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Red Herring Prospectus
Dated: October 1, 2022
Please read Section 26 and 32 of The Companies Act, 2013
100% Book Built Issue

PHANTOM DIGITAL EFFECTS LIMITED
CIN: U92100TN2016PLC103929

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur, Chennai – 600058 (Tamil Nadu)	Ms. Pallavi Tongia	cs@phantom-fx.com/ + 91 44 43846228	www.phantom-fx.com/

THE PROMOTERS OF OUR COMPANY IS BEJOY ARPUTHARAJ SAM MANOHAR

DETAILS OF THE ISSUE TO PUBLIC

TYPE	FRESH ISSUE	OFS SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	26,40,000 Equity Shares aggregating to ₹ **[•]** Lakhs	4,23,600 Equity Shares aggregating to ₹ **[•]** Lakhs	30,63,600 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
Mrs. Syntia Moses Darry	Promoter Group	4,23,600 equity shares	Re.0.04 per equity share

RISKS IN RELATION TO THE FIRST ISSUE

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 19 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 the National Stock Exchange of 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 September 23, 2022 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 of India Limited.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
CORPORATE CAPITALVENTURES PRIVATE LIMITED B1/E13, First Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044, **Tel:** +91 11 - 41824066; **Fax:** +91 11 - 41824066 **Email:** smeipo@ccvindia.com **Website:** www.ccvindia.com **SEBI Registration: INM000012276** **Contact Person:** Mr. Kulbhushan Parashar	**PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED** 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai 400011, Maharashtra, India. **Tel:** +91 022 2301 8261; **Fax No**: +91 022 2301 2517 **E-mail:** support@purvashare.com **Website**: www.purvashare.com **SEBI Registration: INR000001112** **Contact Person:** Ms. Deepali Dhuri

ISSUE PROGRAMME

ANCHOR INVESTOR PORTION OFFER OPENS/CLOSES	**TUESDAY, OCTOBER 11, 2022**
BID/ISSUE OPENS ON:	**WEDNESDAY, OCTOBER 12, 2022**
BID/ISSUE CLOSES ON:	**FRIDAY, OCTOBER 14, 2022**

Our Company and the Selling Shareholder, 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/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

Red Herring Prospectus
Dated: October 1, 2022
Please read Section 26 and 32 of The Companies Act, 2013
100% Book Built Issue

PHANTOM DIGITAL EFFECTS LIMITED
CIN: U92100TN2016PLC103929

Our Company was originally incorporated on February 2, 2016 as a Private Limited Company as "Phantom Digital Effects Private Limited" vide Registration No. 21- 103929 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Tamil Nadu. Subsequently, pursuant to a special resolution of our Shareholders passed in the Extraordinary General Meeting held on July 21, 2022, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to 'Phantom Digital Effects Limited' and a Fresh Certificate of Incorporation consequent to Conversion was issued on July 29, 2022 by the Registrar of Companies, Tamil Nadu. The Corporate Identification Number of our Company is U92100TN2016PLC103929. For further Details of Incorporation and Change in Registered Office of our Company, please refer to section titled 'Our History and Certain Other Corporate Matters' beginning on page 101 of this Red Herring Prospectus.

Registered Office: 6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur, Chennai – 600058 (Tamil Nadu);
Tel: + 91 44 43846228; E-mail: cs@phantom-fx.com; Website: www. Phantom-fx.com;
Contact Person: Ms. Pallavi Tongia, Company Secretary and Compliance Officer;

OUR PROMOTERS: BEJOY ARPUTHARAJ SAM MANOHAR

PUBLIC ISSUE OF 30,63,600 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF PHANTOM DIGITAL EFFECTS 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 26,40,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKH (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 4,23,600 EQUITY SHARES BY THE SELLING SHAREHOLDERS ("OFFER FOR SALE") AGGREGATING TO ₹ [●] LAKH OF WHICH 153,600 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 29,10,000 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: ₹ 91.00 to ₹ 95.00 PER EQUITY SHARE of ₹ 10/- EACH. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS 9.1 to 9.5 TIMES OF THE FACE VALUE AT THE LOWER PRICE BAND AND THE UPPER PRICE BAND RESPECTIVELY. BID CAN BE MADE FOR MINIMUM OF 1200 EQUITY SHARES AND THE MULTIPLES OF 1200 EQUITY SHARES THEREAFTER.

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 EXCHANGES, BY ISSUING A PUBLIC NOTICE, AND ALSO BY INDICATING THE CHANGE ON THE RESPECTIVE WEBSITES OF THE BOOK RUNNING LEAD MANAGERS 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 allocationon 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 ApplicationSupported 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 190 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

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 **19** 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 for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated September 23, 2022. For the purpose of the Issue, the Designated Stock Exchange shall be NSE.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	**REGISTRAR TO THE ISSUE**
Corporate Capital Ventures	
CORPORATE CAPITALVENTURES PRIVATE LIMITED B1/E13, First Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044, **Tel:** +91 11 - 41824066; **Fax:** +91 11 - 41824066 **Email:** smeipo@ccvindia.com **Website:** www.ccvindia.com **Permanent SEBI Registration: INM000012276** **Validity**: Permanent **Contact Person:** Mr. Kulbhushan Parashar	**PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED** 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai 400011, Maharashtra, India. **Tel:** +91 022 2301 8261; **Fax No**: +91 022 2301 2517 **E-mail:** support@purvashare.com **Website**: www.purvashare.com **SEBI Registration: INR000001112** **Validity**: Permanent **Contact Person:** Ms. Deepali Dhuri

ISSUE PROGRAMME

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

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PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto.

Notwithstanding the foregoing, terms in "Main Provisions of the Articles of Association", "Statement of Special Tax Benefits", "Industry Overview", "Key Industry Regulations and Policies", "Financial Statements", "Outstanding Litigation and Other Material Developments", will have the meaning ascribed to such terms in these respective sections.

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.

General Terms

Term	Description
Phantom Digital Effects - We or – us or – our Company or –the Issuer – or - the Company	Unless the context otherwise requires, refers to Phantom Digital Effects Limited, a company incorporated under the Companies Act, 2013, bearing Corporate Identification Number U92100TN2016PLC103929 and having registered office at 6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai, Tamil Nadu- 600058.

Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Phantom Digital Effects 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 105 of this Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company, being M/s L U Krishnan & Co., Chartered Accountants.
Board of Directors / Board/ Director(s)	The Board of Directors of Phantom Digital Effects 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 detailsplease refer http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html
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 Ms. Pallavi Tongia
Chief Financial Officer	The Chief Financial Officer of our Company being Mr. Rajinikanth E.S
Depositories Act	The Depositories Act, 1996, 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 Companies	The group companies 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 123 of this Red Herring Prospectus.

Terms	Description
HUF	Hindu Undivided Family.
Indian GAAP	Generally Accepted Accounting Principles in India.
Key ManagerialPersonnel /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 105 of this Red Herring Prospectus.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Phantom Digital Effects 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 aPerson 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. Bejoy Arputharaj Sam Manohar is our Promoter.
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 120 of this Red Herring Prospectus.
Registered Office	The Registered of our company which is located at 6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai, Tamil Nadu- 600058.
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 June 30, 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 June 30, 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, Chennai, Tamil Nadu
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, asamended.
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.

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 tothe 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 moneyin 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 theASBA process.
Banker(s) to the Issue/ Public Issue Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being 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 190 of this Red Herring Prospectus.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Corporate Capital Ventures Private Limited.
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.
Bid Lot	1200 Equity Shares and in multiples of 1200 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 [•], which shall be published in [•] editions of [•] (a widely circulated English national daily newspaper), [•] and editions of [•] (a widely circulated Hindi national daily newspaper), (Tamil being the regional language of Chennai, 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 Exchanges, 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 [•], which shall be published in [•] editions of [•] (a widely circulated English national daily newspaper), [•] and editions of [•] (a widely circulated Hindi national daily newspaper), (Tamil being the regional language of Chennai, where our Registered Office is located)
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 three Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the Book Running 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 Date was published, in accordance with the SEBI ICDR Regulations. In

Terms	Description
	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 http://www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
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 ASBAApplicants and a list of which is available at www.sebi.gov.in, 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 Stock Exchange	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 Public Offering/ IPO	Public Issue of 30,63,600 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 comprising of a fresh issue of 26,40,000 equity shares aggregating up to ₹[●] lakhs by our Company and an offer for sale of 4,23,600 equity shares by Mrs. Syntia Moses Darry.
Issue Agreement	The agreement dated July 30, 2022, between our Company, Selling Shareholder and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which Issue closes for subscription is Friday, October 14, 2022
Issue Opening Date	The date on which Issue opens for subscription is Wednesday, October 12, 2022
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.

Terms	Description
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being ₹. [●].
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 September 29, 2022.
Market Maker Reservation	The Reserved Portion of 1,53,600 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 29,10,000 Equity Shares 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 63 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.
Offer for Sale	Sale by Selling Shareholders of 4,23,600 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
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.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of Rs. 91/- and the maximum price (Cap Price) of Rs. 95/- 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 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.
Prospectus	The Prospectus, which is filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
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

Terms	Description
	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	Account(s) to which monies to be refunded to the Applicants shall be transferredfrom the Public Issue Account in case listing of the Equity Shares does not occur.
Red Herring Prospectus	Red Herring prospectus filed with ROC.
Refund Bank	The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being Yes Bank Limited.
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/ Registrar to the Offer	Registrar to the Offer being Purva Sharegistry (India) Private Limited. For moreinformation please refer –General Information on page 37 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 ofmaking Application/s Supported by Blocked Amount including blocking of bankaccount and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html 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 appointedby the Issuer to act as a conduit between the Stock Exchanges and NPCI in order topush 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 CapitalVentures Private Limited.
Underwriting Agreement	The agreement dated September 29, 2022 entered into between Corporate Capital Ventures Private Limited and our Company.
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
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BRLM	Book Running Lead Manager

BIFR	Board for Industrial and Financial Reconstruction
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
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwisestated
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
MAPIN	Market Participants and Investors' Integrated Database
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
NAV	Net Asset Value
NDOH	Next Date of Hearing
NGT	National Green Tribunal
NOC	No Objection Certificate
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
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
Plots	Parcel of land demarcated through boundary
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth

Bn	Billion
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.
Sec.	Section
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
US/United States	United States of America
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
UPI	Unified payments interface which is an instant payment mechanism, developed byNPCI
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 and any subsequentcirculars or notifications issued by SEBI in this regard
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile paymentsystem 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 inthe 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
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.

Notwithstanding the foregoing:

1. *In the section titled "Main Provisions of the Articles of Association" beginning on page number* 223 *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 Issue Documents" and "Our Business" beginning on page numbers* 15 *and* 84 *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* 19 *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* 150 *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 127 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 127 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 tobe 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.

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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 orinvestments;
- 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 governmentpolicies 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.

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 19, 84 and 150 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 Book Running 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 Book Running 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(s).

SECTION II - SUMMARY OF ISSUE DOCUMENTS

SUMMARY OF OUR BUSINESS OVERVIEW

Our Company was incorporated as a private limited company under the name of "Phantom Digital Effects Private Limited" under the Companies Act, 2013 vide certificate of incorporation dated February 2, 2016, issued by the Registrar of Companies, Tamil Nadu at Chennai, bearing Corporate Identification Number (CIN) U92100TN2016PTC103929. Subsequently, our Company was converted into a Public Limited Company pursuant to the special resolution passed by the Shareholders of our Company on July 21, 2022. Consequent upon conversion of our Company into public limited, the name of company was changed from "Phantom Digital Effects Private Limited" to "Phantom Digital Effects Limited" and a fresh Certificate of Incorporation dated July 29, 2022, was issued by the Registrar of Companies, Tamil Nadu at Chennai. The CIN of the Company changed to U92100TN2016PLC103929.

Our Promoter Mr. Bejoy Arputharaj Sam Manohar started the journey of Visual Effect (VFX) and animation in the year 2011 by taking up small projects. Our Company was formed in the year 2016. Today, our Company is a creative VFX studio, specializing in Film and Commercial VFX. We have delivered thousands of shots for Hollywood, independent feature films, & commercials in the past few years. Apart from working for film production and commercials, Our Company periodically takes up subcontracts from larger visual effects studios as well.

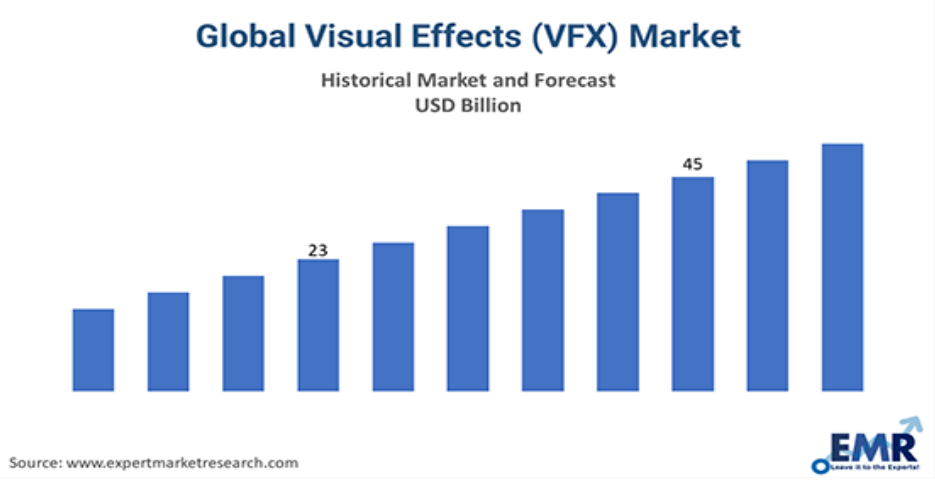
We are a Certified Trusted Partner Network company, full-fledged creative VFX studio, based in India with offices operating in US and Canada. We provide high-end visual effects solutions for commercials, feature films, and television media globally. Phantom Digital Effects Limited offers all sorts of creative VFX works, ranging from Final Compositing and Roto to creating 3D Elements, Photo real creatures and Environments, 3D matchmove, and Animations.

For detailed information on the business of our Company please refer to "Our Business" beginning on page numbers 84 of this Red Herring Prospectus.

SUMMARY OF OUR INDUSTRY

GLOBAL VFX INDUSTRY OVERVIEW

The global visual effects (VFX) market attained a value of USD 26.64 billion in 2020. The market is further expected to grow in the forecast period of 2022-2027 at a CAGR of 11% to reach almost USD 49.83 billion by 2026. The global market is being led by North America, majorly being driven by the increasing use of VFX in Hollywood movies.



INDIAN VFX INDUSTRY

The Indian VFX industry has been gradually climbing up the ladder with adaptation of world-class techniques and innovative technology. The content creators are upping their storytelling with marvelous VFX advancements. Statistics by the recent FICCI EY report confirm the exponential growth of India's M&E space with VFX and post production facilities moving up the value chain.

In 2021, the Indian VFX sector grew by 103 per cent to reach Rs 38.2 billion, while post-production grew by 49 per cent to reach Rs 14.4 billion.

PROMOTERS

The promoter of our Company is Mr. Bejoy Arputharaj Sam Manohar, and that Mrs. Syntia Moses Darry and Mr. Binu Joshua Sammanohar. forms part of the promoters group. For detailed information please refer chapter titled Our Promoters and Our Promoter Group on page number 120 respectively of this Red Herring Prospectus.

ISSUE SIZE

The Issue size comprises of fresh issuance of up to 26,40,000 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₹. [●] and Offer for sale of 4,23,600 Equity Shares of Face Value ₹10/- each fully paid-up of the Company for cash at price of ₹. [●] per Equity Share (including premium of₹. [●] per Equity Share) aggregating₹. [●].

OBJECTS OF THE ISSUE

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

S. N.	Particulars	Amount (In ₹. Lakh)
1	Capital Expenditure for Setting up of Studios	1,737.30
2	General Corporate Purposes*	[●]
Total		[●]

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

		Pre issue		Post issue	
S. N.	**Name of shareholder**	**No. of equity Shares**	**As a % of Issued Capital**	**No. of equity shares**	**As a % of Issued Capital**
Promoters					
1	Bejoy Arputharaj Sam Manohar	61,54,200	68.38%	61,54,200	52.87%
Total – A		**61,54,200**	**68.38%**	**61,54,200**	**52.87%**
Promoter Group					
2	Syntia Moses Darry	12,60,000	14.00%	8,36,400	7.19%
3	Binu Joshua Sam Manohar	4,50,000	5.00%	4,50,000	3.87%
Total – B		**17,10,000**	**19.00%**	**12,86,400**	**11.05%**
Total – A+ B		**78,64,200**	**87.38%**	**74,40,600**	**63.92%**
Public					
4	Existing Shareholders	11,35,800	12.62%	11,35,800	9.76%
	IPO	-	0.00%	30,63,600	26.32%
Total-C		**11,35,800**	**12.62%**	**41,99,400**	**36.08%**
Grand Total (A+B+C)		**90,00,000**	**100.00%**	**1,16,40,000**	**100.00%**

SUMMARY OF FINANCIAL INFORMATION

(Amount in Lakhs)

Particulars	For period ended on June 30, 2022	For the year ended March 31		
		2022	2021	2020
Share Capital	1.00	1.00	1.00	1.00
Net Worth	936.64	525.53	35.32	32.46
Revenue (total income)	1,234.88	2,236.60	715.41	1,326.72
Profit after Tax	411.11	490.21	7.51	11.30
Earnings per share Basic and Diluted	4.57	5.45	0.08	0.13
Net Asset Value per Equity Share (in ₹.)	10.41	5.84	0.39	0.31
Total borrowings				
- Long Term	260.57	228.20	323.12	191.25
- Short Term	16.34	23.61	62.13	107.44

**Note*

1. June 30, 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 June 30, 2022. As on date of this Red Herring Prospectus *the number of*

Equity Shares are 90,00,000.

QUALIFICATIONS OF AUDITORS

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

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.)
Company	**By**	-	-	-	-	-
	Against	-	-	-	-	-
Promoter	**By**	-	-	-	-	-
	Against	-	-	-	-	-
Group Companies/Entities	**By**	-	-	-	-	-
	Against	-	-	-	-	-
Directors other than promoters	**By**	-	-	-	-	-
	Against	-	-	-	-	-

For further details, please refer chapter titled "Outstanding Litigations & Material Developments" beginningon page 162 *of this Red Herring Prospectus.*

RISK FACTORS

For details relating to risk factors, please refer section titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus.

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 127 this Red Herring Prospectus on the Company.

SUMMARY OF RELATED PARTY TRANSACTIONS

For details of Related Party Transaction, please refer chapter titled Annexure 33 on page 125 of this Red Herring Prospectus.

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.

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. Bejoy Arputharaj Sam Manohar	61,47,362	NIL*

** Acquired as Bonus Shares*

AVERAGE COST OF ACQUISITON

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. Bejoy Arputharaj Sam Manohar	61,54,200	0.001

AVERAGE COST OF ACQUISITON OF SELLING SHAREHOLDER

The average cost of acquisition per Equity Share to our Selling Shareholder 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₹.)
Mrs. Syntia Moses Darry	12,60,000	0.044

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.

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

Further our Company has also issued 89,00,000 equity shares as bonus issue on August 23, 2022, pursuant to the approval of the Shareholders at their Extra Ordinary General Meeting dated August 8, 2022.

For more details, refer –Capital Structure on page number 45 of this Red Herring Prospectus.

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

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

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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 84 and 150, 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 127 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.

