Digital solutions LLP	325.00	-	-	325.00	Long term investment
2	Coeus Communication	50.00	-	-	50.00	Long Term Investment
3	All White Communication	6.57	5	-	11.57	Long Term Investment

**(c) Particulars of Security Deposit: NIL**

**March 31, 2022**

**(a) Particulars of Loan Given**

S.No.	Name of loanee	Opening balance	Loan given	Loan repaid	Outstanding balance	Purpose
1	Omni Media Communication Private Limited	160	1323	438	1045	Operational
2	Mega Corporation Limited	-	50	50	-	Operational

**(b) Particulars of guarantee given : Nil**

**(c) Particulars of Investment made**

S. No.	Name of investee	Opening balance	Investment made	Investment redeemed	Outstanding balance	Purpose
1	Ultraviolet Digital solutions LLP	325.00	59.00	35.87	348.11	Long term investment
2	Mega Corporation Private Limited	5.38	-	5.38	-	Long term Investment
3	Coeus Communication	38.00	18.90	-	56.90	Long Term Investment
4	All White Communication	166.74	160.20	-	6.54	Long Term Investment

**(d) Particulars of Security Deposit: NIL**

**March 31, 2021**

**(a) Particulars of Loan Given**

S.No.	Name of loanee	Opening balance	Loan given	Loan repaid	Outstanding balance	Purpose
1	Omni Media		231.57	71.57	160.00	Operational

	Communication Private Limited					
--	-------------------------------	--	--	--	--	--

**(b) Particulars of guarantee given:**

S. No.	Guarantee on behalf of	Amount (in Rs)	Purpose
1	Omni Media Communication Private Limited	Nil	Long Term Loan
2	Mega Cabs Limited	Nil	Long term Loans

**(c) Particulars of Investment made:**

S. No.	Name of investee	Opening balance	Investment made	Investment redeemed	Outstanding balance	Purpose
1	Ultraviolet Digital solutions LLP	200.00	150.00		350.00	Long term investment
2	Mega Corporation Private Limited	5.38			5.38	Long term Investment
3	Coeus Communication		38.00		38.00	Long Term Investment
4	All White Communication	16.77	150.00		166.74	Long Term Investment

**(d) Particulars of Security Deposit: NIL**

**March 31, 2020**

**(a) Particulars of Loan Given**

S.No.	Name of loanee	Opening balance	Loan given	Loan repaid	Outstanding balance	Purpose
1	Omni Media Communication Private Limited		1409.00	1409.00	-	Operational
2	Mega Corporation Private Limited	250.00	100.00	350.00	-	Operational

**(b) Particulars of guarantee given:**

S. No.	Guarantee on behalf of	Amount (in Rs)	Purpose
1	Omni Media Communication Private Limited	50.00	Long Term Loan
2	Mega Cabs Limited	150.00	Long term Loans

**(c) Particulars of Investment made**

S. No.	Name of investee	Opening balance	Investment made	Investment redeemed	Outstanding balance	Purpose
1	Ultraviolet Digital solutions LLP	110.90	85.10	-	200.00	Long term investment
2	Mega Corporation Private Limited	5.38	-	-	5.38	Long term Investment

**(d) Particulars of Security Deposit: NIL**

**41. Other Statutory Information:**

- i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii. The Company do not have any transactions with companies struck off.
- iii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- iv. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- viii. The Company had granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

Type of borrower	Amount of loan or advance in the nature of loan outstanding (Rs. In lakhs)	Percentage to the total of loans & advances in the nature of loans
Related parties	955.50	55.00%

42. During the FY 20-21 and 19-20, The Company had considered the impact of Covid-19 on its operations as well as its financial statements, including carrying amount of investments, property plant and equipment, loans and other asset. In assessing the carrying value of these assets, the Company has used internal and external sources of information up to the date of approval of these financial statements, and based on the current estimates, expects the net carrying amount of these asset will be recovered.
43. During the year 2019-20, one of the vendor of the company had filed application with National Company Law Tribunal ("NCLT"), Delhi under insolvency and Bankruptcy Code, 2016 to recover their outstanding disputed balances. The NCLT has admitted the application and appointed the interim resolution professional. Subsequent to the year 2019-20 the Company has made settlement with the above said vendor and NCLT has withdrawn their Order on application of Interim Resolution Professional. There was no impact of the same on functioning of the Company.

#### 44. Subsequent event :

##### A. Initial Public offering (IPO)

The Board of Directors (Board) of the Company in their board meeting dated December 01, 2022 has approved raising of capital for the Company through an Initial Public Offering (IPO). As part of its proposed IPO, the Company plans to file Draft Red Hearing Prospectus (DRHP) with the Securities Exchange Board of India (SEBI) in coming period.

##### B. Issue of bonus share

The Board of Directors of the Company in its meeting held on December 15, 2022 have approved allotment of issuance of bonus shares in the ratio of 7:1 to existing equity shareholders by capitalizing a sum of Rs. 1575 Lacs out of the reserves of the Company, pursuant to which issued, subscribed and paid-up equity share capital of the Company stands increased from Rs. 225 lacs consisting of 22,50,000 equity shares of face value of INR 10 each to Rs. 1800 lacs consisting of 180,00,000 equity shares of face value of INR 10 each. This has been approved by the shareholders in their extra-ordinary general meeting held on December 14, 2022.

**C. Change in status and name of the Company**

Subsequent to the period ending December 31, 2022 status of the Company was changed from private to public company. Consequently, the name of Crayons Advertising Private Limited was changed to Crayons Advertising Limited and a fresh certificate of incorporation pursuant to change of name was issued by the RoC on November 22, 2022.

45. Previous year's figures have been regrouped/rearranged wherever considered necessary to make them comparable with current period's figures.

## Details of Related parties' disclosures

Note No - 33

**Related parties' disclosures:** Disclosures in respect of Related Parties as defined in Accounting Standard (AS) 18, with whom transactions were carried out in the ordinary course of business during the year as given below:

### A. Related parties and their relationship:

#### a) *Holding Company*

Vimi Investments & Finance Private Limited (from July 12,2022)\*

#### b) *Subsidiary:*

*No*

#### b) **Key management personnel and their relatives:**

Mr. Kunal Lalani (Director)

Mrs. Vimi Lalani (Director)

Mr. H.M.Lalani (Director)

Mr. Ashraye Lalani ( Son of Director )

Mr Vinod Zutshi (Director)

Mr Atul Jeevandharkumar Hedge (Director)

Neelu Prajapati ( (Company Secretary) w.e.f. 15.12.2022

Rajat Singhal ( Chief Financial Officer) w.e.f. 01.12.2022

#### c) **Enterprises having significantly influenced**

Sahyog Properties Private Limited\* (up to July 12,2022)\*

\* Sahyog properties Pvt Ltd, Chandra Mukhi Goods Pvt Ltd and Vimi investments & Finance Pvt Ltd has been amalgamated vide order dated 12-07-2022 by Hon'ble National Company Law Tribunal, Chandigarh. Appointed dated of the above scheme was 01-04-2018

#### d) **Enterprises owned or significantly influenced by key management personnel to whom transactions entered during the period**

Mega Cabs Private Limited

Mega Corporation Limited

Coelus Communications India LLP

Ultraviolet Digital Solutions LLP

Mega Luxuries & Hotels LLP  
 Bengaluru Megacabs Private Limited  
 All White Communications LLP  
 Indication Instruments Limited  
 Omni Media Communications Private Limited  
 Cash UR Drive Marketing Pvt. Ltd

#### Transactions with related parties

Amount in Lakhs

Particulars	Key Management Personnel				Others				Total			
	For the nine-month ended December 31, 2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the nine-month ended December 31, 2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the nine-month ended December 31, 2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020
<b>Loan received</b>	<b>30.00</b>	<b>100.00</b>	<b>100.00</b>	<b>735.00</b>	<b>-</b>	<b>50.00</b>	<b>-</b>	<b>415.00</b>	<b>30.00</b>	<b>150.00</b>	<b>100.00</b>	<b>1,150.00</b>
Kunal Lalani	30.00	-	100.00	735.00	-	-	-	-	30.00	-	100.00	735.00
Mega Corporation Limited	-	-	-	-	-	50.00	-	315.00	-	50.00	-	315.00
Vimi Lalani	-	100.00	-	-	-	-	-	-	-	100.00	-	-
Sahyog Properties Private Limited	-	-	-	-	-	-	-	100.00	-	-	-	100.00
<b>Loan repaid</b>	<b>30.00</b>	<b>100.00</b>	<b>100.00</b>	<b>735.00</b>	<b>-</b>	<b>50.00</b>	<b>-</b>	<b>315.00</b>	<b>30.00</b>	<b>150.00</b>	<b>100.00</b>	<b>1,050.00</b>
Kunal Lalani	30.00	-	100.00	735.00	-	-	-	-	30.00	-	100.00	735.00
Vimi Lalani	-	100.00	-	-	-	-	-	-	-	100.00	-	-
Mega Corporation Limited	-	-	-	-	-	50.00	-	315.00	-	50.00	-	315.00
<b>Loan advanced</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>343.50</b>	<b>1,373.00</b>	<b>231.57</b>	<b>1,509.00</b>	<b>343.50</b>	<b>1,373.00</b>	<b>231.57</b>	<b>1,509.00</b>
Mega Corporation Limited	-	-	-	-	-	50.00	-	100.00	-	50.00	-	100.00
Omni Media Communications Private Limited	-	-	-	-	343.50	1,323.00	231.57	1,409.00	343.50	1,323.00	231.57	1,409.00
<b>Loan received back</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>433.00</b>	<b>488.00</b>	<b>71.57</b>	<b>1,759.00</b>	<b>433.00</b>	<b>488.00</b>	<b>71.57</b>	<b>1,759.00</b>
Mega Corporation Limited	-	-	-	-	-	50.00	-	350.00	-	50.00	-	350.00
Omni Media Communications Private Limited	-	-	-	-	433.00	438.00	71.57	1,409.00	433.00	438.00	71.57	1,409.00



Particulars	Key Management Personnel				Others				Total			
	For the nine-month ended December 31, 2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the nine-month ended December 31, 2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the nine-month ended December 31, 2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020
<b>Advance received</b>	-	-	-	70.00	-	-	-	475.20	-	-	-	545.20
Kunal Lalani	-	-	-	70.00	-	-	-		-	-	-	70.00
Sahyog Properties Private Limited	-	-	-	-	-	-	-	475.20	-	-	-	475.20
<b>Advance Given</b>	-	-	-	-	-	-	-	15.00	-	-	-	15.00
Ultraviolet Digital Solutions LLP	-	-	-	-	-	-		15.00	-	-	-	15.00
<b>Remuneration paid</b>	50.28	26.60	20.50	34.00	-	-	-	-	50.28	26.60	20.50	34.00
Kunal Lalani	18.00	21.65	20.50	34.00	-	-			18.00	21.65	20.50	34.00
Vimi Lalani	3.00	-	-	-	-	-	-	-	3.00	-	-	-
Neelu Prajapati (Company Secretary) w.e.f. 15.12.2022	0.19	-	-	-	-	-	-	-	0.19	-	-	-
Rajat Singhal (Chief Financial Officer) w.e.f. 01.12.2022	22.34	-	-	-	-	-	-	-	22.34	-	-	-
Ashraye Lalani	6.75	4.95	-	-	-	-	-	-	6.75	4.95	-	-
<b>Rent received</b>	-	-	-	-	2.93	-	49.14	121.21	2.93	-	49.14	121.21
Mega Cabs	-	-	-	-	2.40	-	10.26	25.21	2.40	-	10.26	25.21