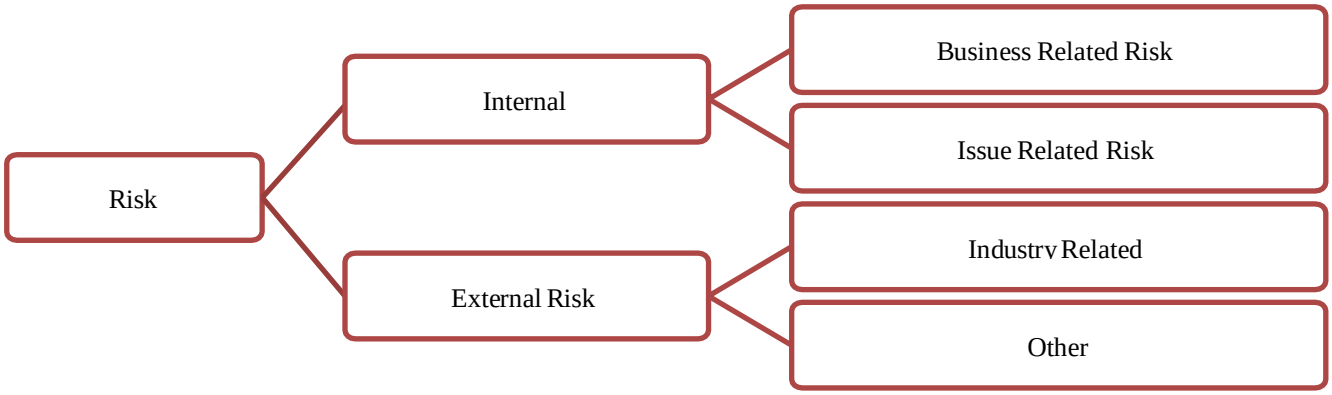
This Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the 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. ***We do not own the premises in which our registered office and studios 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 6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai Tamilnadu- 600058. We have 2 (two) studios, one located at our registered and other located at Mumbai at Unit 611, 6th Floor, Shalimar Morya Park Premises Cooperative Society Limited, New Link Road, Andheri West, Mumbai – 400102. All the premises where our registered office and studios 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 of 3 years commencing from July 19, 2020 to July 18, 2023, with an option to renew for a further period of 3 years by mutual consent.

   Unless it is renewed, upon termination of the lease, we are required to return the premises of our registered office and studios premises to the Lessor/Licensor. There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensor 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.

2. ***Our Company operates in the constantly evolving VFX market, which is subject to rapidly changing clients behavior and tastes, and depends on audience acceptance of content for which the Company provides VFX services and the long-term popularity of the brands.***

   Our Company operates in the entertainment industry which involves a substantial degree of risk, including as a result of rapidly evolving changes in technology, digital content platforms and consumer tastes. The Company's business requires it to quickly react to changing technologies, market dynamics and clients behaviour and preference. In particular, the convergence of high-definition portable devices, high-speed wireless internet and complementary digital content services, all of which are becoming widely available and more affordable, has created a market in which consumers can watch their favourite shows when, how and where they want. As a result, the industry has seen high demand for OTT content, which has resulted in increased opportunities for VFX services providers. The Company's success at winning opportunities to provide VFX services for content producers depends on our ability to effectively adapt its services to the changes content producers develop in response to evolving consumer preferences. If we fail to keep pace with its customers' needs or fails to respond to changes in technology, we may be unable to compete effectively which could have a material adverse effect on its business, financial condition, cash flow and results of operations.

3. ***Our business is dependent on the contractual arrangements entered into by us. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties.***

   We enter into contracts with our clients which impose several contractual obligations upon us. If we are unable to meet these contractual obligations and / or our clients perceive any deficiency in our services, we may face legal liabilities and consequent damage to our reputation which may in-turn adversely impact our business, financial condition and results of operations. There are also some contracts, which terminable by our clients in writing upon committing any breach or non-observance of any conditions of the Agreements entered into viz. fraud by our Company or any misconduct of our associate employees which could adversely affect the reputation of our clients.

   While, we consider all factors internally prior to entering into such contractual agreements, we cannot assure you that such clients may choose to terminate their agreements with our Company based on the terms stated above. Further, the non-compliance or breach of the terms of the contractual arrangements by either party to the agreements may lead to, among other things, damages, penalties or termination of the agreements, which may consequently result in our inability to attract further business in the future.

4. ***Our Company in the past has delayed in filing certain statutory form under the Companies Act. Such delay may attract penalties.***

   Our Company has delayed in filing certain statutory forms as required under the Companies Act, 2013. The delay filing was regularized by filing the forms with additional fee. Any such delay in filing statutory form under the Companies Act, 2013, in future may attracts penalties / fine.

We cannot assure that no penalty will be imposed on the Company for the such delay filings in future.

5. ***Our Company requires several statutory and regulatory permits, licenses and approvals for its operations. Our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business may have a material adverse effect on our business & operations.***

   We require various statutory and regulatory licenses, permits and approvals to operate our business. We need to make compliance and applications at appropriate stages of our business to continue our operations. Any failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

   We believe that we have complied considerably with such laws and regulations, as are applicable to us however, statutory/regulatory authorities may allege non-compliance and we cannot assure you that we will not be subjected to any such regulatory action in the future, including penalties, and other civil or criminal proceedings. For further details, please refer to section titled ―*Government and Other Approvals*‖ beginning on page 165.

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

   Our Company had reported negative cash flows from its operating activity of Rs.(63.21) Lakhs for the period ended March 31, 2021 as per the restated financial statements. For details, please refer "Statement of Cash Flow as Restated" on page no. 133 of this RHP. Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations."

7. ***Our Company is subject to foreign exchange control regulations which can pose a risk of currency fluctuations.***

   Our Company is involved in business transactions with international clients and has conducted the same in accordance with the rules and regulations prescribed under FEMA. It may be noted that the Company has no instances of loss recorded due to exchange rate fluctuation in the last 3 years. There has been no penalty imposed against the Company in past for any business transactions with international clients and the Company have duly adhered to the rules and regulations under FEMA in this regard.

   Further, our international operations make us susceptible to the risk of currency fluctuations, which may directly affect our operating results. In case we are unable to adhere to the timelines prescribed under the applicable laws or are unable to mitigate the risk of currency fluctuation, it could adversely affect our business, results of operations, financial conditions and cash flows."

8. ***Success is dependent on our people. Our ability to attract and maintain people qualified technical personnel, will affect the results of operations and financial condition.***

   As on June 30, 2022, we have 306 employees. We are dependent on significant number of our employees who are skilled engineers and due to the limited pool of available skilled personnel, we face strong competition to recruit and retain skilled and professionally qualified staff. Our continued future success also depends upon our ability to recruit and retain a large group of experienced professionals and staff. The loss of the services of our senior management or our inability to recruit, train or retain a sufficient number of experienced personnel could have a material adverse effect on our operations and profitability. 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.

9. ***Our ability to remain competitive may be adversely affected by rapid technological changes and our ability to access such technology.***

   The Indian media and entertainment industry continues to undergo significant technological developments. We may not be successful in adopting new visual effect methods or may lose market share to our competitors if the methods that we adopt are not as technologically sound, user-friendly, widely accessible or appealing to consumers as those adopted by our competitors. Further, advances in technologies or alternative methods or changes in consumer

behaviour driven by these or other technologies, could have a negative effect on our business. Other competitor companies may have greater financial strength to adopt new growing technological trends ahead of us. In order to remain competitive, we could be required to upgrade our technology, and any failure to do so could have a material adverse effect on our business, prospects, financial condition and results of operations.

10. Our Company has entered into certain related party transactions and may continue to do so in the future.

Our Company has entered into related party transactions with our Promoters and Directors aggregating ₹0.60 Lakhs towards unsecured loan for the last period ended June 30, 2022. While our Company believes that all such transactions have been conducted on the arm's length basis, there can be no assurance that it could not have been achieved on more favorable terms had such transactions not been entered into with related parties.

Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to "Annexure 33 "Related Party Transactions" on page no. 170 of this Red Herring Prospectus."

11. Intensified competition may restrict our ability to access content and/or talent.

We face intense competition from both Indian and foreign competitors, many of which are substantially larger and have greater financial resources than us. Growth in entertainment industry in recent years has attracted new industry participants and competitors. The entry of such competitors may change the media and entertainment industry in ways that may not favour us. Domestic competitors of a scale similar to or greater than our own may impact our ability to attract creative and technical talent and other scarce resources including content, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

12. We operate in an industry which is highly sensitive with regard to maintenance of secrecy of the projects and its contents. Any failure on our part to maintain secrecy of our projects, will have an adverse effect on our results of operations and financial condition.

We operate in an industry which is highly sensitive with regard to maintenance of secrecy of the projects and its contents. We have put in place firewall, security systems and procedures to protect the projects and its contents. Piracy of project content, its information, digital effects including internet piracy and the sale of counterfeit consumer products, may decrease revenue from the exploitation of our products. There was no incident of breach of our firewall, security systems and procedures in the past. However, there is no assurance that such breach will not occur in future also. Any failure on our part to maintain secrecy of our projects, will have an adverse effect on our results of operations and financial condition.

13. We depend on our relationships with production house and film directors and other industry participants to exploit our film content.

We generate projects through our relationship with production house and films directors and other industry participants. Our failure to maintain these relationships, or to establish and capitalise on new relationships, could harm our business or prevent our business from growing, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

14. We have substantial working capital requirements and may require additional financing to meet working capital requirements in the future. A failure in obtaining such additional financing at all or on terms favourable to us could have an adverse effect on our results of operations and financial condition.

Our business requires significant amount of working capital and major portion of our working capital is utilized towards employee cost. As on June 30, 2022, we have taken unsecured loan of Rs. 23.44 Lakhs. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have high inventories and outstanding amount due from our debtors which may adversely affect our cash flows and our business operations.

For further details regarding working capital requirement, please refer to the section ―Objects of the Issue beginning on page 63.

15. ***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 deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles "Objects of the Issue".***

    The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 63 of this Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter "Objects of the Issue" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter "Objects of the Issue" will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

16. ***We are heavily dependent on our Promoters and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.***

    Our success heavily depends upon the continued services of our Key Managerial Personnel, along with support of our Promoters. We also depend significantly on our Key Managerial Personnel for executing our day to day activities. The loss of any of our Promoters and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and Key Managerial Personnel, please refer to chapter — "Our Management" beginning on page 105.

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

    Our top five clients contributed approximately Rs. 1102.42 Lakhs of our revenue from operations based on Restated Financial Statements for the period ended June 30, 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 / award new projects to us due to various factors including clients' satisfaction with our services, acceptance of our creative work by the viewers, changing preference of viewers, 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.

18. ***We may not be able to sustain effective implementation of our business and growth strategy.***

    The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business plan but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

19. ***Our Promoters, Directors and Key Management Personnel have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

    Our Promoters, Directors and Key Management Personnel can be deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlement, or loans advanced, provided by them for our Company, and benefits deriving from the directorship in our Company. Our Promoters are interested in the transactions entered into our Company and our Promoter Group. For further information, please refer to the chapters/section titled "Our Business", "Our Promoters and Promoter Group" and "Financial information of the Company - Related Party Transactions", beginning on pages 84, 120 and 125 respectively.

20. ***Within the parameters as mentioned in the chapter titled "Objects of this Issue" beginning on page 63 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 63 of this Draft 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.

Further, the Company's management will have flexibility in applying the proceeds of this Issue subject to compliance with relevant provisions of applicable laws.

21. ***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.***

At present none of our Promoter are engaged in any other business having object similar to the line of business of our Company. However, there can be no assurance that our Promoter or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

22. ***We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule***

The proposed fund requirement for our expansion plan, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled "Objects of the Issue" beginning on page 63.

23. ***Lockdown and suspension of commercial operations will affect the growth of our business and cash flows.***

We are operating in an industry which is highly sensitive with regard to maintenance of secrecy of the projects and its contents. Further, for execution of our projects, we require highly sophisticated software under highly advanced firewall and security. Ensuring privacy of the content of our projects will be put on compromise if work from home is allowed to our workforce. Further, the use of our software by the workforce working from home is not possible. Thus, lockdown and suspension of commercial operations due to any reason, including pandemic, will effect the growth of our business and results of our operations.

24. ***We own certain intellectual property for the content that we have created. Our ability to compete effectively will be impaired if we are unable to protect our intellectual property rights.***

We have applied for, but not yet obtained registration with respect to certain copyrights for some of our content that we have created. For further information, see "Government and Other Approvals" on page 165.

We are exposed to the risk that other entities may pass off their products as ours by imitating our brand name and content. We believe that there may be other companies or vendors which operate in the segment using our trade name or brand names. The measures we take to protect our intellectual property include relying on Indian laws and initiating legal proceedings, which may not be adequate to prevent unauthorised use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

25. ***If our Promoters engage in business having object similar to the line of business of our Company, this may have a material adverse effect on our business and results of operations.***

At present none of our Promoter are engaged in any other business having object similar to the line of business of our Company. However, there can be no assurance that our Promoter or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with

ours. Any such future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

26. Our Promoters and members of the Promoter Group will continue jointly 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 and Promoter Group will collectively own 73.68% of our post issue equity share capital. As a result, our Promoters, together with the members of the Promoter Group, 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.

27. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.

At present, our company has taken insurance policies as given in chapter "Our Business" beginning on page no. 84, for our assets including properties, software and equipment . Any risk of damage may be controlled, but not eliminated. We cannot assure you that there will not be any incidents which may result in liability claims or negative publicity. Although we have liability insurance cover for stocks and properties for certain of our businesses, we cannot assure you that this insurance coverage is adequate or that any losses will be adequately compensated by our insurers in the event of a product liability claim. As a result it may adversely affect our results of operations and financial Conditions.

28. We have issued Equity Shares during the last one year at a price that may be below the Issue Price.

During the last one year we have issued Equity Shares at a price that is lower than the Issue Price as detailed in the following table:

Date of allotment	Number of Equity Shares allotted	Face value(₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment
23-08-2022	89,90,000	10.00	NIL	Other than Cash	Bonus Issue

For details of the Allottees, please refer "Capital Structure" on page 45 of this Red Herring Prospectus.

29. The average cost of acquisition of Equity Shares by our Promoters could be lower than the issue price.

Our Promoters' average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price of the shares proposed to be offered though 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. 53 of this Red Herring Prospectus.

30. We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures 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 126 of this Red Herring Prospectus.

Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company has entered presently and 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 126 of this Red Herring Prospectus.

31. In case of any inability arise to source business opportunities effectively, we may not achieve our financial objectives.

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees, expand our sales channel and to implement systems capable of effectively accommodating our growth. However, we cannot assure that any such employees or marketing agents will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analysis of market conditions and other data or the strategies that we may use in future to use will be successful under various market conditions.

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

The issue price of the equity shares have been based on many factor 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.

33. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

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. We are exposed to the risk of delays or non-payment by our clients and other counterparties, which may also result in cash flow mismatches.

We are exposed to counter party credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also

cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients, business partners, suppliers or other counterparties could affect our financial condition, results of Operations and cash flows. For further details of our business and clients, please refer chapter titled "Our Business" and "Management Discussion & Analysis Conditions and Result of Operation" beginning on page 84 and 150 of this Red Herring Prospectus.

36. Our growth will depend on our ability to build our brand and failure to do so will negatively impact our ability to effectively compete in this industry.

We believe that we need to continue to build our brand, "Phantomfx", which will be critical for achieving widespread recognition of our services. Promoting and positioning our brand will depend largely on the success of our marketing efforts and our ability to provide high quality services. The brand promotion activities that we may undertake may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses we incur in building our brand. If we are unable to promote and maintain our brand, our business, financial condition and results of operations could be adversely affected.

37. 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.

38. 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.

39. Industry information included in this Red Herring Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical financial and other industry information is either complete or accurate.

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics.

Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

40. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.

Our capacity to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business there is significant importance to find, hire, train, supervise and manage efficient employees and also to establish such process of business operations which is proficient enough to effectively achieve our growth. Instead of putting keen efforts, as mentioned here, we cannot assure that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use.

41. Our inability to manage growth could disrupt our business and reduce profitability.

A principal component of our strategy is to continuously grow by expanding the capacity, size and geographical scope

of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of Equity Shares in an Indian Company are generally taxable in India. Any gain realized on the sale of listed Equity Shares on a stock exchange held for more than 12 months shall be subject to capital gains tax in India at 10% of such capital gain exceeding Rs. 1 lakh if Securities Transaction Tax (STT) has been paid on both acquisition and transfer of such shares. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realised on the sale of Equity Shares held for more than12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. However, any gain realized on the sale of listed Equity Shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. For more details, please refer to "Statement of Tax Benefits" beginning on page 73.

43. 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. **[•]** 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 37.

ISSUE RELATED RISK

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

Our Company has issued 89,90,000 Bonus Equity shares during the last 6 months as *explained in detail in Chapter title "Capital Structure" on page* 45 *of this Red Herring Prospectus.* These Equity Shares has been issued at a price which are lower than the offer price of this Issue.

45. 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 SME 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.

46. 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.

47. 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.

48. 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 be 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.

EXTERNAL RISK FACTORS

49. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry is 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 changeadversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

50. 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 companyare classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on astock 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 ofequity 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 toimpose 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.

51. 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

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 onour business, profitability and financial condition.

52. 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, changesin Government policy, taxation, social and civil unrest and other political, economic or other developments in or affectingIndia. 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.

53. 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 whichwe 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 75 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 statedor compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

54. 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.

55. 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 residentsare freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirementsspecified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricingguidelines 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 certificatefrom 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.

56. 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's normal business activity. Any deterioration of India's 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.

57. 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 mayadversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which suchadditional 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.

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

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severityof 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.

59. 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.

SECTION IV- INTRODUCTION

THE ISSUE

PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS	
Offer for Equity Shares* Public Offer of Equity Shares by our Company	Upto 30,63,600 Equity Shares aggregating to ₹ [●] Lakhs
The Offer consists of:	
Fresh Issue	26,40,000 Equity Shares aggregating to ₹ [●] Lakhs
Offer for sale	4,23,600 Equity Shares aggregating to ₹ [●] Lakhs
of which	
Reserved for the Market Makers	1,53,600 Equity Shares aggregating to ₹ [●] Lakhs
Net Offer to the Public	29,10,000 Equity Shares aggregating to ₹ [●] Lakhs
Out of which	
A. QIB Portion	Not more than 14,42,400 Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(a) Anchor Investor Portion	Upto 8,72,400 Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Upto 5,70,000 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. Non-Institutional Category	Not Less than 4,39,200 Equity Shares aggregating to ₹ [●] Lakhs
C. Retail Portion	Not Less than 10,28,400 Equity Shares aggregating to ₹ [●] Lakhs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Offer	90,00,000 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Offer	1,16,40,000 Equity Shares of face value of ₹10 each
Objects of the Offer/ Use of Offer Proceeds	Please see the chapter titled "Objects of the Issue" on page 63 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.

**Number of shares may need to be adjusted for lot size upon determination of issue price.*

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 (1) 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 August 23, 2022.

3) The Equity Shares being offered by the Selling Shareholder are eligible for being offered for sale as part of the Offer for Sale in terms of the SEBI ICDR Regulations. The Selling Shareholder confirms that it has authorized the sale of its portion of the Offered Shares in the Offer for Sale. For details, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 189 of this Red Herring Prospectus.4) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company and Selling Shareholder in consultation with the Book Running Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

SUMMARY OF OUR FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS AND LIABILITIES **(Amt in Lakh)**

Particulars		Note No.	As at			
			30th June 2022	31st March 2022	31st March 2021	31st March 2020
I.	**EQUITY AND LIABILITIES**					
1	**SHAREHOLDERS' FUNDS**					
	(a) Share Capital	6	1.00	1.00	1.00	1.00
	(b)Reserves and Surplus	7	935.64	524.53	34.32	26.81
2	**NON-CURRENT LIABILITIES**					
	(a) Long-Term Borrowings	8	260.57	228.20	323.12	191.25
	(b) Long-Term Provisions	9	39.48	52.62	40.76	28.00
3	**CURRENT LIABILITIES**					
	(a) Short-Term Borrowings	10	16.34	23.61	62.13	107.44
	(b) Trade Payables	13				
	(A) Total outstanding dues of micro enterprises and small enterprises and		-	-	-	-
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		106.54	75.01	96.48	52.96
	(c) Other Current Liabilities	14	420.57	390.68	166.02	129.82
	(d) Short-Term Provisions	15	328.20	195.43	8.12	0.13
	TOTAL		**2,108.34**	**1,491.08**	**731.95**	**537.40**
II.	**ASSETS**					
1	**NON-CURRENT ASSETS**					
	(a) Property, Plant & Equipment and Intangible Assets					
	(i) Property, Plant & Equipment	16	159.32	71.03	67.83	98.72
	(ii) Intangible Assets	16	2.22	2.50	4.55	7.87
	(b) Deferred Tax Assets (Net)	17	14.66	25.56	22.29	8.84
	(c) Other Non-Current Assets	18	92.12	75.15	29.73	56.65
2	**CURRENT ASSETS**					
	(a) Inventories-W.I.P	19	516.40	549.92	430.00	158.00
	(b) Trade Receivables	20	1,017.35	389.25	9.94	121.40
	(c) Cash & Bank Balances	21	95.59	167.46	50.36	24.87
	(d) Short-Term Loans and Advances	22	199.36	193.39	80.24	38.77
	(e) Other Current Assets	23	11.31	16.82	37.00	22.29
	TOTAL		**2,108.34**	**1,491.08**	**731.95**	**537.40**

The accompanying notes form an integral part of these Restated Financial Information
As per our Report on Even date attached

For and on behalf of the Board of Directors

For L.U.KRISHNAN & CO
Chartered Accountants
FRN : 001527S

Phantom Digital Effects Limited

	Bejoy Arputharaj	Syntia Moses Darry
CA P K Manoj	Managing Director	Director
Partner	Din – 03459098	Din: 03459055
Membership No. : 207550		
Place: Chennai		
Date: 18 August, 2022	Pllavai Tongia	Rajinikanth E S
	Company Secretary	
UDIN - 22207550APGXRY3961	Membership No.: A66438	CFO

RESTATED STATEMENT OF PROFIT AND LOSS **(Amt in Lakh)**

Particulars		Annx No	for the Period Ended			
			30th June 2022	31st March 2022	31st March 2021	31st March 2020
I.	**Income**					
II	Revenue From Operation	**24**	1,218.64	2,233.27	676.44	1,294.47
III	Other Income	**25**	16.24	3.34	38.97	32.25
	Total Revenue		**1,234.88**	**2,236.60**	**715.41**	**1,326.72**
IV.	**Expenditure**					
(a)	Cost of Materials Consumed	**26**	55.61	81.62	20.11	70.72
(b)	Changes in Inventories of Work-in-Progress	**27**	33.53	(119.92)	(272.00)	22.00
(c)	Employee Benefits Expenses	**28**	414.34	1,148.65	682.32	775.98
(d)	Other Direct Expenses	**29**	119.05	331.91	192.84	270.13
(e)	Finance Costs	**30**	1.45	65.53	29.76	87.67
(f)	Depreciation & Amortisation Expenses	**31**	6.92	28.56	39.08	49.87
	Other Expenses	**32**	45.50	45.16	21.12	26.43
	Total Expenditure		**676.40**	**1,581.52**	**713.23**	**1,302.79**
V	Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		**558.49**	**655.09**	**2.18**	**23.93**
VI	**Exceptional and Extraordinary Items**		**-**	**-**	**-**	**-**
VII	**Profit/(Loss) Before Tax (V-VI)**		**558.49**	**655.09**	**2.18**	**23.93**
VIII.	**Tax Expense:**					
(1)	Current Tax		136.48	168.15	8.12	15.46
(2)	Deferred Tax		10.09	(3.27)	(13.45)	(2.83)
(3)	Tax Adjustment of Earlier Years		-	-	-	-
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**411.11**	**490.21**	**7.51**	**11.30**
X	Profit (Loss) for the period from discontinuing operations		-	-	-	-
XI	Tax expenses of discontinuing operations		-	-	-	-
XII	Profit Loss) for the period from discontinuing operations (after tax) (X-XI)		-	-	-	-
XIII	**Profit/(Loss) for the Year (IX+XII)**		**411.11**	**490.21**	**7.51**	**11.30**
VIV.	Earnings per Equity Share of Rs.10 Each					
	-Basic (Note 22 and 31 of Other notes to accounts)		**4.57**	**5.45**	**0.08**	**0.13**
	-Diluted (Note 22 and 31 of Other notes to accounts)		**4.57**	**5.45**	**0.08**	**0.13**

The accompanying notes form an integral part of these Restated Financial Information
As per our Report on Even date attached

For and on behalf of the Board of Directors

For L.U.KRISHNAN & CO
Chartered Accountants
FRN : 001527S

Phantom Digital Effects Limited

CA P K Manoj
Partner
Membership No. : 207550
Place: Chennai
Date: 18 August, 2022

UDIN - 22207550APGXRY3961

Bejoy Arputharaj
Managing Director
Din – 03459098

Pllavai Tongia
Company Secretary
Membership No.: A66438

Syntia Moses Darry
Director
Din: 03459055

Rajinikanth E S
CFO

RESTATED CASH FLOW STATEMENT

(Amt in Lakh)

	Particulars	For the Period ended			
		30th June 2022	**31st March 2022**	**31st March 2021**	**31st March 2020**
A	**CASH FLOWS FROM OPERATING ACTIVITIES:**				
	Net Profit Before Tax	558.49	655.09	2.18	23.93
	Adjustments for:				
	Depreciation	6.92	28.56	39.08	49.87
	Profit on Sale of Fixed Assets	(1.52)	-	-	
	Interest Expenses / (Income)	1.45	65.53	(0.52)	(0.98)
	Operating Profit before working capital changes:	**565.35**	**749.18**	**40.74**	**72.82**
	Adjustments for changes in working capital:				
	Increase in Trade Receivables	(628.10)	(379.31)	92.07	(15.52)
	Increase in Inventory-WIP	33.53	(119.92)	(272.00)	22.00
	Increase in Short Term Loans & Advances	(5.97)	(113.14)	-	
	Increase in Short Term Provisions	132.77	187.31	-	
	Increase in Long-Term Provisions	(13.14)	11.86	11.89	
	Increase in Other Current Liabilities	29.89	224.66	-	28.00
	Increase in Other Non-current assets	(16.98)	(45.42)	-	
	Increase in Other current assets	5.51	20.18	-	
	Decrease in Long-Term Loans & Advances	-	-	(3.62)	
	Decrease in Trade and Other payables	31.53	(21.48)	80.46	92.00
	Decrease in Long term Borrowings	32.37	(94.92)	-	
	Decrease in Short term Borrowings	(7.28)	(38.52)	-	
	Cash generated from operations	**159.49**	**380.48**	**(50.45)**	**199.31**
	Income Taxes paid	136.48	168.15	12.76	15.46
	Cash flow before extraordinary item	23.01	212.33	(63.21)	183.85
	Extraordinary items	-	-	-	-
	NET CASH FROM OPERATING ACTIVITES (A)	**23.01**	**212.33**	**(63.21)**	**183.85**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**				
	Fixed assets purchased including Intangible Assets	(99.28)	(29.71)	(4.88)	(27.77)
	Proceeds from sale of Car	5.86	-	-	-
	Changes in Non-current Assets	-	-	6.50	1.94
	NET CASH USED IN INVESTING ACTIVITIES (B)	**(93.42)**	**(29.71)**	**1.62**	**(25.82)**
C	**CASH FLOWS FORM FINANCING ACTIVITES**				
	Interest paid	(1.45)	(65.53)	0.52	0.98
	Fixed Deposit Receipt				7.40
	Loan Received/(re-paid)	-	-	86.56	(155.98)
	NET CASH USED IN FINANCING ACTIVITIES (C)	**(1.45)**	**(65.53)**	**87.08**	**(147.60)**
	Effect of Exchange Difference				

	Particulars	For the Period ended			
		30th June 2022	**31st March 2022**	**31st March 2021**	**31st March 2020**
	Exchange difference on Realized (Loss)/Gain				
D	**NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)**	**(71.87)**	**117.09**	**25.49**	**10.42**
	Opening Cash and Cash Equivalents	167.46	50.36	24.87	14.45
	CLOSING CASH AND CASH EQUIVALENT	**95.59**	**167.45**	**50.36**	**24.87**

Accounting Policies & Notes on Accounts
As per our Report on Even date attached

For and on behalf of the Board of Directors

For L.U.KRISHNAN & CO
Chartered Accountants
FRN : 001527S

Phantom Digital Effects Limited

	Bejoy Arputharaj	Syntia Moses Darry
CA P K Manoj	Managing Director	Director
Partner	Din - 03459098	Din: 03459055
Membership No. : 207550		
Place: Chennai		
Date: 18 August, 2022	Pllavai Tongia	Rajinikanth E S
	Company Secretary	
UDIN - 22207550APGXRY3961	Membership No.: A66438	CFO

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SECTION V

GENERAL INFORMATION

Our Company was incorporated as a private limited company under the name of "Phantom Digital Effects Private Limited" under the Companies Act, 2013 vide certificate of incorporation dated February 2, 2016, issued by the Registrar of Companies, Tamil Nadu at Chennai, bearing Corporate Identification Number (CIN) U92100TN2016PTC103929. Subsequently, our Company was converted into a Public Limited Company pursuant to the special resolution passed by the Shareholders of our Company on July 21, 2022. Consequent upon conversion of our Company into public limited, the name of company was changed from "Phantom Digital Effects Private Limited" to "Phantom Digital Effects Limited" and a fresh Certificate of Incorporation dated July 29, 2022 was issued by the Registrar of Companies, Tamil Nadu at Chennai. The CIN of the Company changed to U92100TN2016PLC103929.

Brief Information on Company and Issue

Registered Office	6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai, Tamil Nadu- 600058 Tel: ; Fax: N.A. E-mail: cs@phantom-fx.com Website: www.phantom-fx.com			
Date of Incorporation	February 2, 2016			
CIN	U92100TN2016PLC103929			
Company Category	Company Limited by Shares			
Registrar of Company	Registrar of Company, Chennai Block No.6, B-Wing 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai -600034, Tamil Nadu Tel No. 044-28270071 Email: roc.chennai@mca.gov.in Website: www.mca.gov.in			
Company Secretary & Compliance Officer	Name : Ms. Pallavi Tongia Address: 6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai, Tamil Nadu- 600058 Tel: ; Fax: N.A. E-mail: cs@phantom-fx.com Website: www.phantom-fx.com			
Chief Financial Officer	Name: Mr. Rajnikanth E.S Address: 6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai, Tamil Nadu- 600058 Tel: ; Fax: N.A. E-mail: cfo@phantom-fx.com Website: www.phantom-fx.com			
Designated Stock Exchange	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Website : www.nseindia.com			
Issue Programme	Issue Opens On:	**Wednesday, October 12 , 2022**	Issue Closes On:	**Friday, October 14, 2022**

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 Centres 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

BOOK RUNNING LEAD MANAGER TO THE ISSUE

CORPORATE CAPITALVENTURES PRIVATE LIMITED
B-1/E-13, Mohan Cooperative Industrial, Estate Mathura Road, New Delhi 110044
Tel: +91 11-41824066; Fax**:** +91 11-41824066
Email: smeipo@ccvindia.com
Website: www.ccvindia.com
SEBI Registration: INM000012276
Validity: Permanent
Contact Person: Mr. Kulbhushan Parashar

REGISTRAR TO THE ISSUE

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED
9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,
Lower Parel (East) Mumbai 400011, Maharashtra, India.
Tel: +91 022 2301 8261;
Fax No: +91 022 2301 2517
E-mail: support@purvashare.com
Website: www.purvashare.com
SEBI Registration: INR000001112
Contact Person: Ms. Deepali Dhuri

BANKER TO THE ISSUE & SPONSOR BANK

Yes Bank Limited
Address: YES Bank House, Off Western Express Highway,
Santacruz (West),Mumbai - 400055
Email: dlbtiservices@yesbank.in
Tel. No. +91 – 22 - 68547260
Contact Person: Mr. Sachin Shinde / Jagdish More
Website: www.yesbank.in
SEBI Regn. No.: INBI00000935

MARKET MAKER

SS CORPORATE SECURITIES LTD
Address: D-308, 3rd Floor, NDM-2, Netaji Subash Place, Pitam Pura, New Delhi-110034
Tel: 011-47003600
Email Id: info(a)sscorporate.com
Contact Person: Mr. Harshit Singhal
Website: sscorporate.com
SEBI Registration No.:INZ000219533

STATUTORY AUDITORS OF THE COMPANY

M/s L U Krishnan & Co.
Chartered Accountants
Firm Registration No.: 001527S
Peer Review Regn. No.: 013310
Address: 3-1, West Club Road, Shenoy Nagar, Chennai, Tamil Nadu - 600030
Tel: 91-044-26209657; 26209415
Fax: 91-044-26209415
Email: ca@lukrishco.com
Contact Person: CA P K. Manoj

LEGAL ADVISOR TO THE COMPANY
Adv. J. MANIKANDAN **PVM LAW ASSOCIATES** **Address**: 39, Flat no. 7, 2nd Floor, Nelson Manickam Road Choolaimedu, Chennai – 600 094 **Phone:** 91 9087002277 **Email:** legaladvisorjmani@gmail.com

DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

S.N.	Name	DIN	Category	Designation
1.	Mr. Bejoy Arputharaj Sam Manohar	03459098	Executive	Managing Director
2.	Mrs. Syntia Moses Darry	03459055	Executive	Whole Time Director
3.	Mr. Binu Joshua Sam Manohar	03459073	Executive	Whole Time Director
4.	Mr. Ravindran Sivasankaran	08009653	Executive	Whole Time Director
5.	Mr. Manjit Singh Parmar	07511020	Non-Executive	Independent Director
6.	Mr. Tom Antony	01413738	Non-Executive	Independent Director
7.	Mr. Jeemon P.V	00876858	Non-Executive	Director

For further details of our Directors, please refer chapter titled "Our Management" beginning on page 105 *of this Red Herring Prospectus.*

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, i.e., Ms. Pallavi Tongia and/or the Book Running Lead Manager, i.e., Corporate Capital Ventures 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 Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Book Running 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 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) 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) on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time.

STATEMENT OF RESPONSIBILITY OF THE BOOK RUNNING LEAD MANAGER / STATEMENT OF INTER SEALLOCATION OF RESPONSIBILITIES

Since Corporate Capital Ventures Private Limited is the sole Book Running 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:

Our Company has received written consent dated August 18, 2022 from Peer Review Auditor namely, M/s. L U Krishnan & Co., 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 August 18, 2022 on our restated Standalone financial information; and (ii) its report dated August 18, 2022 on the statement of Special Tax Benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

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 BRLM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated September 29, 2022. 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
Corporate CapitalVentures Private Limited **Address:** B-1/E-13, Mohan Cooperative Industrial, Estate Mathura Road, New Delhi 110044 **Tel:** +91 11 - 41824066; Fax**:** +91 11 - 41824066 **Email:** smeipo@ccvindia.com **Website:** www.ccvindia.com **SEBI Registration: INM000012276** **Validity**: Permanent **Contact Person:** Mr. Kulbhushan Parashar	30,63,600	**[●]**	**100%**

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

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus shall be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in and pursuant to Regulation 246(2), the Board shall not be issuing observation.

Further, in accordance with Regulation 246(1) a copy of the Red Herring Prospectus along with the other documents, shall also be filed with the RoC, Chennai, under Section 32 of the Companies Act, 2013.

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 Extra-Ordinary General Meeting dated June 30, 2022, have approved appointment of M/s L.U Krishnan & Co., Chartered Accountants (Firm Registration No. 001527S), 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 Financial Year 2021-2022.

Further the earlier auditor has resigned for not having valid peer review certificate as required under SEBI (ICDR)

Regulation.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Book Running 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 Book Running 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, ourCompany shall be required to file a fresh Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the Book Running Lead Manager have entered into a tripartite agreement dated September 29, 2022 with SS Corporate Securities Ltd 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 Marker 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 Book Running 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 Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

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 segment for first 10 days from commencement of trading.

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

S. No.	Market Price Slab	Proposed Spread (in % to sale price)
1	Upto 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 buy quote (including mandatory initial inventory of 5% ofthe 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. Theprice 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.

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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.	**Authorised Share Capital**		
	120,00,000 Equity Shares of ₹.10/- each	1,200.00	-
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**		
	90,00,000 Equity Shares of ₹.10/- each	900.00	-
C.	**Present Issue in terms of the Prospectus**		
	Fresh Offer of 26,40,000 Equity Shares of Face Value ₹10/- each at a Price of ₹ [•] per Equity Share Offer for sale of 4,23,600 Equity Shares of Face Value ₹10/- each at a Price of ₹ [•] per Equity Share	264.00 42.36	[•] [•]
	Consisting of:		
	Reservation for Market Maker – 1,53,600 Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share reserved as Market Maker Portion.	12.36	[•]
	Net Issue to the Public – 29,10,000 Equity Shares of ₹ .10/- each at a price of ₹ [•] per Equity Share.	291.00	[•]
	Of the Net Issue to the Public		
	1. QIB Portion	[•]	[•]
	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 QIBsincluding Mutual Funds	[•]	[•]
	2. Non-Institutional Category	[•]	[•]
	3. Retail Portion	[•]	[•]
D.	**Issued, Subscribed and Paid-up Share Capital after the Issue**		
	1,16,40,000 Equity Shares of ₹.10/- each	1,164.00	
E.	**Securities Premium Account**		
	Before the Issue	NIL	
	After the Issue	[•]	

The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on dated August 23, 2022 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the AGM of our shareholders held on August 25, 2022.

Our Company has only one class of share capital i.e. Equity Shares of the face value of ₹. 10/- each only. 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 02/02/2016 the authorised share capital of our Company has been altered in the manner set forth below:

S.N.	Date	No. of Shares	Face Value (in₹.)	Cumulative No. of Shares	Cumulative Authorised Share Capital (in₹.)	Whether AGM/EGM
1.	On Inception	10,000	10	10,000	1,00,000	N.A.
2.	26/07/2017	40,000	10	50,000	5,00,000	EGM
3.	26/05/2022	69,50,000	10	70,00,000	7,00,00,000	EGM
4.	08/08/2022	50,00,000	10	1,20,00,000	12,00,00,000	EGM

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 Paid -up Capital (Rs.)	Cumulative Securities premium (Rs.)
1.	On Incorporation	10,000	10	10	Cash	Subscription to MOA	10,000	1,00,000	Nil
2.	23/08/2022	89,90,000	10	10	Other than Cash	Bonus Issue	90,00,000	9,00,00,000	Nil

Note:

1. Initial Subscribers to Memorandum of Association hold 10,000 Equity Shares each of face value of ₹. 10/- fully paid up as per the details given below:

S.N.	Name of Person	No. of Shares Allotted
1.	Syntia Moses Darry	5,500
2.	Bejoy Arputharaj Sam Manohar	4,500
	Total	**10,000**

2. The Company thereafter allotted 89,90,000 Equity shares as Bonus Issue on August 23 , 2022, the details of which is given below:

S.N.	Name	No. of Shares Issued
1.	Bejoy Arputharaj Sam Manohar	61,47,362
2.	Syntia Moses Darry	12,58,600
3.	Rajasthan Global Securities Limited	8,99,000
4.	Binu Joshua Sammanohar	4,49,500
5	Ravindran Sivasankaran	35,960
6	Syed Asif Bhushan	23,374
7	Anish Sreedhar	23,374
8	Antony T	5,394
9	Rohit Kesav	5,394
10	S Sankarakumar	5,394
11	Sasidharan R	5,394
12	Bhuvaneshwari S	5,394

S.N.	Name	No. of Shares Issued
13	Srimurugan Kannan	5,394
14	Arun James J	5,394
15	A Jebu Bintu	5,394
16	Logaraj C	5,394
17	Mahesh Ganguly S	5,394
18	Rajavinoth	3,596
19	Sasi M	3,596
20	Rengamani Soorajkumar Ramaiya	3,596
21	G Raja	3,596
22	Senthilkumar Maruthavanan	3,596
23	Venkatesh Panchanathan	3,596
24	John Thomas Stalin	3,596
25	R Bhaleshwar	3,596
26	Sai Brindha	3,596
27	R Jayakumar	1,798
28	Rajeshkumar	1,798
29	J J Shobana	1,798
30	V Kalaiarasu	1,798
31	Abin Abraham George	1,798
32	Sureshkeerthi Elango	1,798
33	Chins Joseph Joseph Raj	1,798
34	M Surendran	1,798
35	Syam Ravikumar	1,798
36	Wilsonpremanand V	1,798
37	R Matheswaran	1,798
38	Giriraj	1,798
39	Mahendira Mano	1,798
40	Muni Pradeep	1,798
41	Prabin Dennis M F	1,798
42	Surendhranramesh	1,798
43	Prabumurugesan	1,798
44	Sooraj A S	1,798
45	Naga Vishni Kumar	1,798
46	Brindha	1,798
47	Niyas Ck	1,798
48	Arvind	1,798
49	Lince Kollanoor Francis	1,798
50	N Naveen Kumar	1,798
51	Chandrashekhar Natwarlal Thanvi	1,798
52	Ravikumar P	1,798
53	Arun Kumar Irulappan	1,798
54	Natalie Anne Millar Jadhav	1,798
55	Rajan E	1,798
56	Santhanakumar P	1,798
57	Premkumar S	1,798
58	Muthuselvam	1,798

S.N.	Name	No. of Shares Issued
59	Sidarth Sridhar	1,798
60	Kalaiselvan M G	1,798
61	Pushparaja V	1,798
62	Vijayananth N	1,798
63	Yadhukrishna Attassery Kumar	1,798
	Total	**89,90,000**

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3. Shareholding of the Promoters of our Company

As on the date of this Red Herring Prospectus, our Promoter Mr. Bejoy Arputharaj Sam Manohar holds total 61,68,600 Equity Shares representing 68.54% % of the pre-issue paid up share capital of our Company.