Private Limited												
Omni Media Communication s Private Limited	-	-	-	-	-	-	5.88	24.00	-	-	5.88	24.00
All White Communication s LLP	-	-	-	-	0.53	-	-	-	0.53	-	-	-
Ultraviolet Digital Solutions LLP	-	-	-	-	-	-	33.00	72.00	-	-	33.00	72.00
<b>Rent paid</b>	<b>27.00</b>	<b>36.00</b>	<b>18.00</b>	-	-	-	-	-	<b>27.00</b>	<b>36.00</b>	<b>18.00</b>	-
Kunal Lalani	27.00	36.00	18.00		-	-	-	-	27.00	36.00	18.00	-
	-	-			-	-	-	-	-	-	-	-
<b>Interest paid</b>	-	-	<b>0.60</b>	<b>8.64</b>	-	<b>0.36</b>	<b>4.57</b>	<b>10.72</b>	-	<b>0.36</b>	<b>5.17</b>	<b>19.36</b>
Mega Corporation Limited	-	-			-	0.36	4.57	4.57	-	0.36	4.57	4.57
Kunal Lalani	-	-	0.60	8.64	-	-	-	-	-	-	0.60	8.64
Sahyog Properties Private Limited	-	-	-	-	-		-	6.15	-		-	6.15
<b>Interest received</b>	-	-	-	-	<b>104.68</b>	<b>36.83</b>	<b>2.13</b>	<b>32.25</b>	<b>104.68</b>	<b>36.83</b>	<b>2.13</b>	<b>32.25</b>
Omni Media Communication s Private Limited	-	-	-	-	104.68	36.62	2.13	18.64	104.68	36.62	2.13	18.64
Mega Corporation Limited	-	-	-	-	-	0.21	-	13.61	-	0.21	-	13.61
<b>Expense reimbursement made</b>	<b>20.68</b>	<b>0.06</b>	<b>0.05</b>	<b>0.48</b>	-	-	-	<b>11.44</b>	<b>20.68</b>	<b>0.06</b>	<b>0.05</b>	<b>11.92</b>
Mega Cabs Private Limited	0.08	-	-	-	-	-	-	-	0.08	-	-	-
Omni Media Communication s Private	-	-	-	-	-	-		11.44	-	-	-	11.44

Limited												
Kunal Lalani	20.60	0.06	0.05	0.48	-	-	-	-	20.60	0.06	0.05	0.48
<b>Service received</b>	-	-	-	-	1,286.61	2,613.34	358.86	179.88	1,286.61	2,613.34	358.86	179.88
Cash UR Drive Marketing Pvt. Ltd.	-	-	-	-	1,196.85	2,602.03	-	-	1,196.85	2,602.03	-	-
Mega Corporation Limited	-	-	-	-	0.08	-	-	0.01	0.08	-	-	0.01
Mega Cabs Private Limited	-	-	-	-	-	0.09	0.15	2.93	-	0.09	0.15	2.93
Coeus Communications India LLP	-	-	-	-	41.30	-	-	-	41.30	-	-	-
Ultraviolet Digital Solutions LLP	-	-	-	-	-	-	355.19	171.51	-	-	355.19	171.51
Omni Media Communications Private Limited	-	-	-	-	48.38	11.22	3.51	5.42	48.38	11.22	3.51	5.42

Particulars	Key Management Personnel				Others				Total			
	For the nine month ended December 31, 2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the nine month ended December 31, 2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the nine month ended December 31, 2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020
<b>Service Provided</b>	-	-	-	-	4.76	7.00	62.28	233.24	4.76	7.00	62.28	233.24
Mega Cabs Private Limited	-	-	-	-	4.06	5.76	0.06	0.04	4.06	5.76	0.06	0.04

Ultraviolet Digital Solutions LLP	-	-	-	-	-	-	16.21	127.63	-	-	16.21	127.63
Omni Media Communications Private Limited					-	-	46.02	105.57			46.02	105.57
Kunal Lalani	-	-	-	-	-	0.02	-	-	-	0.02	-	-
Indication Instruments Limited	-	-	-	-	-	1.22	-	-	-	1.22	-	-
All White Communications LLP	-	-	-	-	0.62	-	-	-	0.62	-	-	-
Mega Luxuries & Hotels LLP	-	-	-	-	0.08	-	-	-	0.08	-	-	-
<b>Expense reimbursement received</b>	-	-	-	-	-	-	-	<b>16.52</b>	-	-	-	<b>16.52</b>
Omni Media Communications Private Limited	-	-	-	-	-	-	-	16.52	-	-	-	16.52
<b>Corporate Guarantee Given</b>	-	-	-	-	-	-	-	<b>200.00</b>	-	-	-	<b>200.00</b>
Omni Media Communications Private Limited	-	-	-	-	-	-	-	50.00	-	-	-	50.00
Mega Cabs Private Limited	-	-	-	-	-	-	-	150.00	-	-	-	150.00

#### B. Outstanding balances at year end

Amount in Lakhs

Particulars	Key Management Personnel				Others				Total			
	As at December 31,2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020	As at December 31,2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020	As at December 31,2022	For the Year ended March 31, 2022	For the Year ended March 31, 2021	For the Year ended March 31, 2020
<b>Investment</b>	-	-	-	-	<b>496.18</b>	<b>501.89</b>	<b>612.26</b>	<b>274.00</b>	<b>496.18</b>	<b>501.89</b>	<b>612.27</b>	<b>274.00</b>
Mega Corporation Limited	-	-	-	-	-	-	5.38	5.38	-	-	5.38	5.38
<b>Ultra Violet Digital Solutions LLP</b>												
Capital account	-	-	-	-	325.00	325.00	325.00	200.00	325.00	325.00	325.00	200.00
Current account	-	-	-	-	69.87	75.83	52.00	51.88	69.87	75.83	52.00	51.88
<b>All White Communications LLP</b>					-	-			-	-	-	-

Capital account	-	-	-	-	11.57	6.57	166.74	16.77	11.57	6.57	166.74	16.77
Current account	-	-	-	-	(8.59)	2.49	0.14	(0.03)	(8.59)	2.49	0.14	(0.03)
<b>Coeus Communications India LLP</b>												
Capital account	-	-	-	-	50.00	50.00	38.00	-	50.00	50.00	38.00	-
Current account	-	-	-	-	48.32	42.00	25.00	-	48.32	42.00	25.00	-
<b>Corporate guarantee Given</b>	-	-	-	-	-	-	-	<b>200.00</b>	-	-	-	<b>200.00</b>
Omni Media Communications Private Limited	-	-	-	-	-	-	-	50.00	-	-	-	50.00
Mega Cabs Private Limited	-	-	-	-	-	-	-	150.00	-	-	-	150.00
<b>Payables</b>	-	-	-	-	<b>10.16</b>	<b>457.58</b>	<b>56.84</b>	<b>161.20</b>	<b>10.16</b>	<b>457.58</b>	<b>56.84</b>	<b>161.20</b>
Ultraviolet Digital Solutions LLP	-	-	-	-	-	-	53.07	159.33	-	-	53.07	159.33
Mega Cabs Private Limited	-	-	-	-	-	0.10	-	-	-	0.10	-	-
Ashraye Lalani	-	-	-	-	-	-	-	-	-	-	-	-
Cash UR Drive Marketing Pvt. Ltd.	-	-	-	-	0.30	442.01	-	-	0.30	442.01	-	-
Omni Media Communications Private Limited	-	-	-	-	9.86	15.47	3.77	1.87	9.86	15.47	3.77	1.87
<b>Remuneration payable</b>	<b>8.42</b>	<b>1.61</b>	-	<b>1.61</b>	-	-	-	-	<b>8.42</b>	<b>1.61</b>	-	<b>1.61</b>
Kunal Lalani	2.00	1.61	-	1.61	-	-	-	-	2.00	1.61	-	1.61
Vimi Lalani	3.00	-	-	-	-	-	-	-	3.00	-	-	-
Neelu Prajapati (CS )	0.19	-	-	-	-	-	-	-	0.19	-	-	-
Rajat Singhal ( CFO )	2.48	-	-	-	-	-	-	-	2.48	-	-	-
Ashraye Lalani	0.75	-	-	-	-	-	-	-	0.75	-	-	-
<b>Amount Receivable</b>	-	-	-	<b>0.46</b>	<b>72.26</b>	<b>72.01</b>	<b>124.76</b>	<b>174.50</b>	<b>72.26</b>	<b>72.01</b>	<b>124.76</b>	<b>174.96</b>
Kunal Lalani	-	-	-	0.46	-	-	-	-	-	-	-	0.46

Ultraviolet Digital Solutions LLP	-	-	-	-	-	-	61.08	159.67	-	-	61.08	159.67
Mega Cabs Private Limited	-	-	-	-	0.25	-	0.45	-	0.25	-	0.45	-
Omni Media Communications Private Limited	-	-	-	-	72.01	72.01	63.23	14.83	72.01	72.01	63.23	14.83
<b>Loan Receivable</b>	-	-	-	-	<b>1,080.90</b>	<b>1,045.00</b>	<b>160.00</b>	-	<b>1,080.90</b>	<b>1,045.00</b>	<b>160.00</b>	-
Omni Media Communications Private Limited	-	-	-	-	1,080.90	1,045.00	160.00	-	1,080.90	1,045.00	160.00	-
<b>Advance from Customer</b>	-	-	-	-	<b>0.05</b>	<b>0.98</b>	-	-	<b>0.05</b>	<b>0.98</b>	-	-
Coeus Communications India LLP					0.05				0.05			
Mega Cabs Private Limited	-	-	-	-	-	0.98			-	0.98	-	-
<b>Advance to Vendor</b>	-	-	-	-	<b>0.05</b>	<b>0.18</b>	-	-	<b>0.05</b>	<b>0.18</b>	-	-
Kunal Lalani	-	-	-	-	0.05	0.18	-	-	0.05	0.18	-	-



## Ratio Analysis and its elements

Note No. 39

S.No	Ratio	Numerator	Denominator	As at December 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Current ratio	Current Assets	Current Liabilities	1.38	1.15	1.20	1.11
	% Change as compared to previous year			21%	-5%	8%	
	Explanation for change in the ratio by more than 25% as compared to the previous year: NA						
2	Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.16	0.26	0.43	0.43
	% Change as compared to previous year			-37%	-40%	0%	
	<b>Explanation for change in the ratio by more than 25% as compared to the previous year:</b> The Company is continuously paying its debt accordingly total debt balance is decreasing over the year.						
3	Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	7.23	0.69	0.44	1.40
	% Change as compared to previous year			954%	56%	-69%	
	<b>Explanation for change in the ratio by more than 25% as compared to the previous year:</b> There is continuous improvement in earnings and cash flow post covid-19 recovery and major reduction in debt due to prepayments.						
4	Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.29	0.04	0.00	0.03
	% Change as compared to previous year			557%	1114%	-89%	
	<b>Explanation for change in the ratio by more than 25% as compared to the previous year:</b> There is continuous improvement in earnings and cash flow post covid-19 recovery.						
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA	NA
	The Company business does not involve inventory accordingly ratio not presented						
6	Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	3.82	3.23	1.55	2.19
	% Change as compared to previous year			18%	109%	-29%	
	<b>Explanation for change in the ratio by more than 25% as compared to the previous year:</b> There is continuous improvement in earning and cash flow post covid-19 recovery.						
7	Trade Payable Turnover Ratio	Net purchases = Gross purchases - purchase return	Average Trade Payables	3.85	3.32	1.66	2.47
	% Change as compared to previous year			16%	100%	-33%	
	<b>Explanation for change in the ratio by more than 25% as compared to the previous year:</b> There is continuous improvement in earning and cash flow post covid-19 recovery resulting company is clearing its trade payable balances.						

8	Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	6.79	15.63	8.80	18.38
	% Change as compared to previous year			-57%	78%	-52%	
	<b>Explanation for change in the ratio by more than 25% as compared to the previous year:</b> There is continuous improvement in earning and cash flow post covid-19 recovery						
9	Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.06	0.01	0.00	0.01
	% Change as compared to previous year			421%	334%	-75%	
	<b>Explanation for change in the ratio by more than 25% as compared to the previous year:</b> There is continuous improvement in earning post covid-19 recovery						
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	0.32	0.08	0.03	0.08
	% Change as compared to previous year			321%	142%	-63%	
	<b>Explanation for change in the ratio by more than 25% as compared to the previous year:</b> There is continuous improvement in earning post covid-19 recovery						
11	Return on Investment	Interest (Finance Income)	Investment	0.00	0.06	0.03	0.04
	% Change as compared to previous year			-98%	107%	-35%	
	<b>Explanation for change in the ratio by more than 25% as compared to the previous year:</b> There is continuous improvement in cash flow post covid-19 recovery						

As per our report of even date attached

For and on behalf of the Board of Directors of  
Crayons Advertising Limited  
(Formerly known as Crayons Advertising Private Limited)

**For S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm registration no. 000756N

**Kunal Lalani**  
Managing Director  
DIN No. 00002756

**H.M Lalani**  
Director  
DIN No. 00257693

**Amit Goel**  
Partner  
Membership No. 500607

**Rajat Singhal**  
Chief Financial Officer  
PAN No. BGGPS6160L

**Neelu Prajapati**  
Company Secretary  
Membership No. 43403

Place: New Delhi  
Date: April 25, 2023

## **MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

*The following discussion is intended to convey management’s perspective on our financial condition and results of operations for the period ended December 31, 2022 and for the financial year ended March 31, 2022, 2021 and 2020. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled “Financial Statements” and the chapter titled “Financial Information” on page 145 of the Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled “Risk Factors” on page 21 of this Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled “Forward-Looking Statements” on page 16 of this Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Crayons Advertising Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period ended December 31, 2022 and for the financial year ended March 31, 2022, 2021 and 2020 included in this Red Herring Prospectus beginning on page 145 of this Red Herring Prospectus.*

### **BUSINESS OVERVIEW**

Our Company was originally incorporated on July 3, 1986 as a Private Limited Company as “Crayons Advertising and Marketing Private Limited” vide Registration No. 24711 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Delhi and Haryana. Our company converted from a Private Limited Company to Public Limited Company, pursuant to a special resolution passed by the Shareholders at their Extraordinary General Meeting held on September 16, 2022. Consequently, the name of our Company was changed to ‘Crayons Advertising Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 22, 2022 by the Registrar of Companies, NCT of Delhi and Haryana. The Corporate Identification Number of our Company is U52109DL1986PLC024711.