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
Mr. Bejoy Arputharaj Sam Manohar						
February 02, 2016	Subscriber to MOA	4,500	10	10	Cash	N.A.
April 15, 2021	Acquired through Transfer	3,100	10	10	Cash	Syntia Moses Darry
June 04, 2021	(Transfer)	(500)	10	10	Cash	Binu Joshua Sammanohar
June 04, 2021	(Transfer)	(40)	10	10	Cash	Ravindran Sivasankaran
June 04, 2021	(Transfer)	(26)	10	10	Cash	Syed Asif Bhushan
June 04, 2021	(Transfer)	(26)	10	10	Cash	Anish Sreedhar
June 04, 2021	(Transfer)	(6)	10	10	Cash	Antony T
June 04, 2021	(Transfer)	(6)	10	10	Cash	Rohit Kesav
June 04, 2021	(Transfer)	(6)	10	10	Cash	S Sankarakumar
June 04, 2021	(Transfer)	(6)	10	10	Cash	Sasidharan R
June 04, 2021	(Transfer)	(6)	10	10	Cash	Bhuvaneshwari S
June 04, 2021	(Transfer)	(6)	10	10	Cash	Srimurugan Kannan
June 04, 2021	(Transfer)	(6)	10	10	Cash	Arun James J
June 04, 2021	(Transfer)	(6)	10	10	Cash	A Jebu Bintu
June 04, 2021	(Transfer)	(6)	10	10	Cash	Logaraj C
June 04, 2021	(Transfer)	(6)	10	10	Cash	Mahesh Ganguly S
June 04, 2021	(Transfer)	(4)	10	10	Cash	Rajavinoth
June 04, 2021	(Transfer)	(4)	10	10	Cash	Sasi M
June 04, 2021	(Transfer)	(4)	10	10	Cash	Rengamani Soorajkumar Ramaiya
June 04, 2021	(Transfer)	(4)	10	10	Cash	G Raja
June 04, 2021	(Transfer)	(4)	10	10	Cash	Senthilkumar Maruthavanan
June 04, 2021	(Transfer)	(4)	10	10	Cash	Venkatesh Panchanathan
June 04, 2021	(Transfer)	(4)	10	10	Cash	John Thomas Stalin
June 04, 2021	(Transfer)	(4)	10	10	Cash	R Bhaleshwar
June 04, 2021	(Transfer)	(4)	10	10	Cash	Sai Brindha
June 04, 2021	(Transfer)	(2)	10	10	Cash	R Jayakumar
June 04, 2021	(Transfer)	(2)	10	10	Cash	Rajeshkumar
June 04, 2021	(Transfer)	(2)	10	10	Cash	J J Shobana
June 04, 2021	(Transfer)	(2)	10	10	Cash	V Kalaiarasu

June 04, 2021	(Transfer)	(2)	10	10	Cash	Abin Abraham George
June 04, 2021	(Transfer)	(2)	10	10	Cash	Sureshkeerthi Elango
June 04, 2021	(Transfer)	(2)	10	10	Cash	Chins Joseph Joseph Raj
June 04, 2021	(Transfer)	(2)	10	10	Cash	M Surendran
June 04, 2021	(Transfer)	(2)	10	10	Cash	Syam Ravikumar
June 04, 2021	(Transfer)	(2)	10	10	Cash	Wilsonpremanand V
June 04, 2021	(Transfer)	(2)	10	10	Cash	R Matheswaran
June 04, 2021	(Transfer)	(2)	10	10	Cash	Giriraj
June 04, 2021	(Transfer)	(2)	10	10	Cash	Mahendira Mano
June 04, 2021	(Transfer)	(2)	10	10	Cash	Muni Pradeep
June 04, 2021	(Transfer)	(2)	10	10	Cash	Prabin Dennis M F
June 04, 2021	(Transfer)	(2)	10	10	Cash	Surendhranramesh
June 04, 2021	(Transfer)	(2)	10	10	Cash	Prabumurugesan
June 04, 2021	(Transfer)	(2)	10	10	Cash	Sooraj A S
June 04, 2021	(Transfer)	(2)	10	10	Cash	Naga Vishni Kumar
June 04, 2021	(Transfer)	(2)	10	10	Cash	Brindha
June 04, 2021	(Transfer)	(2)	10	10	Cash	Niyas Ck
June 04, 2021	(Transfer)	(2)	10	10	Cash	Arvind
June 04, 2021	(Transfer)	(2)	10	10	Cash	Lince Kollanoor Francis
June 04, 2021	(Transfer)	(2)	10	10	Cash	N Naveen Kumar
June 04, 2021	(Transfer)	(2)	10	10	Cash	Chandrashekhar Natwarlal Thanvi
June 04, 2021	(Transfer)	(2)	10	10	Cash	Ravikumar P
June 04, 2021	(Transfer)	(2)	10	10	Cash	Arun Kumar Irulappan
June 04, 2021	(Transfer)	(2)	10	10	Cash	Natalie Anne Millar Jadhav
June 04, 2021	(Transfer)	(2)	10	10	Cash	Rajan E
June 04, 2021	(Transfer)	(2)	10	10	Cash	Santhanakumar P
June 04, 2021	(Transfer)	(2)	10	10	Cash	Premkumar S
June 04, 2021	(Transfer)	(2)	10	10	Cash	Muthuselvam
June 04, 2021	(Transfer)	(2)	10	10	Cash	Sidarth Sridhar
June 04, 2021	(Transfer)	(2)	10	10	Cash	Kalaiselvan M G
June 04, 2021	(Transfer)	(2)	10	10	Cash	Pushparaja V
June 04, 2021	(Transfer)	(2)	10	10	Cash	Vijayananth N
June 04, 2021	(Transfer)	(2)	10	10	Cash	Yadhukrishna Attassery Kumar
	Bonus Issue	61,47,362	10	-	Other than Cash	NA
Total	**61,54,200**					

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

4. 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 share sheld*	*No. of shares underlying Depository Receipt s*	*Total nos. shares held*	*Share holding as a % of total no. of share s (calculated as perSCRR, 1957) As a % of (A+B +C2)*	*Number of Voting Rights held in each class of securities**				*No. of Shares Under lying Outstanding convertible securities (including Warrants)*	*Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)*	*Number of locked in Shares*		*Number of Shares pledged or otherwise encumbered*		*Number of shares held in dematerialized form0*
								No. of Voting Rights						*No. (a)*	*As a % of total share s held (B)*	*No. (a)*	*As a % of total share s held (B)*	
								Class X	*Clas s Y*	*Total*	*Total as a % of (A+B +C)*							
I	*II*	*III*	*IV*	*V*	*VI*	*VII= IV+ V+V I*	*VIII*	*IX*				*X*	*XI=VII +X*	*XII*		*XIII*		*XIV*
(A)	Promoters and Promoter Group	3	78,64,200	-	-	78,64,200	87.38%	78,64,200	-	78,64,200	87.38%	-	-	-	-	-	-	78,64,200
(B)	Public	60	11,35,800	-	-	11,35,800	12.62%	11,35,800	-	11,35,800	12.62%	-	-	-	-	-	-	11,35,800
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**63**	**90,00,000**	-	-	**90,00,000**	**100%**	**90,00,000**	-	**90,00,000**	**100%**	-	-	-	-	-	-	**90,00,000**

***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 100% of the Equity Shares held by the public shareholders are in dematerialized form as on the date of this Red Herring Prospectus.*
- *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.*

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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:

		Pre issue		Post issue	
S. N.	**Name of shareholder**	**No. of equity Shares**	**As a % of Issued Capital**	**No. of equity shares**	**As a % of Issued Capital**
Promoters					
1	Bejoy Arputharaj Sam Manohar	61,54,200	68.38%	61,54,200	52.87%
Total – A		**61,54,200**	**68.38%**	**61,54,200**	**52.87%**
Promoter Group					
2	Syntia Moses Darry	12,60,000	14.00%	8,36,400	7.19%
3	Binu Joshua Sam Manohar	4,50,000	5.00%	4,50,000	3.87%
Total – B		**17,10,000**	**19.00%**	**12,86,400**	**11.05%**
Total – A+ B		**78,64,200**	**87.38%**	**74,40,600**	**63.92%**
Public					
4	Existing Shareholders	11,35,800	12.62%	11,35,800	9.76%
	IPO	-	0.00%	30,63,600	26.32%
Total-C		**11,35,800**	**12.62%**	**41,99,400**	**36.08%**
Grand Total (A+B+C)		**90,00,000**	**100.00%**	**1,16,40,000**	**100.00%**

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. Bejoy Arputharaj Sam Manohar	61,54,200	0.001

**for buildup of capital, please refer note no. 3 above.*

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	Mr. Bejoy Arputharaj Sam Manohar	61,54,200	68.38%
2	Mrs. Syntia Moses Darry	12,60,000	14.00%
3	Rajasthan Global Securities Private Limited	9,00,000	10.00%
4	Mr. Binu Joshua Sammanohar	4,50,000	5.00%
	Total	**87,64,200**	**97.38%**

(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	Mr. Bejoy Arputharaj Sam Manohar	61,54,200	68.38%
2	Mrs. Syntia Moses Darry	12,60,000	14.00%
3	Rajasthan Global Securities Private Limited	9,00,000	10.00%
4	Mr. Binu Joshua Sammanohar	4,50,000	5.00%
	Total	**87,64,200**	**97.38%**

(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 Shares held	% of Paid up Capital
1	Mr. Bejoy Arputharaj Sam Manohar	6,838	68.38%
2	Mrs. Syntia Moses Darry	1,400	14.00%
3	Rajasthan Global Securities Private Limited	1,000	10.00%
4	Mr. Binu Joshua Sam Manohar	500	5.00%
	Total	**9,238**	**97.38%**

(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	Syntia Moses Darry	5,500	55%
2	Bejoy Arputharaj Sam Manohar	4,500	45%
	Total	**10,000**	**100%**

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 or reserves without accrual of cash resources.

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: 89,90,000

Sr. No.	Name of allottees	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment
1	Bejoy Arputharaj Sam Manohar	61,47,362	10	NIL	23-08-2022	Bonus Issue
2	Syntia Moses Darry	12,58,600	10	NIL	23-08-2022	Bonus Issue
3	Rajasthan Global Securities Private Limited	8,99,000	10	NIL	23-08-2022	Bonus Issue
4	Binu Joshua Sammanohar	4,49,500	10	NIL	23-08-2022	Bonus Issue
5	Ravindran Sivasankaran	35,960	10	NIL	23-08-2022	Bonus Issue
6	Syed Asif Bhushan	23,374	10	NIL	23-08-2022	Bonus Issue
7	Anish Sreedhar	23,374	10	NIL	23-08-2022	Bonus Issue
8	Antony T	5,394	10	NIL	23-08-2022	Bonus Issue
9	Rohit Kesav	5,394	10	NIL	23-08-2022	Bonus Issue
10	S Sankarakumar	5,394	10	NIL	23-08-2022	Bonus Issue
11	Sasidharan R	5,394	10	NIL	23-08-2022	Bonus Issue
12	Bhuvaneshwari S	5,394	10	NIL	23-08-2022	Bonus Issue
13	Srimurugan Kannan	5,394	10	NIL	23-08-2022	Bonus Issue

Sr. No.	Name of allottees	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment
14	Arun James J	5,394	10	NIL	23-08-2022	Bonus Issue
15	A Jebu Bintu	5,394	10	NIL	23-08-2022	Bonus Issue
16	Logaraj C	5,394	10	NIL	23-08-2022	Bonus Issue
17	Mahesh Ganguly S	5,394	10	NIL	23-08-2022	Bonus Issue
18	Rajavinoth	3,596	10	NIL	23-08-2022	Bonus Issue
19	Sasi M	3,596	10	NIL	23-08-2022	Bonus Issue
20	Rengamani Soorajkumar Ramaiya	3,596	10	NIL	23-08-2022	Bonus Issue
21	G Raja	3,596	10	NIL	23-08-2022	Bonus Issue
22	Senthilkumar Maruthavanan	3,596	10	NIL	23-08-2022	Bonus Issue
23	Venkatesh Panchanathan	3,596	10	NIL	23-08-2022	Bonus Issue
24	John Thomas Stalin	3,596	10	NIL	23-08-2022	Bonus Issue
25	R Bhaleshwar	3,596	10	NIL	23-08-2022	Bonus Issue
26	Sai Brindha	3,596	10	NIL	23-08-2022	Bonus Issue
27	R Jayakumar	1,798	10	NIL	23-08-2022	Bonus Issue
28	Rajeshkumar	1,798	10	NIL	23-08-2022	Bonus Issue
29	J J Shobana	1,798	10	NIL	23-08-2022	Bonus Issue
30	V Kalaiarasu	1,798	10	NIL	23-08-2022	Bonus Issue
31	Abin Abraham George	1,798	10	NIL	23-08-2022	Bonus Issue
32	Sureshkeerthi Elango	1,798	10	NIL	23-08-2022	Bonus Issue
33	Chins Joseph Joseph Raj	1,798	10	NIL	23-08-2022	Bonus Issue
34	M Surendran	1,798	10	NIL	23-08-2022	Bonus Issue
35	Syam Ravikumar	1,798	10	NIL	23-08-2022	Bonus Issue
36	Wilsonpremanand V	1,798	10	NIL	23-08-2022	Bonus Issue
37	R Matheswaran	1,798	10	NIL	23-08-2022	Bonus Issue
38	Giriraj	1,798	10	NIL	23-08-2022	Bonus Issue
39	Mahendira Mano	1,798	10	NIL	23-08-2022	Bonus Issue
40	Muni Pradeep	1,798	10	NIL	23-08-2022	Bonus Issue
41	Prabin Dennis M F	1,798	10	NIL	23-08-2022	Bonus Issue
42	Surendhranramesh	1,798	10	NIL	23-08-2022	Bonus Issue
43	Prabumurugesan	1,798	10	NIL	23-08-2022	Bonus Issue
44	Sooraj A S	1,798	10	NIL	23-08-2022	Bonus Issue
45	Naga Vishni Kumar	1,798	10	NIL	23-08-2022	Bonus Issue
46	Brindha	1,798	10	NIL	23-08-2022	Bonus Issue
47	Niyas Ck	1,798	10	NIL	23-08-2022	Bonus Issue
48	Arvind	1,798	10	NIL	23-08-2022	Bonus Issue
49	Lince Kollanoor Francis	1,798	10	NIL	23-08-2022	Bonus Issue
50	N Naveen Kumar	1,798	10	NIL	23-08-2022	Bonus Issue
51	Chandrashekhar Natwarlal Thanvi	1,798	10	NIL	23-08-2022	Bonus Issue
52	Ravikumar P	1,798	10	NIL	23-08-2022	Bonus Issue

Sr. No.	Name of allottees	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment
53	Arun Kumar Irulappan	1,798	10	NIL	23-08-2022	Bonus Issue
54	Natalie Anne Millar Jadhav	1,798	10	NIL	23-08-2022	Bonus Issue
55	Rajan E	1,798	10	NIL	23-08-2022	Bonus Issue
56	Santhanakumar P	1,798	10	NIL	23-08-2022	Bonus Issue
57	Premkumar S	1,798	10	NIL	23-08-2022	Bonus Issue
58	Muthuselvam	1,798	10	NIL	23-08-2022	Bonus Issue
59	Sidarth Sridhar	1,798	10	NIL	23-08-2022	Bonus Issue
60	Kalaiselvan M G	1,798	10	NIL	23-08-2022	Bonus Issue
61	Pushparaja V	1,798	10	NIL	23-08-2022	Bonus Issue
62	Vijayananth N	1,798	10	NIL	23-08-2022	Bonus Issue
63	Santhanakumar P	1,798	10	NIL	23-08-2022	Bonus Issue
	Total	**89,90,000**				

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 63 (Sixty-Three) 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 78,64,200 Equity Shares representing 87.38% 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 transfer:

Sr. No.	Transfer date	From	To	No of Shares	FV of Equity Share
1	24-03-2022	Syntia Moses Darry	Rajasthan Global Securities Private Limited	1,000	Rs 10/-

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.

The details of the Equity Shares held by our Promoter and Promoter Group, which are locked in for a period of three years from the date of Allotment in the Offer are given below:

Name of Promoter	Date of Transaction and when made fully paid-up	Nature of Transaction	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price per Equity Share (Rs.)	Percentage of post-Offerpaid-up capital (%)	Lock in Period
Bejoy Arputharaj Sam Manohar	23-08-2022	Bonus Issue	23,30,000	Rs. 10/-	NIL	20.02%	3 years

The Equity Shares that are being locked in are not ineligible for computation of Promoters' contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoters for the minimum Promoters' contribution are not subject to pledge. Lock-in period shall commence from the dateof Allotment of Equity Shares in the Public Issue.

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

a) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
b) 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 whichare ineligible for minimum Promoters' contribution;
c) Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
d) The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
e) 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.

Equity Shares locked-in for one year

In addition to above Equity Shares that are locked-in for three years as the minimum Promoters' contribution, the promoters and public shareholding pre-issue Equity Share capital of our Company less no. of shares offered in Offer for Sale, *i.e.* 62,46,400 Equity Shares shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

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 pledgeof equity shares is one of the terms of sanction of the loan.

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

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 Book Running 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:

Sl. No.	Name ofAllottees	No. ofShares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason forAllotment	Benefit occurred to Issuer
1.	Bejoy Arputharaj Sam Manohar	61,47,362	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
2.	Syntia Joses Darry	12,58,600	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
3.	Rajasthan Global Securities Private Limited	8,99,000	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
4	Binu Joshua Sammanohar	4,49,500	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
5	Ravindran Sivasankaran	35,960	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
6	Syed Asif Bhushan	23,374	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
7	Anish Sreedhar	23,374	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
8	Antony T	5,394	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus

Sl. No.	Name ofAllottees	No. ofShares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason forAllotment	Benefit occurred to Issuer
9	Rohit Kesav	5,394	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
10	S Sankarakumar	5,394	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
11	Sasidharan R	5,394	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
12	Bhuvaneshwari S	5,394	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
13	Srimurugan Kannan	5,394	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
14	Arun James J	5,394	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
15	A Jebu Bintu	5,394	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
16	Logaraj C	5,394	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
17	Mahesh Ganguly S	5,394	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
18	Rajavinoth	3,596	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
19	Sasi M	3,596	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
20	Rengamani Soorajkumar Ramaiya	3,596	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
21	G Raja	3,596	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
22	Senthilkumar Maruthavanan	3,596	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
23	Venkatesh Panchanathan	3,596	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
24	John Thomas Stalin	3,596	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
25	R Bhaleshwar	3,596	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
26	Sai Brindha	3,596	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
27	R Jayakumar	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
28	Rajeshkumar	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
29	J J Shobana	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
30	V Kalaiarasu	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
31	Abin Abraham George	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
32	Sureshkeerthi Elango	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus

Sl. No.	Name ofAllottees	No. ofShares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason forAllotment	Benefit occurred to Issuer
33	Chins Joseph Joseph Raj	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
34	M Surendran	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
35	Syam Ravikumar	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
36	Wilsonpremanand V	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
37	R Matheswaran	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
38	Giriraj	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
39	Mahendira Mano	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
40	Muni Pradeep	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
41	Prabin Dennis M F	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
42	Surendhranramesh	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
43	Prabumurugesan	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
44	Sooraj A S	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
45	Naga Vishni Kumar	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
46	Brindha	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
47	Niyas Ck	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
48	Arvind	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
49	Lince Kollanoor Francis	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
50	N Naveen Kumar	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
51	Chandrashekhar Natwarlal Thanvi	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
52	Ravikumar P	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
53	Arun Kumar Irulappan	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
54	Natalie Anne Millar Jadhav	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
55	Rajan E	1,798	10.00	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
56	Santhanakumar P	1,798	10	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus

Sl. No.	Name ofAllottees	No. ofShares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason forAllotment	Benefit occurred to Issuer
57	Premkumar S	1,798	10	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
58	Muthuselvam	1,798	10	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
59	Sidarth Sridhar	1,798	10	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
60	Kalaiselvan M G	1,798	10	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
61	Pushparaja V	1,798	10	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
62	Vijayananth N	1,798	10	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
63	Santhanakumar P	1,798	10	-	23-08-2022	Bonus Issue in the ratio of 899:1	Capitalisation of Reserves and Surplus
Total		**89,90,000**					

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 since inception 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/ Book Running 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 Book Running Lead Manager and NSE.