However various amendments in the name of the company took place between the said period, to know more about such amendments please refer to “Our History and Certain Other Corporate Matters” at page no. 109.

Crayons Advertising Limited is a full-fledged innovative advertising solution, operating through offices located at New Delhi, Mumbai, Chennai, Kolkata and Lucknow. Our company is into this business over three decades. We are running this business successfully for over 36 years as we target to provide apt advertising method to our clients, simultaneously aiming the retention of the clients by maintaining long lasting relationships with clients (or brands). We have delivered hundreds of stories in the form advertising campaigns across various media in the past 36 years.

Today, the company provide high-end ecosystem and end-to-end ad-tech communication solutions platform for advertising media services consisting of print media, electronic media, outdoor media services which covers advertisement modes such as newspapers, brochures, magazines, television channels, FM channels and display of outdoor hoardings etc. The team of talented and passionate creatives at Crayons are capable of handling projects of any scale and complexity as they have experience in the advertising domain.

For detailed information on the business of our Company please refer to “Our Business” beginning on page numbers 86 of this Red Herring Prospectus.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD**

As per mutual discussion between the Board of the Company and LM, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in this Red Herring Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The authorized capital of the Company has been increased from ₹ 2,50,00,000 to ₹ 25,00,00,000 by creation of 25,00,00,000 new Equity Shares of ₹10 each vide ordinary resolution passed at the Extra-Ordinary General Meeting held on September 16, 2022.
- Change in status of the Company from private limited to public limited vide special resolution passed at the Extra-Ordinary General Meeting held on September 16, 2022.
- The Shareholders of our Company approved re-appointment of Mr. Kunal Lalani as Managing Director in the Annual General Meeting held on September 30, 2022.
- The Shareholders of our Company regularized the appointment of Mr. Atul Jeevandharkumar Hegde as a Director and Mr. Vinod Zutshi as an Independent Directors in the Extraordinary General Meeting held on December 14, 2022.
- The Board of Directors of our Company have been authorised with the power to borrow and create charge on the assets of the Company upto ₹400 crores vide special resolution passed at the Extra-Ordinary General Meeting held on December 14, 2022.
- The Board of Directors of our Company have approved raising of funds by way of Initial Public Offering vide its resolution dated February 01, 2023.
- The Board of Directors of our Company appointed Mr. Surendra Kumar Pagaria as Non-Executive Independent Director in the Board Meeting held on January 21, 2023.
- The Board of Directors of our Company have been authorised to raise the funds by way of Initial Public Offering vide special resolution passed at the Extra-Ordinary General Meeting held on February 08, 2023.

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 21 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- ability to retain our skilled personnel;
- Government support and spending on advertising industry;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Volatility in the Indian and global capital market;

## DISCUSSION ON RESULT OF OPERATION

### *Our Significant Accounting Policies*

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “Financial Statements” beginning on page 145 of the Red Herring Prospectus.

### *Overview of Revenue & Expenditure*

Our revenue and expenses are reported in the following manner:

#### **Revenues**

##### ♦ **Revenue of operations**

Our Company’s revenue is primarily generated from print media, electronic media, outdoor media services and Events &

Activations.

◆ **Other Income**

Our other income mainly consists of rent received and interest from banks.

(Rs. In Lakhs)

Particulars	For the month ended December 31, 2022	For the period ended March 31,		
		2022	2021	2020
<b>Income</b>				
Revenue from operations	19,901.18	19,252.59	10,496.62	16,100.04
As a % of total Income	97.68%	99.21%	98.46%	98.37%
Other Income	473.34	152.38	164.60	267.61
As a % of Total Income	2.32%	0.79%	1.54%	1.63%
<b>Total Income</b>	<b>20,374.52</b>	<b>19,404.97</b>	<b>10,661.22</b>	<b>16,367.65</b>

**Expenditure**

Our total expenditure primarily consists of Direct Cost relating to Advertising and job work costs, employee benefit expenses, Finance Costs and other expenses.

◆ **Advertising and job work costs**

It includes direct cost, like cost for media, publications, event vendors etc.

◆ **Employment Benefit Expenses**

It includes Salaries and wages, Contributions to provident and other funds and staff welfare.

◆ **Other Expenses**

It includes Office Rent, Power, Legal & Professional fee, Travel Expense, Business Promotion Expenses, Insurance Expenses and others.

◆ **Finance Costs**

Our finance costs mainly include interest on bank loans, bill discounting and cash credits

◆ **Depreciation**

Depreciation includes depreciation and amortization.

**RESULTS OF OUR OPERATION**

(Rs. In Lakhs)

Particulars	For the period ended December 31, 2022*	For the period ended March 31,		
		2022	2021	2020
<b>Incomes:</b>				
Revenue from Operations	19,901.18	19,252.59	10,496.62	16,100.04
% of total revenue	97.68%	99.21%	98.46%	98.37%
% Increase/(Decrease)	3.37%	83.42%	-34.80%	-
Other income	473.34	152.38	164.60	267.61
% of total revenue	2.32%	0.79%	1.54%	1.63%

Particulars	For the period ended December 31, 2022*	For the period ended March 31,		
		2022	2021	2020
% Increase/(Decrease)	210.63%	-7.42%	-38.49%	-
<b>Total Revenue</b>	<b>20,374.52</b>	<b>19,404.97</b>	<b>10,661.22</b>	<b>16,367.65</b>
Variance	5.00%	82.01%	-34.86%	-
<b>Expenses:</b>				
Advertising and job work costs	16,571.31	16,992.79	8,794.73	13,765.00
% of total revenue	81.33%	87.57%	82.49%	84.10%
% Increase/(Decrease)	-2.48%	93.22%	-36.11%	-
Employee benefits expense	810.38	751.00	660.84	864.99
% of total revenue	3.98%	3.87%	6.20%	5.28%
% Increase/(Decrease)	7.91%	13.64%	-23.60%	-
Finance costs	44.03	107.86	125.00	236.40
% of total revenue	0.22%	0.56%	1.17%	1.44%
% Increase/(Decrease)	-59.18%	-13.71%	-47.12%	-
Depreciation and amortisation	78.06	92.89	114.15	141.96
% of total revenue	0.38%	0.48%	1.07%	0.87%
% Increase/(Decrease)	-15.96%	-18.62%	-19.59%	-
Other expenses	1,114.16	1,225.11	936.96	1,178.74
% of total revenue	5.47%	6.31%	8.79%	7.20%
% Increase/(Decrease)	-9.06%	30.76%	-20.51%	-
<b>Total Expense</b>	<b>18,617.94</b>	<b>19,169.65</b>	<b>10,631.68</b>	<b>16,187.09</b>
% of total revenue	91.38%	98.79%	99.72%	98.90%
Variance	-2.88%	80.31%	-34.32%	-
<b>Profit before Interest, Depreciation and Tax (EBITDA)</b>	<b>1,878.67</b>	<b>436.07</b>	<b>268.69</b>	<b>558.92</b>
% of total revenue	9.22%	2.25%	2.52%	3.41%
% Increase/(Decrease)	330.8%	62.30%	-51.93%	
<b>Profit before Interest and Tax</b>	<b>1,800.61</b>	<b>343.18</b>	<b>154.54</b>	<b>416.96</b>
% of total revenue	8.84%	1.77%	1.45%	2.55%
% Increase/(Decrease)	424.68%	122.06%	-62.94%	
<b>Restated Profit/(Loss) before tax</b>	<b>1,756.58</b>	<b>235.32</b>	<b>29.54</b>	<b>180.56</b>
% of total revenue	8.62%	1.21%	0.28%	1.10%
% Increase/(Decrease)	646.45%	696.59%	-83.64%	
<b>Total tax expenses</b>	<b>489.50</b>	<b>73.98</b>	<b>16.57</b>	<b>63.98</b>
% of total revenue	2.40%	0.38%	0.16%	0.39%
<b>Restated profit/(loss) after Tax</b>	<b>1,267.08</b>	<b>161.34</b>	<b>12.97</b>	<b>116.57</b>
% of total revenue	6.22%	0.83%	0.12%	0.71%
% Increase/(Decrease)	685.36%	1143.95%	-88.87%	

\*Figures for the nine months ended December 31, 2022 were not compared with full year figures as same are not comparable.

## REVIEW OF OPERATIONS FOR THE PERIOD ENDED December 31, 2022

### Income from Operations

Our revenue from operations for the period ended December 31, 2022 was Rs. 19,901.18 Lakhs which is 97.68% of the total revenue and which includes revenue from print media, electronic media, outdoor media services and Events & Activations.

### Other Income

Our other income for the period ended December 31, 2022 was Rs. 473.34 Lakhs which is 2.32% of the total revenue, which includes rent received and interest from banks.

## **Expenditure**

### **Advertising and job work costs**

The Advertising and job work costs for the period ended December 31, 2022 were Rs. 16,571.31 Lakhs which was about 81.33% of the total revenue and which includes direct cost, like cost for media, publications, event vendors etc.

### **Employee Benefits expenses**

The employee benefits expenses for the period ended December 31, 2022 were Rs. 810.38 Lakhs which was about 3.98% of the total revenue and which includes Salaries and wages, Contributions to provident and other funds and staff welfare.

### **Financial Costs**

Financial costs for the period ended December 31, 2022 were Rs. 44.03 Lakhs which was about 0.22% of the total revenue and which consists of interest on bank loans, bill discounting and cash credits

### **Depreciation**

Depreciation for the period ended December 31, 2022 were Rs. 78.06 Lakhs which was about 0.38% of the total revenue and which consists of depreciation and amortization.

### **Other Expenses**

The other expenses for the period ended December 31, 2022 were Rs. 1,114.16 Lakhs which was about 5.47% of the total revenue and which includes Office Rent, Power, Legal & Professional fee, Travel Expense, Business Promotion Expenses, Insurance Expenses and others.

### **EBITDA**

Our EBITDA for the period ended December 31, 2022 were Rs. 1,878.67 Lakhs.

### **Profit before Interest and Tax**

Our PBT for the period ended December 31, 2022 were Rs. 1,800.61 Lakhs.

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

PAT for the period ended December 31, 2022 was Rs. 1,267.08 Lakhs.

## **FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021**

### **Income**

Total revenue has increased by ₹ 8,743.75 Lakhs and 82.01% from ₹ 10661.22 Lakhs in the fiscal year ended March 31, 2021 to ₹ 19404.97 Lakhs in the fiscal year ended March 31, 2022. The increase in revenue is on account of increase in sale due to the expansion of geography.

### **Expenditure**

Total Expenditure increased by Rs. 8,537.97 Lakhs and 80.31%, from Rs. 10,631.68 Lakhs in the fiscal year ended March 31, 2021 to Rs. 19,169.65 Lakhs in the fiscal year ended March 31, 2022. Overall expenditure was increased mainly due to increase in Advertising and job work costs.



### **Advertising and job work costs**

Advertising and job work costs increased by Rs. 8,198.06 Lakhs and 93.22%, from Rs. 8794.73 Lakhs in the fiscal year ended March 31, 2021 to Rs. 16992.79 Lakhs in the fiscal year ended March 31, 2022. Advertising and job work costs was increased due to increase in volume of operation.

### **Employee Benefit Expenses**

Employee Benefit Expenses increased by Rs. 90.16 Lakhs and 13.64% from Rs. 660.84 Lakhs in the fiscal year ended March 31, 2021 to Rs. 751.00 Lakhs in the fiscal year ended March 31, 2022. Overall employee cost was increased due to increase in no. of employees and increase in general increment in salary & incentives to employees.

### **Other Expenses**

Other Direct Expenses increased by Rs.288.15 Lakhs and 30.75% from Rs. 936.96 Lakhs in the fiscal year ended March 31, 2021 to Rs. 1,225.11 Lakhs in the fiscal year ended March 31, 2022. Other Direct Expenses was increased due to increase in volume of operation and training programme offered by the Company.

### **Profit before Interest, Depreciation and Tax**

Profit / Loss before Interest, Depreciation and Tax has increased by Rs. 167.38 Lakhs and 62.30% from of Rs. 268.69 Lakhs in the fiscal year ended March 31, 2021 to Profit of Rs. 436.07 Lakhs in the fiscal year ended March 31, 2022. Profit before exceptional & extraordinary items and Tax was increased due to increase in revenue from operations.

### **Finance Costs**

Finance Costs in terms of value and percentage decreased by Rs. 17.14 Lakhs and 13.71 % from Rs. 125.00 Lakhs in the fiscal year ended March 31, 2021 to Rs. 107.86 Lakhs in the fiscal year ended March 31, 2022. Finance Costs was decreased mainly due to lesser interest outgo on increased borrowings.

### **Depreciation & Amortization Expenses**

Depreciation in terms of value decreased by Rs. 21.26 Lakhs and 18.62 % from Rs. 114.15 Lakhs in the fiscal year ended March 31, 2021 to Rs. 92.89 Lakhs in the fiscal year ended March 31, 2022. Decrease in depreciation is general in nature.

### **Net Profit after Tax and Extraordinary items**

Net Profit has increased by Rs. 148.37 Lakhs and 1143.95% from Rs. 12.97 Lakhs in the fiscal year ended March 31, 2021 to profit of Rs. 161.34 Lakhs in the fiscal year ended March 31, 2022. Net profit was increased due to increase in revenue from operations and increase in operation.

## **FISCAL YEAR ENDED MARCH 31, 2021 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2020**

### **Income**

Total revenue has decreased by ₹ 5,706.43 Lakhs and 34.86% from ₹ 16,367.65 Lakhs in the fiscal year ended March 31, 2020 to ₹10,661.22 Lakhs in the fiscal year ended March 31, 2021. The decrease in revenue is on account of decrease in sale because of Covid-19.

### **Expenditure**

Total Expenditure decreased by Rs. 5,555.41 Lakhs and 34.32%, from Rs. 16,187.09 Lakhs in the fiscal year ended March 31, 2020 to Rs. 10,631.68 Lakhs in the fiscal year ended March 31, 2021. Overall expenditure was decreased mainly due to decrease in Advertising and job work costs.

### **Advertising and job work costs**

Advertising and job work costs decreased by Rs. 4,970.27 Lakhs and 36.11%, from Rs. 13,765.00 Lakhs in the fiscal year ended March 31, 2020 to Rs. 8794.73 Lakhs in the fiscal year ended March 31, 2021. Advertising and job work costs was decreased due to decrease in volume of operation.

### **Employee Benefit Expenses**

Employee Benefit Expenses decreased by Rs. 204.15 Lakhs and 23.60% from Rs. 864.99 Lakhs in the fiscal year ended March 31, 2020 to Rs. 660.84 Lakhs in the fiscal year ended March 31, 2021. Overall employee cost was decreased due to decrease in general increment in salary & incentives to employees.

### **Other Expenses**

Other Direct Expenses decreased by Rs.241.78 Lakhs and 20.51% from Rs. 1178.74 Lakhs in the fiscal year ended March 31, 2020 to Rs. 936.96 Lakhs in the fiscal year ended March 31, 2021. Other Expenses was decreased due to decrease in volume of operation.

### **Profit before Interest, Depreciation and Tax**

Profit / Loss before Interest, Depreciation and Tax has decreased by Rs. 290.23 Lakhs and 51.93% from of Rs. 558.92 Lakhs in the fiscal year ended March 31, 2020 to Profit of Rs. 268.69 Lakhs in the fiscal year ended March 31, 2021. Profit before Interest, Depreciation and Tax was decreased due to decrease in revenue from operations.

### **Finance Costs**

Finance Costs was decreased by Rs. 111.40 Lakhs and 47.12 % from Rs. 236.40 Lakhs in the fiscal year ended March 31, 2020 to Rs. 125.00 Lakhs in the fiscal year ended March 31, 2021. Finance Costs was decreased mainly due to lesser interest outgo on decreased borrowings.

### **Depreciation & Amortization Expenses**

Depreciation in terms of value decreased by Rs. 27.81 Lakhs and 19.59 % from Rs. 141.96 Lakhs in the fiscal year ended March 31, 2020 to Rs. 114.15 Lakhs in the fiscal year ended March 31, 2021. Decrease in depreciation is general in nature.

### **Net Profit after Tax and Extraordinary items**

Net Profit has decreased by Rs. 103.60 Lakhs and 88.87% from Rs. 116.57 Lakhs in the fiscal year ended March 31, 2020 to profit of Rs. 12.97 Lakhs in the fiscal year ended March 31, 2021. Net profit was decreased due to decrease in revenue from operations.

## **INFORMATION REQUIRED AS PER ITEM (II) (C) (I) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:**

### **1. Unusual or infrequent events or transactions**

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

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in the section titled “Risk Factors” beginning on page 21 of this Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### **3. Income and Sales on account of major product/main activities.**

Income and sales of our Company on account of major services derives from print media, electronic media, outdoor

media services and Events & Activations.

**4. Whether the company has followed any unorthodox procedure for recording sales and revenues**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

**5. Future changes in relationship between costs and revenues, in case of events such as future increase in employees or material costs or prices that will cause a material change are known**

Our Company's future costs and revenues can be impacted by an increase in employee costs as the Company looks to hire talent with new skills and capabilities for the advertising industry who may be in short supply.

**6. Future relationship between Costs and Income**

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, foreign exchange rates and interest rates quoted by banks & others.

**7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in our revenues are by and large linked to increases in the volume of business.

**8. Total turnover of each major industry segment in which the issuer company operates**

The Company is operating advertising industry. Relevant industry data, as available, has been included in the chapter titled "*Our Industry*" beginning on page 76 of this Red Herring Prospectus.

**9. Status of any publicly announced new products or business segments**

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Red Herring Prospectus.

**10. The extent to which the business is seasonal**

Our Company's business is not seasonal. However, the business of the Company does depend on country's economy situation and inflation.

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

Our Company was significantly dependent on top 10 customers. For further details refer the chapter titled "*Risk factor*" and "*Our Business*" on page 21 and 86 of Red Herring Prospectus.

**12. Competitive Conditions**

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "*Our Business*" on page 86 of this Red Herring Prospectus.

The Company is operating in Advertising Industry. Relevant industry data, as available, has been included in the chapter titled "*Our Industry*" beginning on page 76 of this Red Herring Prospectus.

## FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount subject to members approval from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on December 31, 2022 our Company has outstanding amount of secured and unsecured borrowings from banks and financial institutions, bodies corporates and others, for further details refer chapter titled "Restated Financial Information" beginning on page no. 145 of this Red Herring Prospectus.

### Brief summary of financial indebtedness of our company as at December 31, 2022:

Rs. In Lakhs

Nature of Borrowing Amount	Amount as on December 31, 2022
Secured Borrowings	815.62
Unsecured Borrowings	Nil

### Details of Secured Borrowings

Rs. In Lakhs

Name of Lender	Nature of the Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2022 as per books of account	Conditions
IndusInd Bank	Term loan	118.00	118.00	<p>Total repayment period 60 months. Moratorium period of 24 months and repayment after moratorium in 36 months, Interest rate will be EBLR (Presently 9.25%) + 0.00% subject to max of 9.25% P.A.</p> <p>The Principal shall be repaid in 36 equal installment after the moratorium period is over, last installment in October 2026.</p> <p><b>Security:</b> Second charge over all the existing primary and collateral securities including mortgages created in favour of the bank.</p> <p>In case of Multiple Banking/Consortium, the security/charge will be on pari-passu basis and charge on the assets financed under the scheme (to be created within 3 months from the date of disbursal).</p> <p><b>Primary security:</b></p> <ol style="list-style-type: none"> <li>1. First and exclusive charge on hypothecation of the entire Movable Fixed Assets for 129.35 lakhs of the borrower.</li> <li>2. First and exclusive charge on hypothecation of the book debt for 4734.37 lakhs.</li> </ol> <p><b>Collateral Security:</b></p> <ol style="list-style-type: none"> <li>1. Residential property – House No-1323, Sector 14, Urban Estate, Faridabad, Haryana owned by Durga Devi Lalani.</li> </ol> <p><b>Guarantors:</b> Personal guarantees of:</p>

Name of Lender	Nature of the Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2022 as per books of account	Conditions
				<ol style="list-style-type: none"> <li>Mrs. Vimi Lalani of Rs. 300 Lakhs</li> <li>Mr. Kunal Lalani</li> <li>Mrs. Durga Devi Lalani</li> </ol> <b>Corporate Guarantees of:</b> Vimi Investments & Finance Pvt. Ltd.
Axis Bank	Auto Loan	105.47	100.28	Repayment in 37 equal installments starting from 10th Nov 22, Fixed Int. 8.18%, secured against hypothecation of vehicles.
IndusInd Bank	Cash credit	800	597.34	Repayable on demand. Floating Interest rate CD-Six months-CC/OD + 1.42% presently 8.50% p.a. at monthly rest. Presently applicable Bank's CD-Six months-CC/OD is 7.08%. <b>Primary security:</b> <ol style="list-style-type: none"> <li>First and exclusive charge on hypothecation of the entire Movable Fixed Assets for 129.35 lakhs of the borrower.</li> <li>First and exclusive charge on hypothecation of the book debt for 4734.37 lakhs.</li> </ol> <b>Collateral Security:</b> <ol style="list-style-type: none"> <li>Residential property – House No-1323, Sector 14, Urban Estate, Faridabad, Haryana owned by Durga Devi Lalani.</li> </ol> <b>Guarantors:</b> Personal guarantees of: <ol style="list-style-type: none"> <li>Mrs. Vimi Lalani of Rs. 300 Lakhs</li> <li>Mr. Kunal Lalani of Rs. 1500 Lakhs</li> <li>Mrs. Durga Devi Lalani of Rs. 100 Lakhs</li> </ol> <b>Corporate Guarantees of:</b> <ol style="list-style-type: none"> <li>Vimi Investments &amp; Finance Pvt. Ltd.</li> </ol>

*This space left blank intentionally*

## SECTION X - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except, as stated in this section and mentioned elsewhere in this Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.*

Except as disclosed below there are no:

- a) 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;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) 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, including fines imposed or compounding of offences done in those five years;
- f) material frauds committed against our Company in the last five years.
- g) Litigation pending against the company or against any other company in which directors are interested, whose outcome could have a materially adverse effect on the financial position of the company
- h) Pending litigation against the promoter/director in their personal capacities and also involving violation of statutory regulation or criminal offences.
- i) Pending proceeding initiated for economic offences against the director, Promoter, companies and firms promoted by the promoters.
- j) Outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the company including disputed tax liability or prosecution under any enactment.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings where in the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Red Herring Prospectus.