32. The Issue is being made through Book Building Method.

33. Book Running 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 totime.

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 thelast three Fiscals i.e. 2020, 2021 and 2022 & period ended on June 30, 2022 please refer to paragraph titled –*Related Party Transaction* in the chapter titled*, "Financial Information"* beginning on page number 127 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 105.

SECTION – VII

PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 26,40,000 Equity Shares and an Offer for Sale of 4,23,600 Equity Shares by the Selling Shareholders of our Company at an Issue Price of ₹ **[●]** per Equity Share.

Offer For Sale

The Selling Shareholders will be entitled to the proceeds of the Offer for Sale of his respective portion of the Offered Shares, respectively net of his proportion of Issue related expenses. The fees and expenses relating to Issue shall be shared in proportion mutually agreed between our Company and the respective Selling Shareholders in accordance with applicable law. Our Company will not receive any proceeds from the Offer for Sale.

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*	**[●]**
Net Proceeds of the Fresh Issue	**[●]**

**Except for the Listing fees and Market making fees, which will be borne by our Company, all other expenses relating to the Issue as mentioned above will be borne by our Company and the Selling Shareholders in proportion to the Equity Shares contributed / issued in the issue.*

Requirement of Funds

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

1) Capital Expenditure for Setting up of Studios; and
2) General Corporate Expenses.

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 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 101.

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

(₹ in Lakhs)

Particulars	**Amount**
Capital Expenditure for Setting up of Studios	1737.30
General Corporate Expenses *	**[●]**
Total	**[●]**

* 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 our company 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, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and management estimates, quotation from suppliers, and other commercial and technical factors. We may have to revise our funding requirements and deployment on account of variety of factors such as our financial and market

condition, government approval and clearance, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the shipyard and vessels and other external factors including changes in the price of the machinery and raw material due to variation in commodity prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, see "Risk Factors".

The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution.

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. 19.

DETAILS OF THE OBJECTS OF THE ISSUE

I. CAPITAL EXPENDITURE FOR SETTING UP OF STUDIOS

Considering the opportunities and our expertise in the VFX business, our Company proposes to open four new studios in India to cater the demand and increase the market positioning of the company. Understanding flow of business in future, identifying creative talent and production tools requiring updating, can be effectively and efficiently managed. Considering the above, we, therefore, have identified that there are substantial benefits can be gained by setting up of new studios.

Our Company proposes to open 4 (four) new studios at Chennai, Mumbai, Cochin and Hyderabad. The tentative capital expenditure for setting up of above studios are as follows:

(₹ in Lakhs)

Particulars	**Approx Capital Expenditure**
New studio at Chennai	1,137.95
New studio at Mumbai	233.32
Cochin Studio	170.03
Hyderabad Studio	195.03
Total	**1,737.30**

Our Company has identified the above locations bases on their research and the availability of talented man power for VFX Industry. However, our company has not entered into any formal agreement for occupying the rental space for setting up of four new studios.

The tentative cost structure for setting up of four new studios are as follows:

Particulars	**New Chennai Studio**	**New Mumbai Studio**	**Cochin Studio**	**Hyderabad Studio**	**Total**
No of Man Power to work	**400**	**100**	**75**	**75**	**650**
Civil and Structural Works	851.50	94.00	65.00	83.00	1,093.50
Lease Deposit	75.00	48.00	30.00	36.00	189.00
Hard Ware	111.45	78.56	65.08	65.08	320.17
Software	100.00	12.76	10.95	10.95	134.66
Total	**1,137.95**	**233.32**	**171.03**	**195.03**	**1,737.33**

Detailed break-up for the setting up above studios is as follows:

A. Chennai Studio (New)

Our Company proposes to setup new studio in Chennai with an approximately size of 25,000 square feet. It will have a setting capacity of 400 employees. The break-up of cost for the studio at Chennai is hereunder:

SL. No.	Particulars	Amount (Rs. in Lacs)
1	Civil and Structural Works	851.50
2	Lease Deposit	75.00
3	**Hard Ware**	
	Servers with High Speed Internet & Network Equipment	73.00
	Desktops- Lease rental 1 month	38.45
4	Software	100.00
	Total	**1,137.95**

The cost estimates are based on the following quotations:

Sl. No.	Particulars	Quotation Details		
		Name of the Supplier & Address	**Date**	**Amount (Rs. in Lacs)**
1	Civil and Structural Works	**DISHA INDRASPACE SOLUTIONS PVT. LTD** No. 34/37, CMDA Industrial Complex, Maraimalai Nagar, Chengalpattu-603209	28 July 2022	851.50
2	Lease Deposit	**CBRE** Module 4A, Block A-10th Floor, Global Infocity Park Channai, No. 40, MGR Salai, Kandanchavadi Perungudi, Chenna- 600 096	29 July 2022	75.00
3	**Hard Ware**			
	Servers with High Speed Internet & Network Equipment	**ATRITY INFO SOLUTIONS PRIVATE LIMITED** G2, Technology Park, Bharathidhasan University, Trichy- 620023		73.00
	Desktops- Lease rental 1 month	**S COMPUTECH** No. 18, 19 UNO Arcade Complex 1st Fllor, Shop no. F27, Meeran Saahib street, Mount Road, Chennai- 600 002	28 July 2022	38.45
4	Software	**TECHFRUITS SOLUTIONS PRIVATE LIMITED** 1C, Kaashyap Enclave, New No. 209, Old No. 13A, Velachery Main Road Velachery, Chennai – 600 042	29 July 2022	100.00
	TOTAL			**1,137.95**

B. Mumbai Studio (New)

Our Company proposes to setup new studio in Mumbai with an approximately size of 10,000 square feet. It will have a setting capacity of 100 employees. The break-up of cost for the studio at Mumbai is hereunder:

SL. No.	Particulars	Amount (Rs. in Lacs)
1	Civil and Structural Works	94.00
2	Lease Deposit	48.00
3	**Hard Ware**	
	Servers with High Speed Internet & Network Equipment	65.00

	Desktops- Lease rental 1 month	13.56
4	Software	12.76
	Total	**233.32**

The cost estimates are based on the following quotations:

Sl. No.	Particulars	Quotation Details		
		Name of the Supplier & Address	**Date**	**Amount (Rs. in Lacs)**
1	Civil and Structural Works	**DISHA INDRASPACE SOLUTIONS PVT. LTD** No. 34/37, CMDA Industrial Complex, Maraimalai Nagar, Chengalpattu-603209	28 July 2022	94.00
2	Lease Deposit	**CBRE** Module 4A, Block A-10th Floor, Global Infocity Park Channai, No. 40, MGR Salai, Kandanchavadi Perungudi, Chenna- 600 096	29 July 2022	48.00
3	**Hard Ware**			
	Servers with High Speed Internet & Network Equipment	**ATRITY INFO SOLUTIONS PRIVATE LIMITED** G2, Technology Park, Bharathidhasan University, Trichy- 620023		65.00
	Desktops- Lease rental 1 month	**S COMPUTECH** No. 18, 19 UNO Arcade Complex 1st Fllor, Shop no. F27, Meeran Saahib street, Mount Road, Chennai- 600 002	28 July 2022	13.56
4	Software	**TECHFRUITS SOLUTIONS PRIVATE LIMITED** 1C, Kaashyap Enclave, New No. 209, Old No. 13A, Velachery Main Road Velachery, Chennai – 600 042	29 July 2022	12.76
	TOTAL			**233.32**

C. Cochin Studio

Our Company proposes to setup new studio in cochin with an approximately size of 10,000 square feet. It will have a setting capacity of 75 employees. The break-up of cost for the studio at Cochin is hereunder:

SL. No.	Particulars	Amount (Rs. in Lacs)
1	Civil and Structural Works	65.00
2	Lease Deposit	30.00
3	**Hard Ware**	
	Servers with High Speed Internet & Network Equipment	59.60
	Desktops- Lease rental 1 month	5.48
4	Software	10.95
	Total	**171.03**

The cost estimates are based on the following quotations:

Sl. No.	Particulars	Quotation Details		
		Name of the Supplier & Address	**Date**	**Amount (Rs. in Lacs)**
1	Civil and Structural Works	**DISHA INDRASPACE SOLUTIONS PVT. LTD** No. 34/37, CMDA Industrial Complex, Maraimalai Nagar,	28 July 2022	65.00

		Chengalpattu- 603209		
2	Lease Deposit	**CBRE** Module 4A, Block A-10th Floor, Global Infocity Park Channai, No. 40, MGR Salai, Kandanchavadi Perungudi, Chenna- 600 096	29 July 2022	30.00
3	**Hard Ware**			
	Servers with High Speed Internet & Network Equipment	**ATRITY INFO SOLUTIONS PRIVATE LIMITED** G2, Technology Park, Bharathidhasan University, Trichy-620023		59.60
	Desktops- Lease rental 1 month	**S COMPUTECH** No. 18, 19 UNO Arcade Complex 1st Fllor, Shop no. F27, Meeran Saahib street, Mount Road, Chennai-600 002	28 July 2022	5.48
4	Software	**TECHFRUITS SOLUTIONS PRIVATE LIMITED** 1C, Kaashyap Enclave, New No. 209, Old No. 13A, Velachery Main Road Velachery, Chennai – 600 042	29 July 2022	10.95
	TOTAL			**171.03**

D. Hyderabad Studio

Our Company proposes to setup new studio in Hyderabad with an approximately size of 10,000 square feet. It will have a setting capacity of 75 employees. The break-up of cost for the studio at Hyderabad is hereunder:

SL. No.	Particulars	Amount (Rs. in Lacs)
1	Civil and Structural Works	83.00
2	Lease Deposit	30.00
3	**Hard Ware**	
	Servers with High Speed Internet & Network Equipment	59.60
	Desktops- Lease rental 1 month	5.48
4	Software	10.95
	Total	**195.03**

The cost estimates are based on the following quotations:

Sl. No.	Particulars	Quotation Details		
		Name of the Supplier & Address	Date	Amount (Rs. in Lacs)
1	Civil and Structural Works	**DISHA INDRASPACE SOLUTIONS PVT. LTD** No. 34/37, CMDA Industrial Complex, Maraimalai Nagar, Chengalpattu- 603209	28 July 2022	851.50
2	Lease Deposit	**CBRE** Module 4A, Block A-10th Floor, Global Infocity Park Channai, No. 40, MGR Salai, Kandanchavadi Perungudi, Chenna- 600 096	29 July 2022	30.00
3	**Hard Ware**			
	Servers with High Speed Internet & Network Equipment	**ATRITY INFO SOLUTIONS PRIVATE LIMITED**		59.60

		G2, Technology Park, Bharathidhasan University, Trichy-620023		
	Desktops- Lease rental 1 month	**S COMPUTECH** No. 18, 19 UNO Arcade Complex 1st Fllor, Shop no. F27, Meeran Saahib street, Mount Road, Chennai-600 002	28 July 2022	5.48
4	Software	**TECHFRUITS SOLUTIONS PRIVATE LIMITED** 1C, Kaashyap Enclave, New No. 209, Old No. 13A, Velachery Main Road Velachery, Chennai – 600 042	29 July 2022	10.95
	TOTAL			**195.03**

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)

Particulars	**Amount**
Issue management fees including fees and reimbursements of Market Making fees and payment to other intermediaries such as Legal Advisors to the IPO, Registrars and other out of pocket expenses.	**[●]**
Advertising and marketing expenses	**[●]**
Printing & Stationery, Distribution, Postage	**[●]**
Regulatory and other statutory expenses including Listing Fee	**[●]**
Total	**[●]**

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

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.

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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 ₹91/- which is 9.1 times the face value at the lower end of the Price Band and the Issue Cap Price is ₹95/- which is 9.5 times the face value. 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 19, 84, 127, and 150, 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 price, are –

- New Age Business
- State of the Art Technology
- Cordial relations with our customers;
- National and International Cliental Portfolio;
- Leveraging the experience of our Promoters; and
- Young, dynamic and motivated creative team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled, ***"Our Business"***, beginning on page no. 84 of this Red Herring prospectus.

Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For details, see *"Financial Information"* on page 127. 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	0.13	0.13	1
FY 2020-21	0.08	0.08	2
FY 2021-22	5.45	5.45	3
Weighted Average	**2.77**	**2.77**	
June 30, 2022	4.57	4.57	-

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 Accounting Standard 20 – Earnings per share;*
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 three months period ended June 30, 2022 are not annualised*

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)
a) P/E ratio based on Basic and Diluted EPS of ₹ 5.45 as at March 31, 2022	16.70	17.43
b) P/E ratio based on Weighted Average EPS of ₹ 2.77	32.85	34.30

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

Particulars	P/E Ratio
Highest	9.53
Lowest	9.53

Average Industry P/E	9.53

(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 only one listed peer Company namely Prime Focus Limited. Thus, Prime Focus Limited data as on March 31, 2022, 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.) = Net profit after tax as restated for calculating basic EPS / 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	40.63	1
FY 2020-21	21.26	2
FY 2021-22	93.28	3
Weighted Average	**60.50**	
June 30, 2022	43.89	

Return on net worth (%) = Net profit after tax as restated, attributable to the owners of the company / 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 three months period ended June 30, 2022 are not annualised

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

Particulars	Rs.
June 30, 2022	10.41
As of March 31, 2022	5.84
As of March 31, 2021	0.39
As of March 31, 2020	0.31
NAV post issue:	
At the lower end of the price band of ₹ 91/-	28.69
At the lower end of the price band of ₹ 95/-	29.59
Issue price per share	[●]

Net asset value per equity share = Net worth as restated, including share capital and reserves and surplus, as restated at the end of the year / No. of equity shares outstanding at the end of the year

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

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

We are engaged into VFX and animation creation business. Further, there is only one listed peer Company namely Prime Focus Limited engaged in the similar line of business. Thus, Prime Focus Limited data are used for comparison.

		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.	Phantom Digital Effects Limited	10	2,236.60	5.45	5.45	-	93.28	5.84
	Peer Group*							

2.	Prime Focus Limited[@@]	1	19,356.00	9.71	9.56	-	18.34	52.84

** Source: Respective audited financials of the Company, as available, for the Financial Year 2022. Information on industry peer is on a Standalone basis.*
*** Based on restated financial statements of the Company for Financial Year 2022*
 # Based on closing market price as on March 31, 2022 on BSE and EPS for the year ended March 31, 2022, extracted from the respective annual report of the Company, as available on BSE website.

7. **The Issue Price is [●] times of the Face Value of the 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 19, 84 and 127, 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.

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STATEMENT OF TAX BENEFITS

Independent Auditor's Report on Statement of Special Tax Benefits

To,
The Board of Directors,
Phantom Digital Effects Limited
Address: 6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai Tamilnadu 600058
In

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

We hereby report that the enclosed annexure prepared by Phantom Digital Effects Limited, states the possible special tax benefits available to Phantom Digital Effects Limited ("the Company") and the shareholders of the Company under the Income Tax Act, 1961 ("Act"), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares ("the Offer") by the Company.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Red Herring Prospectus/ Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For L U Krishnan & Co.
Chartered Accountants
Firm's Registration No: 001527S

P K Manoj
Partner
Membership No:207550
UDIN: 22207550APGXRY3961

Place: Chennai
Date: August 18, 2022

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

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

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Act

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

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

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

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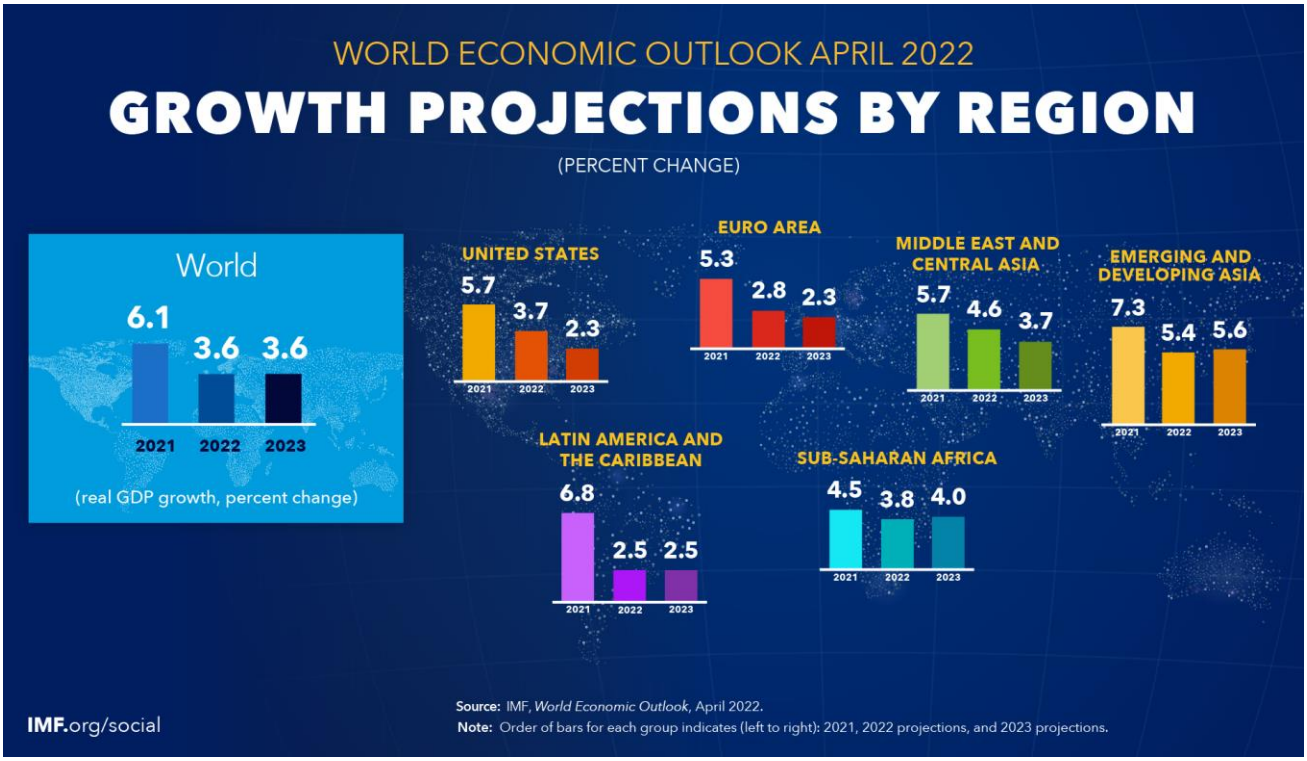
SECTION VIII – ABOUT US

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 OUTLOOK

It is two years into the COVID-19 pandemic and the global community still confronts extreme social and economic strain as the human toll rises and millions remain unemployed. Yet, even with high uncertainty about the path of the pandemic, a way out of this health and economic crisis is increasingly visible. Thanks to the ingenuity of the scientific community hundreds of millions of people are being vaccinated and this is expected to power recoveries in many countries later this year. Economies also continue to adapt to new ways of working despite reduced mobility, leading to a stronger-than-anticipated rebound across regions. Additional fiscal support in large economies, particularly the United States, has further improved the outlook.