## LITIGATIONS INVOLVING OUR COMPANY

**A. AGAINST OUR COMPANY: NIL**

**B. BY OUR COMPANY:**

### **Civil Cases:**

Sr.No.	Case No.	Court	CASE TYPE	Amount Involved	Petitioner	Respondent	Facts of the case	Status of Litigation
1.	O.M.P.(M ISC.)(CO MM.) 225/2022 OMP(T) Comm 71/2017 & 10366/2017	DHC	29 A Arbitration	21,79,84,370/-	Crayons advertising pvt ltd	BSNL	Crayons advertising Pvt ltd entered into an agreement with BSNL to provide media and advertising services in 22 Cities.  Arbitration Proceedings running against BSNL for non-payment of dues.	Time for the learned Sole Arbitrator to pass the Arbitral Award in arbitration proceedings is extended by a period of nine months commencing from 10.08.2022.  LDOH: 19.12.22 NDOH: Not Fixed by Arbitrator
2.	7491/DEL/2019	ITAT	INCOME TAX APPEAL	2,87,80,800/-	Crayons Advertising pvt ltd	Deputy Commissioner of Income Tax	Additional claim of 2,87,80,800/- questioned by Commissioner of Income tax by invoking section 56(2)(vii)(a) of income tax act.	ITAT, DELHI Has remitted the matter to AO for fresh examination of matter. Further proceedings not yet commenced.  LDOH: NA NDOH: NA
3.	CIT(A), DELHI- 2/10581/2019-20	NFAC (IT)	INCOME TAX	53,30,972/-	Crayons Advertising pvt ltd	ACIT, NEW DELHI	Crayons Advertising pvt ltd filed its original return of income for the Assessment Year 2017_18 on 18 September 2017 declaring total income of Rupees 1,20,08,240 under normal provisions of the Income Tax Act 1961. Subsequently the appellant revised above referred return by filing revised return on 13 December 2018 declaring total income of Rupees 1,44,43,280. The return of the appellant was	CIT(A), DELHI-2/10581/2019-20



							<p>selected for scrutiny assessment and notice under Section 143 Sub Section 2 of the Act was issued by the Deputy Commissioner of Income Tax, Circle 6_ New Delhi. The Learned Assessing Officer concluded the assessment by passing an order dated 18December 2019 under Section 143 Sub Section 3 of the Act assessing the income of the appellant at Rupees 1,97,74,250 The Learned Assessing Officer has made the following additions and disallowances in the assessment order <b>Disallowance of bad debts claimed under section 36_1_vii of the Act Rupees 53,30,972</b> Aggrieved by the action of the Learned Assessing Officer, the assessment order is being contested as per grounds of appeal.</p>	
--	--	--	--	--	--	--	--	--

#### Settled Case

4	CP(IB) /2482/ND2019	NCLT-New Delhi	CIRP Case	1,37,50,959/-	Tek Advertising and management Private Ltd	Crayons Advertising Private Ltd	<p>Application made to initiate CIRP under IBC, for Non-Payment of Dues against Crayons Advertising Limited by Tek Advertising and Management Private Ltd</p>	<p>Disputed payment is made by Respondent to Petitioner as per Settlement Agreement executed on April 20,2020. Upon execution of Settlement agreement, Petitioner withdrawn the case.</p> <p>NCLT dismissed the case upon application withdrawn by the Petitioner vide its order dated May 22,2020.</p>
---	---------------------	----------------	-----------	---------------	--	---------------------------------	---	---

## Criminal Cases:

Sr. No.	Case No.	Court	CASE TYPE	Amount Involved	Petitioner	Respondent	Facts of the case	Status of Litigation
1.	Ct cases no. 5056/2020	THC	138 NI Act	60,000/- out of total liability of 2,01,413/- against Sonu Bhatia	Crayons Advertising Pvt Ltd	Sonu Bhatia	That the accused Sonu Bhatia entered into an agreement with Crayons Advertising Pvt Ltd dated 12.12.2019. Proceedings under section 138 NI Act running against Sonu Bhatia as his two Cheques of 30,000/- (Thirty Thousand) each Dishonored. Citing Insufficient funds	Summons Issued against the accused received back with report of leaving the given address. Complainant is given last and final opportunity to furnish fresh address of accused.  LDOH: 13.03.23 NDOH: 29.05.23

## II. Litigations Involving Our Promoters/Directors

### A. Against our Promoters/Director

NIL

### B. By our Promoters/Director

NIL

## III. Litigations Involving Our Group entities

### A. Against Our Group Entities

NIL

### B. By our Group Entities:

NIL

## IV. Litigations relating to the Subsidiary Company

### A. Against Directors of our Subsidiary Company

NIL

### B. BY Directors of our Subsidiary Company

NIL

## V. Other litigations involving any other entities which may have a material adverse effect on the Company

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

## VI. Details of the past penalties imposed on our Company / Directors

As of the date of the report, there are no cases in the last five years in which penalties have been imposed on the Company or the Directors of the company - NIL as per information provided by management:

## VII. Outstanding dues to Creditors

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on December 31, 2022, our Company had outstanding dues to creditors as follows:

(Amount in Lakh)

Particulars	December 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
<b>Trade Payables</b>				
Micro, Small and Medium Enterprises	-	-	-	-
Others	2,793.48	5,821.81	4,417.00	6,177.16
<b>Total</b>	<b>2,793.48</b>	<b>5,821.81</b>	<b>4,417.00</b>	<b>6,177.16</b>

## VIII. Material developments occurring after last balance sheet date, that is March 31, 2022.

Except as disclosed in the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” of our Company beginning on page number 193 there have been no material developments that have occurred after the last Balance sheet date.

### We certify that except as stated herein above:

1. The Company, its Promoter, and other Companies with which Promoter are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
2. There is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past years in respect of the Promoter of the Company, group company's entities, entities promoted by the Promoter of the Company.
3. Further, none of the Directors of the Company has been charge sheeted with serious crimes like murder, rape, forgery, economic offenses, etc.
4. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, Financial Institutions by the Company, Promoter, group entities, companies promoted by the Promoter during the past three years.
5. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company
6. There is no pending litigation against the Promoter/ Directors in their capacities and also involving the violation of statutory regulations or criminal offenses.
7. There are no pending proceedings initiated for economic offenses against the Directors Promoter, Companies, and firms promoted by the Promoter
8. There is no outstanding litigation, defaults, etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
9. There are no litigations against the Promoter / Directors in their capacity.
10. There are no criminal cases filed or any investigation being undertaken concerning the alleged commission of any offense by any of the Directors. Further, none of the Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offenses, etc.

## GOVERNMENT AND OTHER APPROVALS

*In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 103 of the Red Herring Prospectus.*

### **CORPORATE APPROVALS FOR THIS ISSUE**

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on February 01, 2023 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62(1)(c) of the Companies Act 2013.
2. The Issue of Equity share has been authorized by a special resolution adopted pursuant to section 62(1)(c) of the Companies Act 2013, at an Extra ordinary General Meeting held on February 08, 2023.
3. Board of Directors has, pursuant to a resolution dated February 15,2023 and May 08,2023 authorized our Company to take necessary action for filing the Draft Red Herring Prospectus and Red Herring Prospectus respectively with NSE Emerge.

### **IN- PRINCIPLE APPROVAL**

The Company has obtained approval from NSE vide its letter dated April 18,2023 to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

### **AGREEMENTS WITH NSDL AND CDSL**

1. The Company has entered into an agreement dated January 19, 2023, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Share Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
2. The Company has also entered into an agreement dated January 09, 2023 with the National Securities Depository Limited (NSDL), and the Registrar and Share Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE00FK01019.

### **INCORPORATION DETAILS OF OUR COMPANY**

S.N.	Authorisation granted	Issuing Authority	CIN/Registration No.	Date of Issue	Valid upto
1.	Certificate of Incorporation in the name of – “Crayons Advertising and Marketing Private Limited ”	ROC, Delhi and Haryana	Registration No. 24711	July 3, 1986	Perpetual
2.	Name of our company change from to “Crayons Advertising and Marketing Private Limited” to Crayons Advertising Private Limited’	ROC, Delhi and Haryana	Registration No. 24711	September 5,2000	Perpetual

3.	Certificate of Incorporation for conversion from Private to Public company in the name of “Crayons Advertising Limited”	ROC, Delhi and Haryana	Registration No. 24711	October 16, 2000	Perpetual
3.	Certificate of Incorporation for conversion from Public to Private company in the name of “Crayons Advertising Private Limited”	ROC, Delhi and Haryana	U52109DL1986PTC024711	November 3rd, 2014	Perpetual
4.	Certificate of Incorporation for conversion from Private to Public company in the name of “Crayons Advertising Limited”	ROC, Delhi and Haryana	U52109DL1986PLC024711	November 22 <sup>nd</sup> , 2022	Perpetual

### **TAX RELATED AUTHORISATIONS**

S.No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Income Tax Department, GoI	AAACC1063C	10/12/2022	Perpetual
2.	Tax Deduction Account Number (TAN)	Income Tax Department, GoI	DELC01285E	24/01/2023	Perpetual
<b><i>GST Certificates</i></b>					
3.	GST Registration Certificate (Delhi)	Central Board of Indirect Taxes	07AAACC1063C1ZD	01/07/2017	Perpetual
4.	GST Registration Certificate (Maharashtra)	Central Board of Indirect Taxes	27AAACC1063C1ZB	01/07/2017	Perpetual
5.	GST Registration Certificate (West Bengal)	Central Board of Indirect Taxes	19AAACC1063C1Z8	01/07/2017	Perpetual
6.	GST Registration Certificate (Tamil Nadu)	Central Board of Indirect Taxes	33AAACC1063C1ZI	01/07/2017	Perpetual
7.	GST Registration Certificate (Uttar Pradesh)	Central Board of Indirect Taxes	09AAACC1063C1Z9	01/07/2017	Perpetual

### **BUSINESS RELATED CERTIFICATIONS**


Our Company has received the following significant government and other approvals pertaining to our business:

Sr. No.	Authorization granted	Issuing Authority	Registration No. / Reference No. /License No.	Date of Renewal/ Issue	Valid Upto
1.	Registration under Employees State Insurance Act, 1948 (Delhi)	Sub-Regional Office, Employees State Insurance Corporation, Delhi	20001172260001099	21/8/2012	Perpetual
2.	Registration under Employees State Insurance Act, 1948	Regional Office, Employees State Insurance	41201172260011099	02-01-2013	Perpetual

	(Kolkata)	Corporation, Kolkata			
3.	Registration under Employees Provident Fund and Miscellaneous Act, 1952	Employees Provident Fund Organisation	DSNHP0018049000	24/10/1996	Perpetual
4.	Importer-Exporter Certificate	Directorate General of Foreign Trade, Ministry of Commerce and Industry	0516956868	30/08/2016	Perpetual
5	Micro Small and Medium Enterprises	Ministry of Micro, Small and Medium Enterprises	UDYAM-DL-08-0008078	15/01/2021	Perpetual
6	Delhi Shops and Establishments Act, 1954	Department of Labour	2023048284	14/03/2023	Valid till cancelled
7	Maharashtra Shops and Establishment Act 1948	Labour Department	820190198	11/01/2023	Valid till cancelled
8	Tamil Nadu Shops and Establishments Act, 1947 (Chennai)	Labour Department	TN/AIL21CHE/NFSH/68-23-00633	16-03-2023	Valid till cancelled
9	Kolkata Municipal Corporation Act, 1980	Kolkata Municipal Corporation	0041 6103 4963	09/09/2022	31/03/2023
10	Uttar Pradesh Shop and Establishment Act 1962 (Lucknow)	Labour Department, Uttar Pradesh	UPSA28749654	04/07/2022	Valid till cancelled

### INTELLECTUAL PROPERTY

Our Company has the following registered trademarks:

Sr No.	Original Trademark Name	Registration No.	Application No.	Class	Current Status
1		-	5540408	35	Pending for Approval
2.	CRAYONS	1883418	5546389	35	For renewal objection submit
3.	MELON	2160877	2160877	35	Approved
4.	JADE EVENTS	2161780	2161780	35	Approved

The Details of Domain Names Registered in the Name of the Company:

Sr. No.	Domain Name	Registrant Name and Registrant Organization	Registration Expiry Date
1.	THECRAYONSNETWORK.COM	Crayons Advertising Ltd and Go Daddy	29/11/2025
2.	CRAYONAD.COM	Crayons Advertising Ltd and Go Daddy	6/1/2024

**Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/Licenses required for the proposed expansion**

NIL

**IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.**



## SECTION XI - OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

1. This Issue has been authorised by a resolution passed by our Board of Directors at its meeting held on February 01, 2023.
2. The Shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013, at its EGM held on February 08, 2023 and authorised the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated April 18, 2023 to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved this Draft Red Herring Prospectus and Red Herring Prospectus through its resolution dated February 15, 2022 and May 08, 2023 respectively.

We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “Government and Other Approvals” beginning on page 203 of this Red Herring Prospectus.

### Confirmation:

- Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our Company, our Promoters, Promoters’ Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, our Promoters and Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

- The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Prohibition by RBI or Governmental authority
- Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as willful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.
- Our directors have not been declared as willful defaulter by RBI or any other government authority and there has been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.
- Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations
- None of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### ELIGIBILITY FOR THIS ISSUE

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.

- Neither our promoters, nor any directors of our company are a promoter or director of any other company which is debarred from accessing the capital market by the Board
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender. Neither our Company, nor our Promoters or our directors, is a Willful Defaulter or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital will be more than ₹ 1,000 Lakh, and can issue Equity Shares to the public and propose to list the same on the Emerge Platform of NSE Limited.

**We confirm that:**

- In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the Book Running Lead Manager to the Offer will underwrite at least 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to “General Information – Underwriting” on page 40 of this Red Herring Prospectus.
- In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) 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 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case
- In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Book Running Lead Manager shall ensure that the Issuer shall file a copy of the Draft Red Herring Prospectus/Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Draft Red Herring Prospectus/Prospectus with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Book Running Lead Manager and the Emerge Platform of NSE.

- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled —General Information – Details of the Market Making Arrangements for this Issue on page 40 of this Red Herring Prospectus.

In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.

In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued. For more details please refer page 276 of this Red Herring Prospectus.

In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up

In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

**NSE ELIGIBILITY NORMS:**

**1. The Company has been incorporated under the Companies Act, 2013 in India**

Our Company was incorporated on July 3, 1986 under the Companies Act, 2013.

**2. The post issue paid up capital of the Company (face value) will not be more than ₹ 2,500.00 Lakh.**

Particulars	Present Issued Capital	Proposed IPO (Fresh Equity Shares)	Post IPO Issued Capital (assumed)
No. of Equity Shares	1,80,00,000	64,30,000	2,44,30,000
Face Value (In Rs.)	₹ 10/- each	₹ 10/- each	₹ 10/- each
Paid-up Value (In Rs.)	₹ 18,00,00,000	₹ 6,43,00,000	₹ 24,43,00,000

Hence, our Post Issue Paid up Share Capital will be ₹24.43 crores which is less than 25 crores.

### 3. Positive Net worth

Net worth of the Company as on December 31, 2022 is ₹ 4,991.03 Lakh.

### 4. Track record

A. The company should have a (combined) track record of at least 3 years.

Our Company got incorporated on July 3, 1986, therefore our company satisfies the track record criteria of 3 years.

B. The Company has combined positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth is positive.

(Rs. In Lakh)

Particulars	As on December 31, 2022	As on March 31, 2022	As on March 31, 2021	As on March 31, 2020
Operating profit (earnings before interest, depreciation and tax)	1878.67	436.07	268.69	558.92

Particulars	As on December 31, 2022	As on March 31, 2022	As on March 31, 2021	As on March 31, 2020
Share Capital	1,800.00	225.00	225.00	225.00
Add: Reserves and Surplus	3,191.03	3,498.95	3,337.61	3,324.64
Net Worth	4,991.03	3,723.95	3,562.61	3,549.64

Net worth includes Share Capital and Reserves (excluding revaluation reserves), Miscellaneous Expenditure not written-off, if any & Debit Balances of Profit and Loss Account not written-off, if any).

### 5. Other Requirements

- It is mandatory for the company to have a website  
The Company has a website – [www.thecrayonsnetwork.com](http://www.thecrayonsnetwork.com)
- It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.

To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

Tripartite agreement dated January 09, 2023 with NSDL, our Company and Registrar to the Issue; tripartite agreement dated January 19, 2023 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE00FK01019

- There should not be any change in the Promoters of the company in preceding one year from date of filing the application to NSE for listing under SME segment.

- None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.
- Further, except as mentioned in this Section titled “Outstanding Litigation and Material Developments” on page 203 there has been no violation of any Securities Law committed by any of them in the past and no such proceedings are currently pending against any of them.

## 6. Disclosure

1. The Company has not been referred to Board for Industrial and Financial Reconstruction.
2. No petition for winding up is admitted by the court or a liquidator has not been appointed of competent jurisdiction against the Company.
3. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

None of our Company, Promoters or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the ‘Master Directions on Fraud- Classification and Reporting by commercial banks and select FIs’ dated July 1, 2016, as updated, issued by the RBI.

**We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.**

## DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE 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 THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITAL VENTURES PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITAL VENTURES PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITAL VENTURES PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 03, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

**THE EXTRACTS OF THE DUE DILIGENCE CERTIFICATE TO BE SUBMITTED AS PER FORM A OF SCHEDULE V INCLUDING ADDITIONAL CONFIRMATION AS PROVIDED IN FORM G OF SCHEDULE V IS**

**PRODUCED AS UNDER:**

**WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE RED HERRING PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE MATERIAL DISCLOSURES MADE IN THE RED HERRING 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, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE RED HERRING PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS.
6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE RED HERRING PROSPECTUS.
7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE 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 AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. 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.**

8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 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 EXCHANGE(S) MENTIONED IN THE RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – ***NOTED FOR COMPLIANCE***
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE ‘MAIN OBJECTS’ LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
10. WE CERTIFY THAT 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.
11. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE RED HERRING PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
12. 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, 2018.
13. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE RED HERRING PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
14. 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, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
15. 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.
16. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 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.

**ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT.**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.



- (2) WE CONFIRM THAT THE ABRIDGED RED HERRING PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - **NOTED FOR COMPLIANCE**.
- (3) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE- **NOTED FOR COMPLIANCE**.
- (6) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE**.

#### **Disclaimer Clause of the Emerge Platform of NSE**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2214 dated April 18, 2023, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.thecrayonsnetwork.com/](http://www.thecrayonsnetwork.com/) would be doing so at his or her own risk.

#### **Caution**

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, etc. The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the



Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Price Information and the track record of the past Issues handled by the Book Running Lead Manager

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Annexure A' to the Prospectus and the website of the Book Running Lead Manager at <https://www.ccvindia.com/>

## **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), 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, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakh, pension funds with minimum corpus of ₹ 2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase 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 Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi 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, except that the Prospectus had been filed with NSE EMERGE for its observations and NSE EMERGE gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

## **DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.**

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (U.S. 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## **FILING**

The Draft Red Herring Prospectus and Red Herring Prospectus is being filed with NSE Limited, Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400051.

A copy of the Red Herring Prospectus and Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Delhi & Haryana situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019 at least (3) three working days prior from the date of opening of the Issue.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus shall not be submitted to SEBI, however, soft copy of Red Herring Prospectus and Prospectus with the Due Diligence Certificate shall be submitted to SEBI pursuant to Regulation 246(1), and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

*Shall be liable to action under Section 447 of the Companies, Act 2013.*

## **CONSENTS**

Consents in writing of: (a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) Book Running Lead Manager, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing final prospectus to ROC) and will be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report is not withdrawn up to the time of delivery of this Red Herring Prospectus with NSE.

## **EXPERT OPINION**

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Statutory Auditors for period ended on March 31, 2022, March 31, 2021, and 2020 and Legal Advisor report on Outstanding Litigations and Material Developments, included in this Prospectus, our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the propriety and authenticity of the same.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION**

We have not made any previous public issues since incorporation, and are an —Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an Initial Public Offering in terms of the SEBI ICDR Regulations.

## **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Other than as detailed under chapter titled - Capital Structure beginning on page 47 of the Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Red Herring Prospectus.

## **PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY**

Except M/s Mega Corporation Limited none of our Group Companies and Associates are listed. Further it has not undertaken any public or rights issue in the three (3) years preceding the date of this Red Herring Prospectus.

## **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF OUR COMPANY**

Our Company has not undertaken any public or rights issue in the five (5) years preceding the date of this Prospectus.

## **PERFORMANCE VIS-À-VIS OBJECTS-PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY**

The Company does not have any subsidiary company.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of the Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## **OPTION TO SUBSCRIBE**

Equity Shares being offered through this Red Herring Prospectus can be applied for in dematerialized form only.

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this issue is an Initial Public Issue in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Bidders.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non- routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Gagan Mahajan as the Company Secretary and Compliance Officer and may be contacted at the following address:

**Crayons Advertising Limited**  
NSIC Complex, Maa Anandmayee Marg  
Okhla Industrial Estate, Phase- III  
New Delhi 110020  
Tel: +91- 9654993221  
Email: [cs@thecrayonsnetwork.com](mailto:cs@thecrayonsnetwork.com)  
Website: [www.thecrayonsnetwork.com](http://www.thecrayonsnetwork.com)

Investors can contact the Company Secretary & 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 or refund orders, etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

## STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

## DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY:

Presently, we have only one listed company under the same management i.e Mega Corporation Limited. As on date Mega Corporation Limited has disposed investors grievances and has no complaints pending.

## EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

The Company has not sought for any exemptions from complying with any provisions of securities laws.

## PRICE INFORMATION OF LAST 10 (TEN) ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER Statement on Price Information of Past Issues handled by Corporate Capital Ventures Private Limited:

### Price Information and the track record of the past Issues handled by the Book Running Lead Manager

Sr. No.	Issue Name	Issue Size (Rs. In Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % 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.	Shish Industries Limited	4.06	30.00	05-09-2017	32.00	-3.33%	-10.00%	-9.00%
						-0.68%	3.33%	7.034%
2.	Ratnabhumi Developers Limited	23.31	63.00	14-12-2017	63.45	-30.83%	-41.67%	-30.00%
						4.04%	1.771%	7.35%
3.	Touchwood Entertainment Limited	4.21	40.00	21-12-2017	43.50	81.13	-10.00	34.38
						4.35%	-2.73%	2.58%
4.	SMVD Poly Pack Limited	9.02	55.00	26-12-2017	58.00	-22.18%	-44.91%	-58.18%
						5.1%	-3.8%	2.25%
5.	Narmada Agrobases Limited	7.49	32.00	19-04-2018	31.45	-3.13%	-12.03%	-23.44%
						0.29%	2.22%	0.181%
6.	Rudrabhishek Enterprises Limited	18.73	41.00	13-07-2018	41.25	0.00%	0.12%	17.93%
						3.72%	-7.11%	-1.48%
7.	Rajnandini Metal Limited	4.27	26.00	08-10-2018	35.00	-2.31%	-2.31%	0.38%
						2.419%	3.67%	12.73%
8.	Nupur Recyclers Limited	34.2	60.00	23-12-2021	34.2	313.00%	169.58%	219.17%
						3.65%	1.47%	-7.98%
9.	Uma Exports Limited	60.00	65-68	07-04-2022	80.00	-8.68%	-24.49%	-29.78%
						-6.96%	-9.35%	-1.96%
10.	Annapurna Swadisht	30.25	70.00	27-09-	120.00	118.07%	80.57%	151.57%

Sr. No.	Issue Name	Issue Size (Rs. In Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % 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
	Limited*(2)			2022		4.22%	4.63%	-0.36%
11.	Swastik Pipe Limited*(2)	62.52	100.00	12-10-2022	69.30	-13.30%	0.95%	-19.30%
						4.22%	4.63%	2.9%
12.	Phantom Digital Effects Limited*(3)	29.10	95.00	21-10-2022	315.05	186.53%	138.89%	143.37%
						4.16%	3.35%	0.24%
13.	Droneacharya Aerial Innovations Limited*(3)	33.96	54.00	23-12-2022	102.00	231.57%	133.43%	*(2)
						1.29%	-3.20%	*(2)

Source: Price Information [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) , Issue Information from respective Prospectus.

#### Notes\*:

- Kindly note that we have assumed the % of change in benchmark on the basis of the Companies listed on the relevant Stock Exchange.
- \*The listing date of Droneacharya Aerial Innovations Limited was December 23, 2022. Since the Company has not completed its 180 Calendar days. Hence, the information for the same has been kept blank .

Financial Year	Total No. of IPOs	Total Funds Raised (Rs. in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23*	5	215.83	Nil	Nil	2	3	Nil	Nil	Nil	1	1	2	Nil	Nil
2021-22	1	34.20	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil
2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019 -20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2018-19	3	30.49	Nil	Nil	2	Nil	Nil	1	Nil	Nil	1	Nil	Nil	2
2017-18	4	40.60	Nil	1	2	1	Nil	Nil	1	1	1	Nil	1	Nil
2016-17	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

#### Summary Statement of Disclosure:

##### Note\*:

- Kindly note that we have assumed the % of change in benchmark on the basis of the Companies listed on the relevant Stock Exchange.
- The listing date of Droneacharya Aerial Innovations Limited was December 23, 2022 respectively. Since the Company has not completed its 180 Calendar days.

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer the website of the Book Running Lead Manager at <https://www.ccvindia.com/initial-public-offers>

#### Exemption from complying with any provisions of securities laws, if any, granted by SEBI:

As on date of the Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

##### Note:

**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.**

*This space has been left blank intentionally.*



## SECTION XII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable.*

For details in relation to Offer expenses, see “Objects of the Issue” on pages 62.

#### Ranking of Equity Shares

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

#### Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on February 01, 2023, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on February 08, 2023.

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders 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, 2013. For further details, please refer to the chapter titled ‘Dividend Policy’ beginning on pages 144 of this Red Herring Prospectus.

#### Offer for Sale

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

#### Face Value and Issue Price

The face value of each Equity Share is ₹ 10/-. The Issue Price of Equity Shares is ₹ [•] per Equity Share. The Issue Price shall be determined by our Company in consultation with the Lead Manager and is justified under the chapter titled Basis of Issue Price beginning on page 70 of this Red Herring Prospectus.