The global economy enters 2022 in a weaker position than previously expected. As the new Omicron COVID-19 variant spreads, countries have reimposed mobility restrictions. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies. The ongoing retrenchment of China's real estate sector and slower-than-expected recovery of private consumption also have limited growth prospects.

Global growth is expected to moderate from 5.9 in 2021 to 4.4 percent in 2022—half a percentage point lower for 2022 than in the October World Economic Outlook (WEO), largely reflecting forecast markdowns in the two largest economies. A revised assumption removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages produced a downward 1.2 percentage-points revision for the United States. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow to 3.8 percent in 2023. Although this is 0.2 percentage point higher than in the previous forecast, the upgrade largely

reflects a mechanical pickup after current drags on growth dissipate in the second half of 2022. The forecast is conditional on adverse health outcomes declining to low levels in most countries by end-2022, assuming vaccination rates improve worldwide and therapies become more effective.

Elevated inflation is expected to persist for longer than envisioned in the October WEO, with ongoing supply chain disruptions and high energy prices continuing in 2022. Assuming inflation expectations stay well anchored, inflation should gradually decrease as supply-demand imbalances wane in 2022 and monetary policy in major economies responds.

Risks to the global baseline are tilted to the downside. The emergence of new COVID-19 variants could prolong the pandemic and induce renewed economic disruptions. Moreover, supply chain disruptions, energy price volatility, and localized wage pressures mean uncertainty around inflation and policy paths is high. As advanced economies lift policy rates, risks to financial stability and emerging market and developing economies' capital flows, currencies, and fiscal positions—especially with debt levels having increased significantly in the past two years may emerge. Other global risks may crystallize as geopolitical tensions remain high, and the ongoing climate emergency means that the probability of major natural disasters remains elevated.

With the pandemic continuing to maintain its grip, the emphasis on an effective global health strategy is more salient than ever. Worldwide access to vaccines, tests, and treatments is essential to reduce the risk of further dangerous COVID-19 variants. This requires increased production of supplies, as well as better in-country delivery systems and fairer international distribution. Monetary policy in many countries will need to continue on a tightening path to curb inflation pressures, while fiscal policy—operating with more limited space than earlier in the pandemic will need to prioritize health and social spending while focusing support on the worst affected. In this context, international cooperation will be essential to preserve access to liquidity and expedite orderly debt restructurings where needed. Investing in climate policies remains imperative to reduce the risk of catastrophic climate change.

Downside surprises in the second half of 2021: Supply disruptions continued into the fourth quarter, hindering global manufacturing—especially in Europe and the United States. A resurgence in COVID cases (particularly in Europe) also held back a broader recovery. In China, disruptions from COVID outbreaks, interruptions to industrial production from power outages, declining real estate investment, and a faster-than-expected withdrawal of public investment all contributed to a second-half slowdown. Although there were signs of a global turnaround in November—with a pickup in international trade and upside surprises for services activity and industrial production data—this only partially offset earlier declines.

The pandemic's continued grip: Since the start of October, COVID-19 deaths have averaged about 7,000 a day worldwide, down from about 10,000 in late August. The diffusion of vaccines—although still uneven—has played a major role, with over 55 percent of people having received at least one dose. Yet the emergence of the Omicron variant in late November threatens to set back this tentative path to recovery. As of mid-January, Omicron appeared to be more transmissible than Delta, but its symptoms are perhaps less severe. The baseline forecast is conditioned on adverse health outcomes—severe illness, hospitalizations, and deaths—coming down to low levels in most countries by the end of 2022. This assumes that most countries achieve vaccination rates consistent with the IMF's pandemic proposal by end-2022, therapies become widely accessible, and the combination proves effective in protecting against Omicron and any other variants that emerge. Some emerging market and developing economies are anticipated to fall short of the vaccination target in 2022 and achieve sufficiently broad coverage only in 2023.

Global Growth Set to Moderate and Inflation to Persist Longer

Global growth is estimated at 5.9 percent in 2021 and is expected to moderate to 4.4 percent in 2022, half a percentage point lower than in the October 2021. The baseline incorporates anticipated effects of mobility restrictions, border closures, and health impacts from the spread of the Omicron variant. These vary by country depending on susceptibility of the population, the severity of mobility restrictions, the expected impact of infections on labour supply, and the importance of contact-intensive sectors. These impediments are expected to weigh on growth in the first quarter of 2022. The negative impact is expected to fade starting in the second quarter, assuming that the global surge in Omicron infections abates and the virus does not mutate into new variants that require further mobility restrictions. Forecasts are based on information up to January 18, 2022.

The 2022 forecast downgrade also reflects revisions among a few large emerging markets. In China, disruption in the housing sector has served as a prelude to a broader slowdown. With a strict zero-COVID strategy leading to recurrent mobility restrictions and deteriorating prospects for construction sector employment, private consumption is likely to be lower than anticipated. In combination with lower investment in real estate, this means that the growth forecast for 2022 is revised down relative to October by 0.8 percentage point, at 4.8 percent, with negative implications for trading partners' prospects.

The upward revision to global growth in 2023 is mostly mechanical. Eventually, the shocks dragging 2022 growth will dissipate and—as a result—global output in 2023 will grow a little faster. Among prominent revisions not due to the pandemic, India's prospects for 2023 are marked up on expected improvements to credit growth—and, subsequently, investment and consumption—building on better-than-anticipated performance of the financial sector. The upward revision to 2023 global growth is, however, not enough to make up ground lost due to the downgrade to 2022. Cumulative global growth over 2022 and 2023 is projected to be 0.3 percentage point lower than previously forecast.

Latest World Economic Outlook Growth Projections

(real GDP, annual percent change)	ESTIMATE 2021	PROJECTIONS 2022	2023
World Output	5.9	4.4	3.8
Advanced Economies	5.0	3.9	2.6
United States	5.6	4.0	2.6
Euro Area	5.2	3.9	2.5
Germany	2.7	3.8	2.5
France	6.7	3.5	1.8
Italy	6.2	3.8	2.2
Spain	4.9	5.8	3.8
Japan	1.6	3.3	1.8
United Kingdom	7.2	4.7	2.3
Canada	4.7	4.1	2.8
Other Advanced Economies	4.7	3.6	2.9
Emerging Market and Developing Economies	6.5	4.8	4.7
Emerging and Developing Asia	7.2	5.9	5.8
China	8.1	4.8	5.2
India	9.0	9.0	7.1
ASEAN-5	3.1	5.6	6.0
Emerging and Developing Europe	6.5	3.5	2.9
Russia	4.5	2.8	2.1
Latin America and the Caribbean	6.8	2.4	2.6
Brazil	4.7	0.3	1.6
Mexico	5.3	2.8	2.7
Middle East and Central Asia	4.2	4.3	3.6
Saudi Arabia	2.9	4.8	2.8
Sub-Saharan Africa	4.0	3.7	4.0
Nigeria	3.0	2.7	2.7
South Africa	4.6	1.9	1.4
Memorandum			
Emerging Market and Middle-Income Economies	6.8	4.8	4.6
Low-Income Developing Countries	3.1	5.3	5.5

Source: IMF, *World Economic Outlook Update*, January 2022

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2021/2022 starting in April 2021. For the January 2022 WEO Update, India's growth projections are 8.7 percent in 2022 and 6.6 percent in 2023 based on calendar year. For India the impact of the Omicron variant is captured in the column for 2021 in the table.

(Source: https://www.imf.org/en/Publications/WEO/Issues/2022/01/25/world-economic-outlook-update-january-2022)

INDIAN ECONOMIC

The last two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply-chain disruptions and, more recently, inflation have created particularly challenging times for policy-making. Faced with these challenges, the Government of India's immediate response was a bouquet of safety-nets to cushion the impact on vulnerable sections of society and the business sector. It next pushed through a significant increase in capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion.

The Indian economy grew 8.7 per cent in 2021-22, with the gross domestic product (GDP) expanding 4.1% in the March quarter from a year ago. The GDP growth for 2021-22 takes the economy above its pre-pandemic level and is an improvement after contracting 6.6% in 2020-21. But the January-March quarter expansion was the weakest in the previous fiscal year. It is lesser than the 5.4% growth seen during the December quarter of 2021-22. Incidentally, the economic growth during the entire fiscal of 2021-22 has gradually spiralled downwards with each quarter.

In the first quarter of 2021-22, the economic growth had been a stupendous 20.1%, which however was mainly due to the low base effect. In the second quarter it was 8.4%, while it was 5.4% in third quarter. Now for the fourth quarter it has slid down to 4.1%. The GDP for 2021-22 though is lesser than the 8.9% growth estimated by the Ministry of Statistics and Programme Implementation (MoSPI), which releases the GDP data. The 8.7% growth also falls way short of the Reserve Bank of India's (RBI) estimation of 9.5% of GDP growth for 2021-22. Even the March quarter growth of 4.1% is much lesser than RBI's projection for the period, which was estimated to be at 6.1%.

The overall value of global trade reached the value of $28.5 trillion in FY 2021, 25 per cent higher than FY 2020. India's exports of both goods and services have been good in 2021- 22. Despite rising trade costs, merchandise exports have crossed the US$30 billion mark in eight consecutive months in FY 2021-22. The reasons for rising trade costs are global supply constraints such as fewer operational shipping vessels, exogenous events such as blockage of the Suez Canal and the Covid-19 pandemic in China's port city, Shenzen, etc.

India has also been witnessing significant inflationary pressures similar to the global economy.

India has been consistently emphasizing on supply-side reforms, rather than a total reliance on demand management. These reforms include deregulation of numerous sectors, simplification of processes, removal of legacy issues like 'retrospective tax', privatization and production-linked incentives, higher rural income, and the boost from pent-up household savings in addition to continued emphasis on infrastructure spending by the government. Vaccination has played an important role in minimizing loss of lives, boosting confidence in the economy towards the resumption of activity and containing the sequential decline in output due to the second wave. Government CAPEX is budgeted to grow to 2.9% of GDP in FY 2022-23 the highest in nearly two decades. Private corporate investment is also expected to pick up in the second half of the year with improvement in demand leading to increased manufacturing sector capacity utilization and rollout of the Production-Linked Incentive Scheme

The outlook stands to be impacted given sustained inflation pressures in the next few quarters including the impact of Russia – Ukraine conflict, quicker tightening of financial conditions with RBI's rate hikes, high oil prices impacting current account balance and fiscal deficit and subsequent Covid-19 outbreaks. However the Indian economy is well prepared for any challenges that it might face in FY 2022-23.

Road Ahead

Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, on January 21, 2022 said that Indian industry to raise 75 unicorns in the 75 weeks leading up to the country's 75th anniversary next year.

Mr. Piyush Goyal said that India will achieve exports worth US$ 650 billion in the financial year 2021-22.
India's electronic exports are expected to reach US$ 300 billion by 2025-26 this will be nearly 40 times the FY2021-22 exports (till December 2021) of US$ 67 billion.

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus at 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates of July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with government's budget support to states, strengthened the overall growth of the Indian economy.

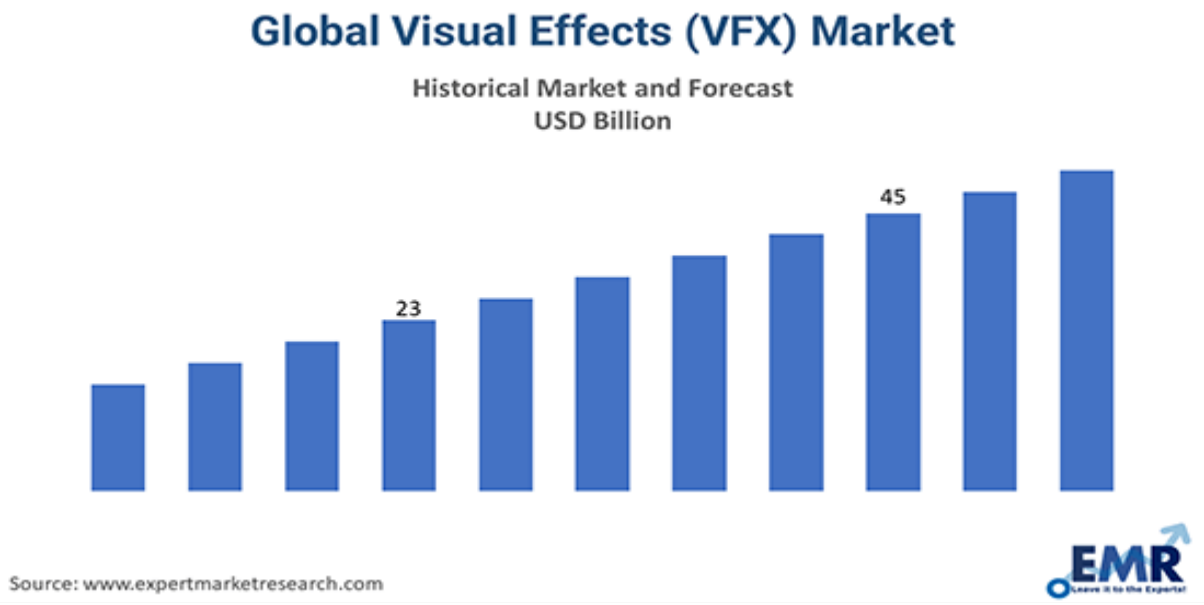
India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30% and have plans to increase its renewable energy capacity from to 175 gigawatt (GW) by 2022. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

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

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

GLOBAL VFX INDUSTRY OVERVIEW

The global visual effects (VFX) market attained a value of USD 26.64 billion in 2020. The market is further expected to grow in the forecast period of 2022-2027 at a CAGR of 11% to reach almost USD 49.83 billion by 2026. The global market is being led by North America, majorly being driven by the increasing use of VFX in Hollywood movies.

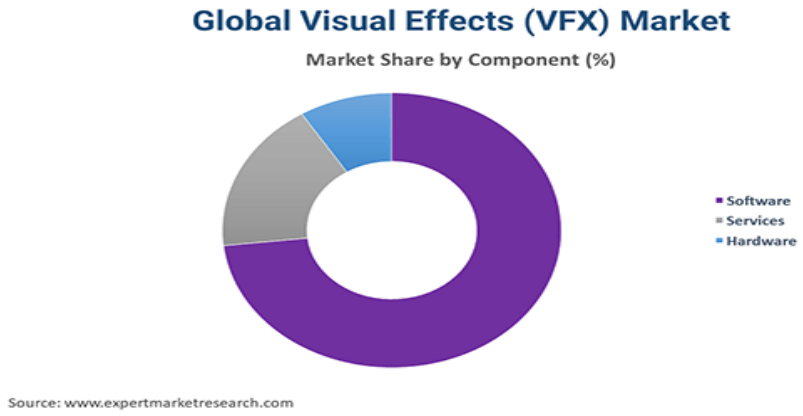


Market Segmentation

Visual effects or VFX refer to special effects that deeply reflect the story's visual representation and are used in films in one way or another almost since the earliest films. Since then, visual effects have often been used and not only for special effects. Many films used matte paintings to create ceilings that did not exist on the sets. Visual effects have evolved in order to deliver sights that cannot literally be filmed. This procedure involves the incorporation of live-action footage as well as the imagery created to create realistic scenes. VFX with CGI is widely used to produce movies, commercials, games, and television shows.

On the basis of the component, the visual effects (VFX) market can be divided into: (See figure below)

- Software
- Services
- Hardware



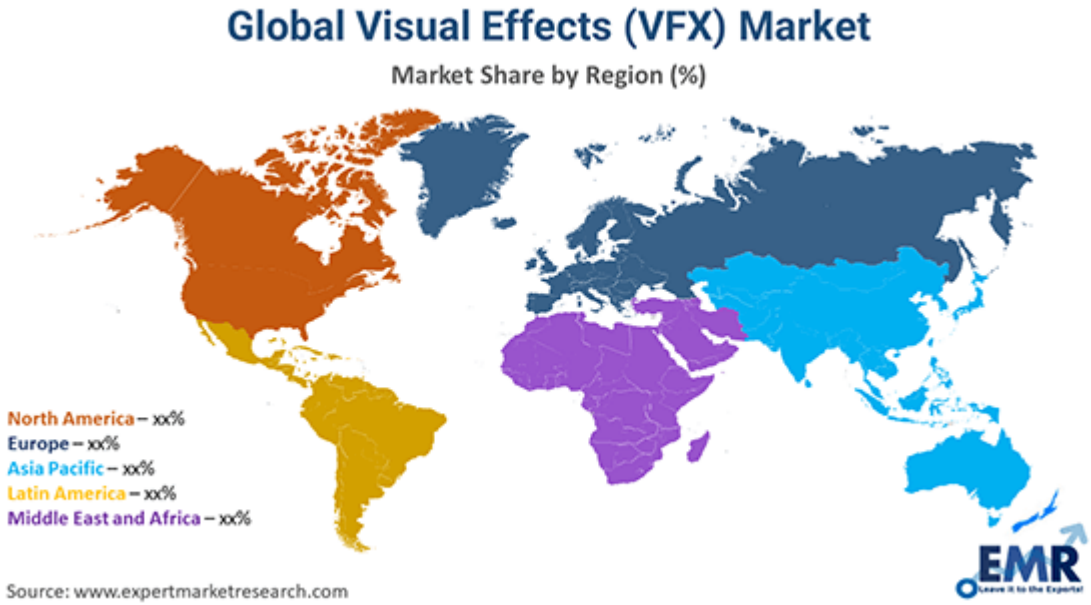
The technology can be divided into the following:

- AI
- AR

The visual effects (VFX) market can be broadly categorised based on its applications into:

- Movies
- Television
- Gaming
- Advertisements
- Others

The EMR report looks into the regional markets of visual effects (VFX) like North America, Latin America, Europe, the Middle East and Africa, and the Asia Pacific.



Market Analysis

One of the main factors driving the rise of the global VFX market is the growing demand for high-quality content. With the increasing use of digital video streaming outlets like Amazon Prime Video, Netflix and Hulu, high-quality content and VFX are becoming more important. Smart devices like smartphones, tablets, laptops, and HD TVs are increasingly being used to promote the development of digital video streaming services. Many video services and studios utilize VFX in films and TV shows. Moreover, studios are stiffly competitive with providers of video streaming services by designing high-quality feature content, such as VFX. Consumers who are increasingly looking for high-definition (HD) VFX experiences will have huge business opportunities in the VFX market in the next few years.

One of the main factors leading to the development of the worldwide VFX development is the introduction of augmented reality (AR). The increasing demand for digital content creates a need for innovation in visual effects for new experiences like AR. In addition, film production units integrate AR in ongoing cameras to identify problems with VFX shots and to speed up the post-production process. The integrated AR cameras provide previews for filmmakers in order to identify the best scene. Due to the growing potential of AR in the media and entertainment industries, the increasing number of visual effects service providers are taking AR. Movies are majorly dominating the application sector.

KEY MARKET SEGMENTS

- **By Component**
  - Software
  - Service
- **By Deployment**
  - On-Premise
  - Cloud
- **By Application**

- Movies
- Advertising
- Television
- Gaming

- **By Region**
  - North America
    - U.S.
    - Canada
  - Europe
    - Germany
    - France
    - UK
    - Rest of Europe
  - Asia-Pacific
    - Japan
    - China
    - India
    - Rest of Asia-Pacific
  - LAMEA
    - Latin America
    - Middle East
    - Africa

KEY MARKET PLAYERS

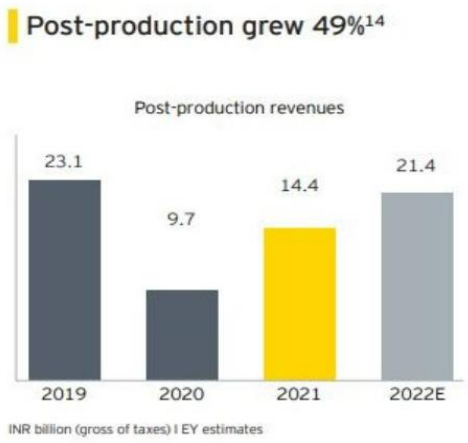
- Adobe Inc.
- Autodesk Inc.
- Blackmagic Design Pty Ltd
- Chaos Software
- Corel Corporation
- Foundry
- Maxon Computer
- PIXAR
- SideFX
- Sitni Sati

INDIAN VFX INDUSTRY

The Indian VFX industry has been gradually climbing up the ladder with adaptation of world-class techniques and innovative technology. The content creators are upping their storytelling with marvelous VFX advancements. Statistics by the recent FICCI EY report confirm the exponential growth of India's M&E space with VFX and post production facilities moving up the value chain.

In 2021, the Indian VFX sector grew by 103 per cent to reach Rs 38.2 billion, while post-production grew by 49 per cent to reach Rs 14.4 billion.

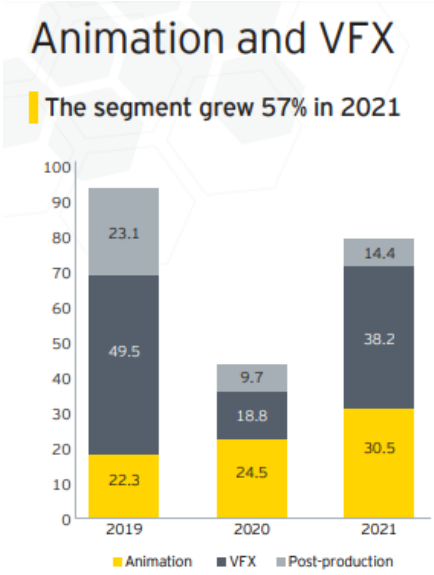




The key factors that contributed to the growth are:

1. OTT platforms sourced more Indian content at global quality:

It was estimated that over 2,500 hours of original content was produced for OTT platforms in India, up from around 2,000 hours in 2019, and this is expected to reach 3,500 hours by 2024. The quality of Indian content has found resonance with customers across the globe, and therefore has automatically led to higher quality standards.



Earlier, 5% to 8% of a show's production budget was for VFX, which has now increased to 15% – 20% of the production budget, whether for films or episodic content.

2. Forced work-from-home ended up becoming an advantage for studios:

In 2020, Indian studios introduced work from home and hybrid pipelines, which got advanced using cloud and other technologies, and got stabilized and artist friendly by the end of 2021. This led to more Indian studios setting up shop internationally and international studios opening their branches in India.

But the key benefit was enhanced efficiency as these measures enabled studios to become more efficient. Larger studios that got appointed as the main VFX studios for a project were thus able to take bigger pieces of work, and in turn they could sub-let the work to smaller studios all over the country, leading to job creation.

3. Domestic demand revival spurred post production:

Direct to OTT film releases, higher quality OTT content and recovery in broadcast content demand led to the recovery of post-production revenues from domestic markets. Altogether, 75% to 85% of the revenues of this segment were from domestic projects, where film production still lags pre-pandemic levels.

4. The multi-language release formula led to increased volumes:

Platforms like Disney+ Hotstar, Netflix, Zee5, MX Player and Amazon Prime Video are releasing content in seven to 10 different Indian languages. This is giving a fillip not just to audio post-production business, but also dubbing, titling, sub-titling, promo creation etc.

In addition, international platforms like Amazon Prime Video, Zee5 and Netflix are releasing Indian films in several foreign languages - a trend which should continue given the success seen by these products with international audiences. Regional movies that were released in many countries played a vital role in the growth of the local post-production industry along with broadcast and audio localization.

Pertaining to VFX, there has been an increase in the adoption of real-time technology/virtual production, which includes:

a. Indian studios have started adopting virtual production and in the next two to three years, virtual production will

become a far more common practice.

b. It is expected that around 50% of Indian animation and VFX studios will adapt to real-time technology/ virtual production by 2025. Bigger studios have already started using software like Unity and Unreal in their pipeline. For smaller studios, this could be a challenge because of the kind of investments involved in implementing these technologies, and will probably be used for specific projects.

However, India needs to up its game in virtual production to stay relevant in the global content marketplace - education and training are necessary for the sector to achieve its growth potential.

Jointly the animation, VFX and post-production sector is expected to reach Rs.180 billion by 2024.

Key drivers of growth for the sector will include:

- Increased demand for higher-quality domestic film and episodic content
- Content crossing language barriers - nationally and internationally
- Increased adoption of virtual production and rising VFX budgets for content
- Increased offshoring of projects to India as the global content economy expands with new OTT platforms.
- However, the key risk remains availability of quality talent, for which much needs to be done around training and upskilling.

[Source: EY report 2022, FICCI EY Report 2022, Indian VFX sector, Metaverse, OTT, VFX, virtual production]

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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 19 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 127 and 150 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 incorporated as a private limited company under the name of "Phantom Digital Effects Private Limited" under the Companies Act, 2013 vide certificate of incorporation dated February 2, 2016, issued by the Registrar of Companies, Tamil Nadu at Chennai, bearing Corporate Identification Number (CIN) U92100TN2016PTC103929. Subsequently, our Company was converted into a Public Limited Company pursuant to the special resolution passed by the Shareholders of our Company on July 21, 2022. Consequent upon conversion of our Company into public limited, the name of company was changed from "Phantom Digital Effects Private Limited" to "Phantom Digital Effects Limited" and a fresh Certificate of Incorporation dated July 29, 2022, was issued by the Registrar of Companies, Tamil Nadu at Chennai. The CIN of the Company changed to U92100TN2016PLC103929.

Our Promoter Mr. Bejoy Arputharaj Sam Manohar started the journey of VFX and animation in the year 2011 by taking up small projects. Our Company was formed in the year 2016. Today, our Company is a creative VFX studio, specializing in Film, Web series and Commercial. We have delivered more than thousands of shots for Domestic and International feature films (Hollywood), , Web Series & commercials in the past few years. Apart from working for film production and commercials, Our Company periodically takes up subcontracts from larger visual effects studios as well.

We are a Certified Trusted Partner Network (TPN) company, full-fledged creative VFX studio, based in India with offices operating in US and Canada. Our Company is not having any office in US and Canada. Presently, we are operating in US and Canada through Agencies only for procuring orders.

We provide high-end visual effects solutions for commercials, feature films, and Web series globally. Phantom Digital Effects Limited offers all sorts of creative VFX works, ranging from Final Compositing and Roto to creating 3D Elements, Photo real creatures and Environments, 3D, match move, and Animations.

The Company support production houses by providing end to end services.

Services Offered by our Company

As a TPN Certified studio, PhantomFX offers a wide range of VFX services. The company's specializations include:

1. Completing a Shot with final compositing
2. Creating 3D elements, photoreal creatures, and environments
3. Rig/Wire removal, paint cleanup, rotoscopy
4. 3D matchmove
5. 3D animation (storyboard, animation)
6. Pre-visualization Game cinematics
7. Fire / water Fx and other natural phenomena 3D ride animation

We conduct our operations with focus on to provide reliable, cost-effective and high-quality VFX shots at competitive price for the US and European markets. We have the flexibility to work on any kind of project, either small or large,

with faster turnaround and scalability to generate long-term value for the Company.

Phantom has a team of creative-driven professionals, who are capable of managing all sorts of VFX production tasks every single step of the way to deliver high-quality, industry standard content for the client. The team of talented and passionate creatives at Phantom are capable of handling projects of any scale and complexity employee experience. To emerge as the best VFX company producing quality content for both International and Domestic markets, we aim to build a work environment that is not only productive and efficient but also more exciting, fulfilling, meaningful and fun, creating the best.

FEATURES

Some of the recent Indian Projects & International Projects that we have executed successfully and well recognised by the industry and well appreciated by the viewer are as under:

Indian Projects		
S. No	**Name of the Movie**	**Scope of Work**
1.	Vikram	VFX & CGI Compositing
2.	Beast	VFX
3.	RRR	VFX
4.	Minnal Murali	VFX & CGI Compositing
5.	Robot 2.0	VFX & CGI Compositing
6.	Bahubali 1 and Bahubali 2: The Conclusion	VFX Comp
7.	Puli (South)	Set Extensions, VFX, CGI & Bridge
8.	Ayirathil Oruvan	Photo Real CG Shots
9.	Maaveran	Set Extensions & Compositing
10.	Seemaraja	Set Extensions, CGI & VFX Compositing
International Projects		
S. No	**Name of the Movie**	**Scope of Work**
1.	Avengers	Stereo Roto & Paint
2.	Van Helsing	VFX Comp
3.	Transformers	Stereo Roto & Paint
4.	Dangerous	VFX
5.	Superman & Lois	VFX
6.	The Art of the Walking Dead Universe	VFX
7.	Outlander	VFX
8.	The Flash	3D Matchmove & Rotomation
9.	Grey's Anatomy	Roto & Paint

REGISTERED OFFICE AND STUDIOS

The studios of our Company are located at:

Sr. No.	**Particulars**	**Address**
1.	Registered Office	6th floor, Tower-B, Kosmo One Tech Park (India Bulls Park), Plot No.14, 3rd Main road, Ambattur, Chennai 600058,
2.	Chennai Studio	6th floor, Tower-B, Kosmo One Tech Park (India Bulls Park), Plot No.14, 3rd Main road, Ambattur, Chennai 600058,
3.	Mumbai Studio	Shalimar Morya Park, 611, 6th floor, Opposite to Infinity Mall,Off New Link Road, Andheri West, Mumbai-400102

AWARDS AND RECOGNITION



OUR COMPETITIVE STRENGTHS

We as a VFX studio take edge over our competitors with the following key strengths which enable our Company to be competitive in this business:

1. **Well equipped with advance technology**

   Our Company is well equipped with all the advance equipment's as needed in the Industry. This provides our Company with the edge over its competitors.

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

   Our Promoters have significant industry experience and have been instrumental in the consistent growth of our Company. Our management and technical professional teams combine expertise and experience outlines plans for future development of our Company and ensures successful execution of the plans.

3. **Marque Clientele**

   Our Company has worked with large number of marque clients which includes KJR Studios, DRP-Gunaa Teamworks, Zoic INC, RaajKamal Film International, Retrophiles Private Limited, MatchBox Shots LLP, VFX Cloud, Sun TV Network, 24AM Studios, Eros International Media Ltd, The Vermillioan World, Konidela Production Company and Slingshot Creations.

OUR BUSINESS STRATEGIES

1. **Expanding our Network**

   Our Company believes in maintaining long term relationship with our customers. 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. To this end, we focus on process and consistency for improving efficiencies at all level of operational process so as to achieve cost reductions

and 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.

INFORMATION SECURITY

We operate in an industry which is highly sensitive with regard to maintenance of secrecy of the projects and its contents. We manage sensitive and confidential data for our clients. Maintaining the confidentiality, integrity and security of such data is of paramount importance to us. We have put in place firewall, security systems and procedures including CCTV cameras, Biometric access, Password sensitive central storage for protection of classified data, intellectual property and projects contents.

SALES AND MARKETING

A strong and robust sales and marketing team ensures pitching for prime projects at the appropriate time. The team ensures compatibility and reliability with the clients servicing their needs and requirements efficiently. This is the reason major clients continue to associate with our Company year on year.

Marketing team reaches across the Country through its offices from Chennai, Mumbai (Cochin & Hyderabad to be started soon) and our representatives in other States. Our Marketing team based in Vancouver, Montreal, Los Angeles, Delaware and London covers the Global Market.

PROJECT SUPERVISION AND QUALITY CONTROL

From start to end of the VFX projects, strict measures are put in place to emphasis on quality and maintenance of secrecy of the projects and its contents. From the start till completion of projects, we have a team of 306 highly trained technical and Management professionals to ensuring that each project is delivered on time with benchmark exceptional standards. In order to ensure that such policies, standards and checks are complied with, VFX supervisors are in charge of the whole VFX project. They manage the VFX pipeline, including all of the VFX artists that work in this process. They have ultimate responsibility for all of the VFX elements produced for a project by their company or studio.

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They are present for filming during production so that they can see if the shots are satisfactory and ready for the VFX elements. VFX studios prefer if shots (pictures) are ‘locked’ (edited and okayed, ready to have VFX elements added to it) during filming. That means they can start working on the VFX while the rest of the film is being shot.

They continue to lead their team when the film is being put together during post-production. They oversee the quality of all work produced and make sure that it is in line with the vision of the director or producer.

We are a TPN certified VFX provide. TPN (Trusted Partner Network), owned and managed by the Motion Picture Association (MPA) in USA, is a global, industry-wide film and television content protection initiative. The TPN helps companies prevent leaks, breaches, and hacks of their customers' movies and television shows prior to their intended release and seeks to raise security awareness, preparedness, and capabilities within the industry. Partners who pass an independent assessment conforming to these industry best practices are listed as “trusted partners” in the TPN directory. TPN assessment is well acknowledged by big studios like Walt Disney Studios, Universal City Studios, Warner Bros., Netflix Studios and so forth.

DESCRIPTION OF OUR SERVICE

Services	Description
3D Animations	Computer animation is the process used for digitally generating animated images. The more general term computer-generated imagery (CGI) encompasses both static scenes and dynamic images, while computer animation only refers to moving images. Modern computer animation usually uses 3D computer graphics to generate a three-dimensional picture. Sometimes, the target of the animation is the computer itself, but sometimes film as well. Computer animation is essentially a digital successor to stop motion techniques, but using 3D models, and traditional animation techniques using frame-by-frame animation of 2D illustrations. Computer-generated animations can also allow a single graphic artist to produce such content without the use of actors, expensive set pieces, or props. To create the illusion of movement, an image is displayed on the computer monitor and repeatedly replaced by a new image that is similar to it but advanced slightly in time (usually at a rate of 24, 25, or 30 frames/second). This technique is identical to how the illusion of movement is achieved with television and motion pictures. For 3D animations, objects (models) are built on the computer monitor (modeled) and 3D figures are rigged with a virtual skeleton. Then the limbs, eyes, mouth, clothes, etc. of the figure are moved by the animator on key frames. The differences in appearance between key frames are automatically calculated by the computer in a process known as tweening or morphing. Finally, the animation is rendered.
Set Extensions	Set Extension Artists enhance storytelling by creating complex digital backgrounds, landscapes, and environments using a range of digital tools involving painting and rendering programs. Set extension should be seamless in a film and imperceptible to the audience. Set Extension Artists use a variety of techniques; viewers should feel completely immersed in the story and feel that they are part of a believable world.
Concept Art	Concept artists create artwork to inspire the look of the visual effects (VFX) in a film or TV production. They draw the characters or creatures and environments as well as vehicles, props and buildings. They begin with a brief, which might be a script, or the original concept of a film as told by its filmmaker. They carry out research and create mood boards, which they use as a starting point to create lots of versions of their designs. The artwork that concept artists create helps other members of a production, or in the VFX pipeline, to have a shared vision. Concept artists use digital and traditional drawing and painting to create their work. A lot of the work they produce is in the form of still 2D images; however, concept artists can also produce work using 3D software to create 3D wireframe computer-generated images (CGI). This can help speed up the VFX production pipeline. Concept artists typically work on a freelance basis, and their job role is highly specialised. They may grow to be associated with a particular VFX company. On large-scale movie productions, concept artists can work in a film's art department or costume department. They act as the point of contact between the film departments and the VFX team.
Natural Phenomenon	Natural Phenomenon includes weather, fog, thunder, tornadoes, biological processes, decomposition, germination, physical processes, wave propagation, erosion, tidal flow, moon bow, blood moon and natural disasters such as electromagnetic pulses, volcanic eruptions, earthquakes, midnight sun and polar night.

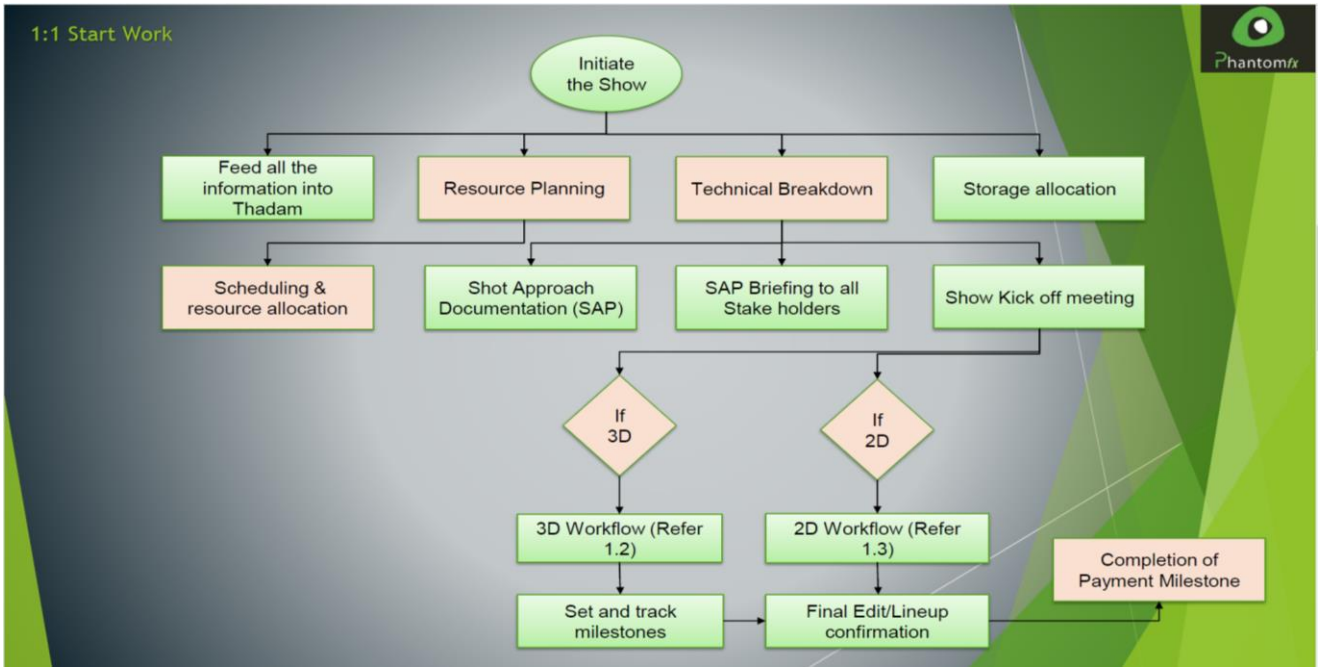
Services	Description
Pre-visualisation	Pre-visualisation is the visualising of complex scenes in a movie before filming. It is also a concept in still photography. Pre-visualisation is used to describe techniques such as storyboarding, either in the form of charcoal sketches or in digital technology, in the planning and conceptualization of movie scenes. The advantage of pre-visualisation is that it allows a director, cinematographer, or VFX Supervisor to experiment with different staging and art direction options— such as lighting, camera placement and movement, stage direction and editing— without having to incur the costs of actual production. On a larger budget project, the directors work with actors in visual effects department or dedicated rooms. Pre-visualisations can add music, sound effects and dialogue to closely emulate the look of fully produced and edited sequences, and are most encountered in scenes that involve stunts and special effects (such as chroma key). Digital video, photography, hand-drawn art, clip art and 3D animation combine in use.