#### Compliance with the disclosure and accounting norms

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

#### Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- i. Right to receive dividend, if declared;
- ii. Right to attend general meetings and exercise voting powers, unless prohibited by law;



- iii. Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- iv. Right to receive annual reports and notices to members;
- v. Right to receive offers for rights shares and be allotted bonus shares, if announced;
- vi. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- vii. Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- viii. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the 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 Provision of Article of Association*", beginning on page 265 of this Red Herring Prospectus.

### **Allotment only in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- I. Tripartite agreement dated January 19, 2023 among CDSL, our Company and the Registrar to the Issue; and
- II. Tripartite agreement dated January 09, 2023 among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e., not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode.

### **Minimum Application Value, Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares and the same may be modified by the NSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2,000 Equity Shares subject to a minimum allotment of 2,000 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

Further, 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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original

holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in 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 titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

To register himself or herself as the holder of the equity shares; or to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies 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 our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of Promoters, Promoter Group, Public as provided in —Capital Structure on page 47 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer —Main Provisions of Articles of Association on page 265 of this Red Herring 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 Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring 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.

*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.*

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange(s) on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

## Offer Program

Events	Indicative Dates
Bid/Offer Opening Date	Monday, May 22,2023
Bid/Offer Closing Date	Thursday, May 25,2023
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Tuesday, May 30,2023
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account orUPI ID linked bank account	On or about Wednesday, May 31,2023
Credit of Equity Shares to Demat accounts of Allottees	On or about Thursday, June 01,2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Friday, June 02,2023

*Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid-Cum- Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Offer Closing Date, the Bid-Cum- Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidders on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE EMERGE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Offer Closing Date, as is typically experienced in public Offer, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms 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 holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Offer Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum-Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs /RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of syndicate members.

## Minimum Subscription

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the 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 issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) 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 ₹ 1,00,000 (Rupees One Lac only) per application.

## Migration to Main Board

Our company may migrate to the main board of NSE Limited at a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above ₹ 2500 Lakh 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), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the paid-up Capital of our company is more than ₹ 1000 Lakh but below ₹ 2500 Lakh, our 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 shareholders against the proposal.

Any company desiring to migrate to the Main board from the SME Board within two years of listing on Emerge Platform of NSE has to fulfill following conditions:

- i. The increase in post issue face value capital beyond ₹ 2500 Lakh should arise only because of merger/acquisition or for expansion purposes.
- ii. The company should have a minimum turnover of ₹ 10,000 Lakh as per last audited financials and market capitalization of ₹ 10,000 Lakh.
- iii. The company should have a minimum profit before tax of ₹ 1000 Lakh for two years out of three preceding years.
- iv. There should not be any action against the company by any regulatory agency at the time of application for migration.

## Market Making

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE Limited. For further details of the market making arrangement please refer to chapter titled General Information beginning on page 40 of this Red Herring Prospectus.

## Arrangements for disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 2,000 shares in terms of the SEBI circular No.

CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Offer.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Allotment of Securities in Dematerialised Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

#### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) All Editions of English National Newspaper, [●]; (ii) All editions of Hindi National Newspaper, [●] and (iii) the registered office of our company is situated in Delhi, therefore Hindi being regional language of Delhi, [●] each with wide circulation. In the pre-Issue advertisement, we shall state the Bid/Offer Opening Date and the Bid/ Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

*The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

**This space has been left blank intentionally.**



## ISSUE STRUCTURE

This Offer is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post issue face value capital is more than ₹ 10 Crores and up to ₹ 25 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the Emerge Platform of NSE i.e., NSE EMERGE. For further details regarding the salient features and terms of such an offer please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page 225 and 234 of the DRHP.

This Issue comprise of up to 64,30,000 Equity Shares of Face Value of ₹10/- each fully paid (The “Equity Shares”) for cash at a price of ₹ [•] per Equity Shares (*including a premium of ₹ [•] per equity share*) aggregating to ₹ [•] Lakhs (“*the Issue / the Offer*”) comprising of Fresh Issue of 64,30,000 Equity Shares aggregating up to ₹ [•] Lakhs by our Company. The Offer and the Net Offer will constitute 26.32% and 25.00% respectively of the post Issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Book Building Process.

Particulars of the Offer <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	Not less than 3,22,000 Equity Shares	Not more than [•] Equity Shares	Not less than [•] Equity Shares	Not less than [•] Equity Shares
Percentage of offer Size available for Allocation	5% of the offer Size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment (3)	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Anchor Investor Portion):  (a) Up to [•] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and  (b) Up to [•] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.  Up to [•] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual funds only, subject to valid Bid received	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Issue Procedure” on page 234.

		from Mutual Funds at or above the Anchor Investor Allocation Price		
Mode of Bid	Only through the ASBA process.	ASBA Process only (excluding Anchor Investors)	Only through the ASBA process	Through ASBA Process Through Banks or by using UPI ID for payment
Mode of allotment	Compulsorily in dematerialized form			
Minimum Bid Size	3,22,000 Equity Shares in multiple of [•] Equity shares	Such number of Equity Shares and in multiples of [•] Equity Shares that the Bid Amount exceeds	Such number of Equity shares in multiple of [•] Equity shares that Bid size exceeds Rs 2,00,000	[•] Equity Shares
Maximum Bid Size	3,22,000 Equity Shares	Such number of Equity Shares in multiples of [•] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits.	Such number of Equity Shares in multiples of [•]Equity Shares not Exceeding the size of the offer (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [•] Equity Shares so that the Bid Amount does not exceed Rs. 2,00,000/-
Trading Lot	[•] Equity Shares, however the MarketMaker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[•]Equity Shares and in multiples thereof		
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			

This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “Issue Structure” on page 231 of the DRHP.

- (1) Our Company in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Offer for at least 25% of the post offer paid-up Equity share capital of the Company. This Offer is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 253 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.



### ***Bid/Offer Programme:***

<b>Events</b>	<b>Indicative Dates</b>
Bid/Offer Opening Date	Monday, May 22,2023
Bid/Offer Closing Date	Thursday, May 25,2023
Finalization of Basis of Allotment with the SE	On or about Tuesday, May 30,2023
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account orUPI ID linked bank account	On or about Wednesday, May 31,2023
Credit of Equity Shares to Demat accounts of Allottees	On or about Thursday, June 01,2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Friday, June 02,2023

*Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

Bids 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 Bidding Centres mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Offer closing date:

A standard cut-off time of 3.00 p.m. for acceptance of bids.

A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.

A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

### **Withdrawal of the Offer**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus/ Prospectus with RoC.

## **ISSUE PROCEDURE**

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013 the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders through the UPI Mechanism.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders; (v) Issuance of CAN and allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid cum Application Form); (vii) Submission of Bid cum Application Form; (viii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in allotment or refund.*

*The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for UPI Bidders applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), as may be prescribed by the SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (“UPI Streamlining Circular”) read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular are deemed to form part of this Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days.*

*Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).*

*Our Bank and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus.*

*Further, our Bank and the Members of Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.*

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Offer is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under- subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

***Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.***

#### ***Phased implementation of Unified Payments Inter face***

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time

duration shall be applicable for the Offer.

The Offer will be made under UPI Phase II of the UPI Circulars, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date. If the Offer is made under UPI Phase III of the UPI Circular, the same will be advertised in shall be advertised in all editions of [•], a widely circulated English national daily newspaper and all editions of [•], a widely circulated Hindi national daily newspaper, the registered office of our company is situated in Delhi, therefore Hindi being regional language of Delhi, each with wide circulation on or prior to the Bid/Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. Our Bank has appointed the Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of of SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Further, pursuant to SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all Retail Individual Bidders applying in public issues where the application amount is up to ₹500,000 shall use UPI and

shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- i. a syndicate member;
- ii. 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);
- iii. a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the “General Information Document” available on the websites of the Stock Exchanges and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.



- ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Offer, shall submit a completed Bid Cum 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 stockexchange 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 Offer and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*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 a proof of having accepted the Bid Cum Application*

*Form, in physical or electronic mode, respectively.*

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications

in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with NSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date (“Cut-Off Time”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the Bankers to the Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Offer for analysing the same and fixing liability.

#### **Availability of Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/ Offer Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

#### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals’ resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);

- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) 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;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

*As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.*

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Retail Individual Bidders**

The Application must be for 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### **2. For Other than Retail Individual Bidders (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 2,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Offer 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 Bidder cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, 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.

***Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.***



**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders 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.**

## **METHOD OF BIDDING PROCESS**

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national newspaper [•], all editions of Hindi national newspaper [•] and the registered office of our company is situated in Delhi, therefore Hindi being regional language of Delhi [•], each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Offer Period shall be for a minimum of three Days and shall not exceed 10 Working Days. The Bid/ Offer Period may be extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of the English national newspaper [•], all editions of Hindi national newspaper [•] and the registered office of our company is situated in Delhi, therefore Hindi being regional language of Delhi [•], each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Offer Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one working day prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 234 of this Prospectus.
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Bid cum 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 SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer 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.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non- Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

#### **Option to Subscribe in the Offer**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the StockExchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum 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. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's 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 Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. 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 Bidders, or in the case of application in joint names, the first Bidder (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 Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person 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 Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum 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 Bid Cum Application Form is liable to be rejected.

### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.

- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Offer, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post- Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limit an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as



defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum 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". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in 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 Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS:**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof.

Limited liability, partnerships can participate in the Offer only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% 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;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 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 along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks)



Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

### **BIDS BY SCSB'S:**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

### **Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Offer price of ₹ [•] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders 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 Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum 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 Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum 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 Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: — “[•]”
- b. In case of Non-Resident Anchor Investors: — “[•]”
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

### **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 Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum 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 Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum 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.	DPID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
- Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum 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 Bid Cum 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 Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring 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 Book Running 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 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 Bid/ Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to

the Offer 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 Bid/ Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Build of the Book**

a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.

b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Offer Period.

### **Withdrawal of Bids**

a) RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **Price Discovery and Allocation**

a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price and the Anchor Investor Offer Price.

b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

d) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.

e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
--------------	----------------	---------------------	--------------

500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

### **Signing of Underwriting Agreement and Registering of Red Herring Prospectus/Prospectus with ROC**

A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

### **Pre- Offer Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) the registered office of our company is situated in Delhi, therefore Hindi being regional language of Delhi, each with wide circulation. In the pre- Offer advertisement, we shall state the Bid Opening Date and the Bid/ Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

### **ADVERTISEMENT REGARDING OFFER PRICE AND PROSPECTUS:**

Our Company will Offer a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Offer Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

### **GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/ Offer period and withdraw their Bids until Bid/ Offer Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

### **Do's:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of your ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
6. RIBs Bidding shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before



- submitting the ASBA Form to any of the Designated Intermediaries;
8. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
  9. In case of joint Bids, ensure that the First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
  10. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
  11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
  12. Ensure that you request for and receive a stamped Acknowledgment Slip in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
  13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed, and obtain a revised Acknowledgment Slip;
  14. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
  15. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
  16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular (No. MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by the SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
  17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
  18. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
  19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., the relevant documents, including a copy of the power of attorney, if applicable, are submitted;
  20. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
  21. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for ASBA Bidders bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN available in the Depository database;
  22. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
  23. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;
  24. The ASBA bidders shall ensure that bids above ₹ 5,00,000, are uploaded only by the SCSBs;
  25. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release

the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank issues the UPI Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

26. UPI Bidders bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
27. Ensure that when applying in the Offer using the UPI Mechanism, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
28. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
29. Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;
30. FPIs making MIM Bids using MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
31. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
32. UPI Bidders Bidding through the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her/its UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5:00 p.m. of the Bid/ Offer Closing Date;
34. Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices who are FPIs and registered with SEBI for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer;
35. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment; and
36. Ensure that the Demographic Details are updated, true and correct in all respects

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

#### **Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not submit a Bid using UPI ID, if you are not an UPI Bidder;
3. Do not Bid/revise the Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not pay the Bid Amount in cheques, demand drafts, cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Bank;
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or



- withdraw their Bids on or before the Bid/Offer Closing Date;
12. Do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;
  13. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
  14. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid / Offer Closing Date;
  15. Do not Bid for Equity Shares in excess of what is specified for each category;
  16. In case of ASBA Bidders (other than 3-in-1 Bids), Syndicate Members shall ensure that they do not upload any bids above ₹ 5,00,000;
  17. In case of ASBA Bidders and UPI Bidders using UPI mechanism, do not submit more than one Bid cum Application Form per ASBA Account or UPI ID, respectively;
  18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
  19. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of Bidder;
  20. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
  21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
  22. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations, or under the terms of this Prospectus;
  23. Do not submit the General Index Register (GIR) number instead of the PAN;
  24. Do not submit incorrect details of the DP ID, Client ID, the PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
  25. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Bank;
  26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
  27. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
  28. Anchor Investors should not bid through the ASBA process;
  29. Anchor Investors should submit Anchor Investor Application Form only to the BRLM;
  30. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
  31. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
  32. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
  33. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
  34. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism;
  35. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Other instructions for the Bidders Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders 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 Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

## **Investor Grievance**

In case of any pre- Offer or post Offer related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

## **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

## **Submission of Bids**

- (a) During the Bid/ Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- (b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the RHP.

## **GROUND OFS OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;

- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/ Offer Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant 's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders

may refer to the RHP.

## **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **BASIS OF ALLOTMENT**

#### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [•] Equity Shares at or above the Offer Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [•] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

#### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [•] Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [•] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

#### **c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Fund shall be done on a proportionate basis for 5% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter for 95% of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [•].
- Equity Shares.

**d. Allotment To Anchor Investor (If Applicable)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crore per such Anchor Investor; and
    - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) **In the event that the Offer Price is higher than the Anchor Investor Allocation Price:**
- Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors
- d) **In the event the Offer Price is lower than the Anchor Investor Allocation Price:**
- Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.
- e) **Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Offer:**

In the event of the Offer being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- 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 oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders 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 Bids where the proportionate allotment works out to less than [•] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [•] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw 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 (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [•] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [•] equity shares subject to a minimum allotment of [•] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [•] 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, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this Prospectus.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer 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.

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

#### **Designated Date:**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant



provisions of the Companies Act, 2013 or other applicable provisions, if any

### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum 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 Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e., [www.nseindia.com](http://www.nseindia.com), and BSE i.e., [www.bseindia.com](http://www.bseindia.com) and 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 November10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect front January 01, 2016. The List of ETA and DPs centers forcollecting the application shall be disclosed is available on the websites of NSE i.e., [www.nseindia.com](http://www.nseindia.com) and BSE i.e. [www.bseindia.com](http://www.bseindia.com)

### **Bidder'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 Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum 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 Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum 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 Offer in case of any pre- Offer or post Offer 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 NSE EMERGE where the Equity Shares are proposed to be listed are taken within 6 (Six) working

days from Offer 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 Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **Impersonation**

*Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

***"Any person who—***

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Offer Closure date.
- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Offer by our Company;
- 4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter's contribution in full has already been brought in;
- 6) That no further Offer of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Offer after the Bid/ Offer Opening Date but before allotment, then the reason

thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre- Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

- 9) If our Company withdraws the Offer after the Bid/ Offer Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

### **Utilization of Offer Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.
- 5) Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Offer will be attended expeditiously and satisfactorily.

### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated January 09, 2023 between NSDL, the Company and the Registrar to the Offer;
- b) Tripartite Agreement dated January 19, 2023 between CDSL, the Company and the Registrar to the Offer;

The Company's equity shares bear an ISIN No. INE00FK01019

*This space is left blank intentionally.*

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("DPIIT").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DPIIT, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction – Foreign Investment in India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020 and amendments from time to time thereupon, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a

fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION XIII - MAIN PROVISION OF ARTICLE OF ASSOCIATION

### ARTICLES OF ASSOCIATION OF CRAYONS ADVERTISING LIMITED (THE "COMPANY")

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations 2018, the main provisions of the Articles of Association of our Company are detailed below:*

#### INTERPRETATION

- 1) In these Regulations: -
  - a) "The Act" means the Companies Act, 2013,
  - b) "Company" means **CRAYONS ADVERTISING LIMITED**
  - c) "The Seal" means the Common Seal of the Company.
- 2) Unless the context otherwise requires words or expressions contained in these regulations shall bear the same meaning as in the Act, or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

#### PUBLIC COMPANY

- 3) The Company is a public company within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly:
  - a) is not a private company;
  - b) has a minimum paid-up share capital of five lakh rupees or such higher paid-up capital, as may be prescribed:  
Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles;
  - c) It is nowhere mention regarding the minimum number of members for public company (i.e., seven).

#### SHARE CAPITAL AND VARIATION OF RIGHTS

- 4) The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in Clause V of the memorandum of Association of the Company, payable in the manner as may be determined by the Directors from time to time, with powers to increase, reduce, sub-divide or repay the same or to divide the same into several classes and to attach thereto any rights and to consolidate or subdivide or reorganize the Shares and to vary such rights as may be determined in accordance with the regulations of the Company. The minimum paid-up capital of the Company shall be Rs. 100,000 (Rupees One lakh only).
- 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.
- 6) (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.
- 7) (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.
- 8) 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.
- 9) (i) The company may exercise the powers of paying commissions conferred by subsection (6) of section 40, provided that the rate per cent, or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (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
- 10) (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.
- (iii) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith
- 11) (i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its shares and to offer shares in a dematerialized form pursuant to the Depositories Act, 1996.
- (ii) Notwithstanding anything contained in, these Articles, and subject to the provisions of law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialize the shares, which are in dematerialized form.
- (iii) Every person subscribing to the shares offered by the Company shall have the option to receive share certificates or to hold the shares with a Depository. Such a person who is the beneficial owner of the shares can at any time opt out of Depository, if permitted by the law, in respect of any shares in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of shares.
- (iv) All shares held by a Depository shall be dematerialized and shall be in a fungible form.
- a. Notwithstanding anything to the contrary contained in the Act or these Articles of Association of the Company, as amended from time to time (the "Articles"), a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the beneficial owners.
  - b. Save as otherwise provided in (a) above, the Depository as the registered owner of the shares shall not have any voting rights or any other rights in respect of shares held by it.

- c. Every person holding Shares of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be the owner of such shares and shall also be deemed to be a shareholder of the Company. The beneficial owner of the shares shall be entitled to all the liabilities in respect of his shares which are held by a Depository

(v) Notwithstanding anything in the Act or these Articles to the contrary, where shares are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or disks or any other mode as prescribed by law from time to time.

(vi) Nothing contained in the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of who are entered as beneficial owners in the records of a Depository.

(vii) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities

(viii) Nothing contained in the Act or these Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

- 12) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### **LIEN**

- 13) (i) The company shall have a first and paramount lien-

- a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause

- c) 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.

- 14) 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

- 15) (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale

- 16) (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**

- 17) (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the share or

be payable at less than one month from the date fixed for the payment of the last preceding call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

18) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

19) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

20) (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent, per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

21) (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.

22) The Board-

a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent, per annum, as may be agreed upon between the Board and the member paying the sum in advance.

### **TRANSFER OF SHARES**

23) (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.

24) The Board may, subject to the right of appeal conferred by section 58 decline to register-

a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve or

b) any transfer of shares on which the company has a lien.

25) 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 (7) of section 56;

b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

c) the instrument of transfer is in respect of only one class of shares.

26) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### **TRANSMISSION OF SHARES**

- 27) (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons 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.
- 28) (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
- a) to be registered himself as holder of the share; or
  - b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 29) (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.  
(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.  
(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 30) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same 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 monies payable in respect of the share, until the requirements of the notice have been complied with.

### **FORFEITURE OF SHARES**

- 31) If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 32) The notice aforesaid shall-
- a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
- 33) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 34) (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit
- 35) (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.  
(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- 36) (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;  
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

- (iii) The transferee shall thereupon be registered as the holder of the share; 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.

- 37) The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **ALTERATION OF CAPITAL**

- 38) The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

- 39) 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.

- 40) Where shares are converted into stock, -

- a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

- 41) The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, -

- a) its share capital;
- b) any capital redemption reserve account; or
- c) any share premium account.

### **CAPITALISATION OF PROFITS**

- 42) (i) The company in general meeting may, upon the recommendation of the Board, resolve-

- a) that it is desirable to 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 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.

43) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

b) Generally, do all acts and things required to give effect thereto.

(ii) The Board shall have power-

a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

b) to 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.

#### **BUY-BACK OF SHARE**

44) 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**

45) All general meetings other than annual general meeting shall be called extraordinary general meeting.

46) (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**

47) (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.

48) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

49) 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.

50) 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**

51) (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**

- 52) 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.
- 53) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once
- 54) (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 name stand in the register of members.
- 55) A member of unsound mind, or in respect of whom an order has been made by any court havin9 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.
- 56) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 57) 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
- 58) (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**

- 59) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized 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.
- 60) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 61) 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**

- 62) 1. At the time of adoption of these new set of Articles, the Directors of the Company are:
- 1) **Mr. Kunal Lalani**
  - 2) **Mrs. Vimi Lalani**
  - 3) **Mr. Hulas Mal Lalani**
2. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
3. The Directors shall not be required to hold any qualification shares in the Company.
- 63) (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.

- 64) The Board may pay all expenses incurred in getting up and registering the company.
- 65) 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.
- 66) All cheque, 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.
- 67) 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.
- 68) (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.  
(iii) The Board may appoint Alternate Directors to act for a Director ("Original Director") during his absence. The Original Director shall have a right to recommend, subject to appointment by the Board, any other person to be his alternate. The alternate Director shall not hold office for a period longer than the term of the Original Director.

### **PROCEEDINGS OF THE BOARD**

- 69) Proceeding of the board
- (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.
- 70) (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.
- 71) 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.
- 72) Chairperson
- (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.
- 73) (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.
- 74) (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.

- 75) (i) A committee may meet and adjourn as it thinks fit
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 76) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- 77) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY CHIEF FINANCIAL OFFICER**

- 78) Subject to the provisions of the Act, -
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 79) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **THE SEAL**

- 80) The seal
- (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**

- 81) The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 82) 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.
- 83) (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.
- 84) (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.

- 85) 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.
- 86) (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.  
(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 87) 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.

## SECTION XIV- OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus to be delivered to the RoC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered office: NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase – III, New Delhi - 110020 India from the date of filing this Red Herring Prospectus with RoC to Issue Closing Date on working days from 11.00 a.m. to 5.00 p.m.*

#### MATERIAL CONTRACTS

1. Issue Agreement dated January 30, 2023 between our company and the Lead Manager along with Addendum to Issuer Agreement dated February 15, 2023.
2. Registrar Agreement dated January 30, 2023 between our company and the Registrar to the Issue with Addendum to Registrar Agreement dated February 15, 2023.
3. Cash Escrow and Sponsor Bank Agreement dated May 02, 2023 among our Company, the Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank and the Registrar to the Issue along with Addendum to Cash Escrow and Sponsor Bank Agreement dated May 08, 2023
4. Underwriting Agreement dated May 02, 2023 between our company and the Underwriters.
5. Market making Agreement dated May 02, 2023 between our company, the Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated January 09, 2023.
7. Agreement among CDSL, our company and the registrar to the issue dated January 19, 2023.

#### MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated February 01, 2023 in relation to the Issue and other related matters.
3. Shareholders' resolution dated February 08, 2023 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Peer review Auditor and Legal Advisor to act in their respective capacities.
5. Peer Review Auditors Report dated April 25, 2023 on Restated Financial Statements of our Company for the period ended December 31, 2022 and for the years ended March 31, 2022, 2021 and 2020.
6. The Report dated April 28, 2023 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Red Herring Prospectus.
7. The Report dated February 15, 2023, 2023 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
8. Copy of approval from NSE Emerge vide letter dated April 18, 2023 to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE along with its annexure i.e Lead Manager confirmation in respect to changes to be made in the Offer Document.
9. Due diligence certificate dated May 08, 2023 from Lead Manager to the Issue.
10. Board Resolution dated May 08, 2023 for approval of Red Herring Prospectus and Board Resolution dated [●] for approval of the Prospectus.

*Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.*

## DECLARATION

We, hereby declares that, all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We further certify that all the statements made in this Red Herring Prospectus are true and correct.

Signed by the Directors of our Company				
S.N.	Name	Category	Designation	Signature
1.	Mr. Kunal Lalani	Executive	Managing Director	Sd /-
2.	Ms. Vimi Lalani	Non- Executive	Director	Sd /-
3.	Mr. Hulasmal Lalani	Non-Executive	Director	Sd /-
4.	Mr. Atul Jeevandharkumar Hegde	Non – Executive	Director	Sd /-
5.	Mr. Vinod Zutshi	Non – Executive	Independent Director	Sd /-
6.	Mr. Surendra Kumar Pagaria	Non-Executive	Independent Director	Sd/-
Signed by the Chief Financial Officer and Company Secretary of our Company				
7.	Mr. Rajat Singhal	Whole – Time	Chief Financial Officer	Sd /-
8.	Mr. Gagan Mahajan	Whole – Time	Company Secretary	Sd /-

**Place:** New Delhi

**Date:** May 08, 2023