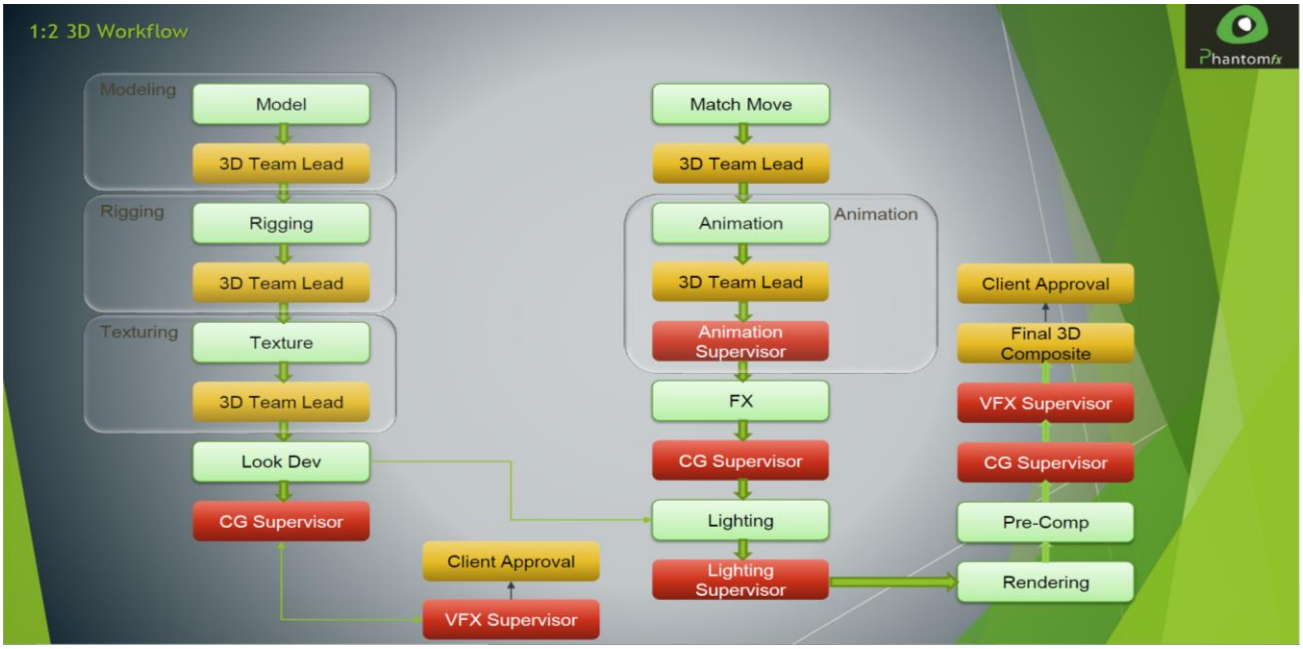
COMPETITION

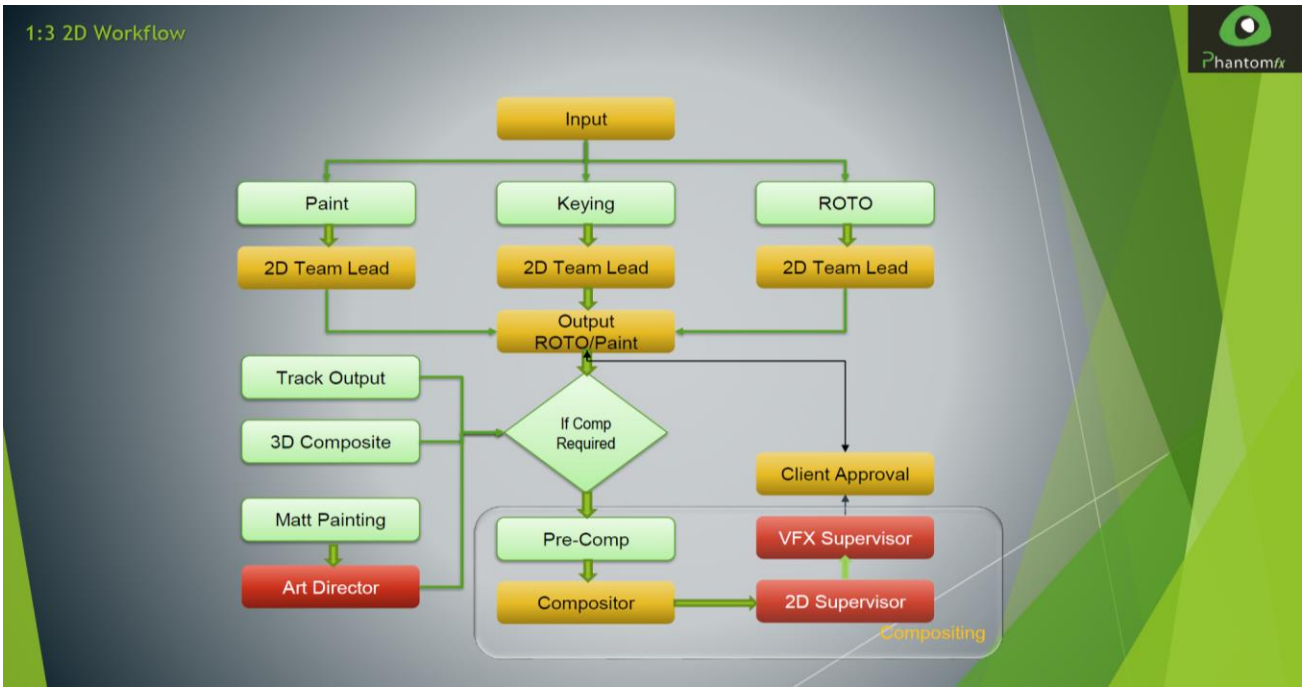
We face intense competition from the Indian and multinational companies. We have a very diverse portfolio of entertainment industry across globe. Some of our key competitors include Prime Focus Ltd., PIXAR, SideFX, Sitni Sati to name a few. For further details, see "Risk Factors - We operate in a competitive market and any increase in competition may adversely affect our business and financial condition.".

PRODUCTION PROCESS:

Our Company's production process is equipped with lasted technologies, equipment and software. Our Company brings the latest modern technology in the project execution so that best of the VFX effect is delivered in the ultimate scene. The production flow chart of the Company is as under:







SOFTWARE AND EQUIPMENTS

We use latest technologically advanced software to create VFX effect. These softwares are licenced from different vendors and are subject to renewal. Following is the list of the software and equipments used by our Company:

S. No	Name of Major Software	Vendor
1	Nuke Software	Ark Info
2	Fusion	Black Magic
3	Autodesk Maya	Sniper India
4	Red shift	Maxon
	Name of Major Equipment	
1	Dell Storage - Dell EMC NX3240 NAS: S.NO : 9Z9GKH3	Atrity Info Solutions Private Limited
2	Infortrend Storage - GS 3024S2CF, S.NO :9209681	Atrity Info Solutions Private Limited

COLLABORATIONS

We have not entered into any technical or other collaboration.

HUMAN RESOURCE

Our employees are the key to the success of our business. As on 30 June, 2022, we have the total strength of 306 in various departments as per the below details:

S. No.	Departments	No. of Employees
1	3D	68
2	2D	57
3	Art	17
4	Roto	19
5	Paint	21
6	Tech	10
7	Production, Data IO & Edit	28
8	IT	5
9	Admin	6
10	VFX/ Onset	5
11	Marketing	1
12	Finance	3
13	HR	5
14	Management	6
15	Training	2
16	Trainees/ Interns	53
	TOTAL	**306**

FINANCIAL ACHIEVEMENTS OF THE COMPANY

(₹ in Lakhs)

Particulars	June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Share Capital	1.00	1.00	1.00	1.00
Reserves & Surplus	935.64	524.53	34.32	31.46
Net Worth	936.64	525.53	35.32	32.46
Total Income	1,234.88	2,236.60	715.41	1,326.72
PAT	411.11	490.21	2.86	11.30

GEOGRAPHICAL WISE REVENUE BREAKUP

Geographical distribution of our revenue during the last 5 years are as under: (₹ in Lakhs)

	2017-18		2018-19		2019-20		2020-21		2021-22		30-06-2022	
Country	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
India	472.20	58.60%	472.20	48.14%	639.56	49.41%	477.73	70.62%	1,571.49	70.37%	1,190.20	95.03%
Canada	143.28	17.78%	134.05	13.67%	221.97	17.15%	158.02	23.36%	375.85	16.83%	15.18	1.21%
US	188.40	23.38%	371.00	37.83%	372.65	28.79%	27.36	4.04%	206.15	9.23%	-	0.00%
Rest of World	1.92	0.24%	3.59	0.37%	60.29	4.66%	13.34	1.97%	79.77	3.57%	47.12	3.76%
Total	**805.80**	**100.00%**	**980.84**	**100.00%**	**1,294.47**	**100.00%**	**676.44**	**100.00%**	**2,233.27**	**100.00%**	**1,252.50**	**100.00%**

TOP TEN CUSTOMERS

Our top 10 clients in terms of revenue generated during the last 5 years are as under:

Particulars	March 31, 2018	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022	June 30, 2022
KJR Studios	-	-	236.00	200.00	200.00	573.48
DRP-Gunaa Teamworks	-	-	-	21.40	144.59	160.06
Zoic INC	-	-	-	-	44.68	142.90
RaajKamal Film International	231.16	162.00	-	-	35.40	141.60
Retrophiles Private Limited	-	-	-	-	421.85	84.37
MatchBox Shots LLP	-	-	-	-	54.62	50.70
VFX Cloud	136.19	89.10	73.43	75.06	90.11	9.64
Barnstorm	100.80	111.33	53.41	7.27	41.97	7.88
Side Street Post	-	5.32	78.67	219.92	116.34	5.54
Sun TV Network	-	-	-	-	539.56	-
24AM Studios	133.26	293.32	-	-	39.95	-
Eros International Media Ltd	-	-	153.99	150.76	-	-
The Vermillioan World	-	-	-	31.31	153.38	-
Konidela Production Company	-	12.39	106.20	-	-	-
Slingshot Creations	-	25.96	63.19	1.77	16.26	-

CORPORATE SOCIAL RESPONSIBILITY

Our Company is exempted from the provisions of section 135 of the Companies Act, 2013, till March 31, 2022, in respect of Corporate Social Responsibility. Based on the profit of FY2022, the provision of the CSR become applicable to the Company w.e.f. April 1, 2022. The Company has set up the CSR Committee and adopted the CSR Policy in compliance with the provision of the Section 135 of the Companies Act, 2013 and the rules made thereunder. The CSR spending will be done during the FY2023.

OUR BUSINESS STRATEGY

We ensure to maintain strong relationships with producers, production houses and directors and work closely with them to understand their view and expectation and obtain feedback on our deliveries to further align our project execution, marketing and pricing strategies with demand. We intend to continue to provide high quality deliveries to our customers and grow our business by leveraging our strengths and implementing the following strategies:

a. Enhance customer base by entering new geographies

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing our geographical reach. Enhancing our presence in additional regions will enable us to reach out to a larger market and have direct access to the producers, production houses and directors which will allow us to have better understanding of their concept and ideas. Further, our Company believes in maintaining long term relationships with our customers. We aim to achieve this by maintaining the high quality VFX effect, timely delivery and competitive pricing.

b. Leveraging our Market skills and Relationships

This is a continuous process in our organization. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by increasing the geographical base, maintaining our client relationship and renewing our relationship with existing clients.

c. Focus on quality

Our Company intends to focus on adhering to the quality of our offerings. This is necessary so as to make sure that we maintain the high-quality standards for our offerings and get repeated projects from our clients. This will also aid us in enhancing our brand value and further increase the business.

SWOT ANALYSIS	
STRENGTHS	**WEAKNESS**
• Availability of latest available technology and software • Highly trained professionals • Strict quality control in production process • Ensure privacy of the project and its contents	• High cost of capital, basic inputs, and manpower cost • Upgradation of knowledge of our project execution teams • Dependency on promoters and KMPs
OPPORTUNITIES	**THREATS**
• OTT platforms sourced more Indian content at global quality • Increased offshoring of projects to India as the global content economy expands with new OTT platforms • Increased demand for higher-quality domestic film and episodic content • The multi-language release formula led to increased volumes • Increased adoption of virtual production and rising VFX budgets for content	• Availability of quality talent • Lockdown and suspension of commercial activities • High level competition • Rapidly changing technology making earlier one obsolete very fast

MARKETING

Our success lies in the strength of our relationship with our producers, production houses and directors. Due to strong network and branding with producers, production houses and directors. Our team, through their vast experience and good rapport with producers, production houses and directors are able to source new businesses for our Company. To retain our customers, our team regularly interacts with producers, production houses and directors and focuses on gaining an insight on changing taste and preference of viewers of entertainment industry.

We have experienced and skill management team to motivate the sub-ordinates and staff to step towards their achievements and organizational goals. With their efficient management skills and co-ordination with sub-ordinate, they are always working as a catalyst to encourage the entire team for the development and nourishment of the organization.

INTELLECTUAL PROPERTY

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

SL No.	Original Trademark Name	Filed Trademark Name	Registration No.	Application No.	Class	Current Status
1		PhantomFX	4029792	-	41	Registered

INSURANCE

SL. No.	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (Rs. In Lakhs)
1.	Magma HDI General Insurance Company Ltd.	Group Health Insurance	P0022300003/6115/ 100049	04-01-2023	579.00

SL. No.	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (Rs. In Lakhs)
2.	Kotak General Insurance	Burglary Secure	1107388902	28-10-2022	126.49
3.	Kotak General Insurance	Fire Insurance	1812586200	28-10-2022	166.34

PROPERTIES

We operate our activities from our registered office and studios. Details of which are given below:

SL. No.	Details of Property	Purpose	Total Area	Tenure	Rent (in Rs. Lakhs)
1.	6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai, Tamil Nadu- 600058	Registered Office and Studio	13,329 sq.ft.	36 months w.e.f. July 19, 2020	5.06 per month
2.	Unit 611, 6th Floor, Shalimar Morya Park Premises Cooperative Society Limited, New Link Road, Adheri West, Mumbai - 400102	Studio	3,180 sq.ft.	36 months w.e.f. September 20, 2021	2.05 per month

FINANCIALS

As per Restated Financial Statements for the three (3) months period ended June 30, 2022 and fiscal 2022, 2021 and 2020, our total revenues were Rs.1234.88 Lakhs, Rs.2236.60 Lakhs, Rs. 715.41 Lakhs, and Rs. 1,326.72 Lakhs, respectively. Our Profit after Tax for the similar period mentioned above was Rs. 411.11 Lakhs, Rs.490.21Lakhs, Rs. 7.51 Lakhs, and Rs. 11.30 Lakhs, respectively.

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 165 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

The Cinematograph Act, 1952

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

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

A film will not be certified for public exhibition if, in the opinion of the CBFC, the film or any part of it is against the interests of the sovereignty, integrity or security of India, friendly relations with foreign states, public order, decency or morality, or involves defamation or contempt of court or is likely to incite the commission of any offence.

Any applicant, if aggrieved by any order of the CBFC either refusing to grant a certificate or granting a certificate that restricts exhibition to certain persons only, may appeal to the Film Certification Appellate Tribunal constituted by the Central Government under the Cinematograph Act within thirty days from the date of such order.

The Cinematograph Film Rules, 1948

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

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 applies. 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")

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.

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OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

HISTORY OF OUR COMPANY

Our Company was incorporated as a private limited company under the name of "Phantom Digital Effects Private Limited" under the Companies Act, 2013 vide certificate of incorporation dated February 2, 2016, issued by the Registrar of Companies, Tamil Nadu at Chennai, bearing Corporate Identification Number (CIN) U92100TN2016PTC103929. Subsequently, our Company was converted into a Public Limited Company pursuant to the special resolution passed by the Shareholders of our Company on July 21, 2022. Consequent upon conversion of our Company into public limited, the name of company was changed from "Phantom Digital Effects Private Limited" to "Phantom Digital Effects Limited" and a fresh Certificate of Incorporation dated July 29, 2022, was issued by the Registrar of Companies, Tamil Nadu at Chennai. The CIN of the Company changed to U92100TN2016PLC103929.

Our Promoter Mr. Bejoy Arputharaj Sam Manohar started the journey of VFX & animation in the year 2011 by taking up small projects. Our Company was formed in the year 2016. Today, our Company is a creative VFX studio, specializing in Film and Commercial VFX. We have delivered more than thousands of shots for Domestic & International (Hollywood) films, independent feature films, web series & commercials in the past few years. Apart from working for film production, web series and commercials, Our Company periodically takes up subcontracts from larger visual effects studios as well.

We are a Certified Trusted Partner Network company, full-fledged creative studio, based in India with offices operating in US and Canada. We provide high-end visual effects solutions for commercials, feature films, and television media (Web series) globally. Phantom Digital Effects Limited offers all sorts of creative VFX works, ranging from Final Compositing and Roto to creating 3D Elements, Photo real creatures and Environments, 3D, matchmove, and Animations.

The Company support production houses by providing end to end services.

We operate in an industry which is highly sensitive with regard to maintenance of secrecy of the projects and its contents. We manage sensitive and confidential data for our clients. Maintaining the confidentiality, integrity and security of such data is of paramount importance to us. We have put in place firewall, security systems and procedures including CCTV cameras, Biometric access, Password sensitive central storage for protection of classified data, intellectual property and projects contents.

Presently, we carry out our operations from our Registered Office and 2 (two) studios as per the below details:

Sr. No.	Particulars	Address
1.	Registered Office	6th floor, Tower-B, Kosmo One Tech Park (India Bulls Park), Plot No.14, 3rd Main road, Ambattur, Chennai 600058,
2.	Chennai Studio	6th floor, Tower-B, Kosmo One Tech Park, (India Bulls Park) Plot No.14, 3rd Main road, Ambattur, Chennai 600058,
3.	Mumbai Studio	Shalimar Morya Park, 611, 6th floor, Opposite to Infinity Mall, Off New Link Road, Andheri West, Mumbai-400102

CHANGES IN OUR REGISTERED OFFICE

Registered Office of the Company is presently situated at 6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai Tamil Nadu – 600058.

The Details of the change of Registered Office of the Company are as follows:

Sr. No.	Date of Change	Shifted From	Shifted to
1	15/04/2019	No. 4/375 Thiru Senthil Nagar, Old Natham Road, Thiruppalai, Madurai	6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai Tamil Nadu - 600058

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 creating special effects and animations in all types of visual communication including films which can be shown/seen on all types of screens. Creation of animation films which can be shown/seen on all types of screens and creation of animation games which can be played/seen/shown on all types of screens."

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
June 26, 2017	Change in Authorised Capital of the Company from Rs. 1,00,000 to Rs. 5,00,000
April 15, 2019	Change in Registered Address of the Company
May 26, 2022	Increase in Authorised Capital of the Company from Rs. 5,00,000 to Rs. 7,00,00,000
July 29, 2022	Change in status of the Company from private limited to public limited.
August 8, 2022	Increase in Authorised Capital of the Company from Rs. 7,00,00,000 to Rs. 12,00,00,000

KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

YEAR	PARTICULARS
2016	Incorporation of our Company.
2017	Increase in Authorized Capital of the Company
2019	Change in Registered Address of the Company with the city
2022	Company converted into Public Limited Company and consequently name changed From "Phantom Digital Effects Private Limited" to "Phantom Digital Effects Limited"
2022	Increase in Authorized Capital of the Company
2022	Adoption of Articles of Associations of the Company in line with public company

DETAILS OF BUSINESS OF OUR COMPANY

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 84, 150 and 70 of this Red Herring Prospectus respectively.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any Holding Company as on the date of filing of this Red Herring Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company has no Subsidiary Company as on the date of filing 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 45 respectively, of this Red Herring Prospectus.

REVALUATION OF ASSETS

Our Company has not re-valued its assets since its incorporation.

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Other than as stated in this Red Herring Prospectus, there has been no change in the activities being carried out by our Company during the preceding five years from the date of this Red Herring Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

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

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.

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 YEARS

There has been no divestment by the Company of any business or undertaking since inception.

NUMBER OF SHAREHOLDER OF OUR COMPANY

Our Company has 63 (Sixty-Three) 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 45 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 84 and 101 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 127 of this Red Herring Prospectus.

COLLABORATION AGREEMENT

As on the date of this Red Herring Prospectus, our Company is not party to any collaboration agreement.

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 (7) Directors, out of which Four (4) are Executive Directors, Mr. Manjit Singh Parmar, Mr. Tom Antony and Mr. Jemmon P V are Non-Executive Independent Directors. Mr. Bejoy Arputharaj Sam Manohar is the Chairman and Managing Director of our Company.

S.N.	Name	DIN	Category	Designation
1.	Mr. Bejoy Arputharaj Sam Manohar	03459098	Executive	Managing Director
2.	Mrs. Syntia Moses Darry	03459055	Executive	Whole Time Director
3.	Mr. Binu Joshua Sam Manohar	03459073	Executive	Whole Time Director
4.	Mr. Ravindran Sivasankaran	08009653	Executive	Whole Time Director
5.	Mr. Manjit Singh Parmar	07511020	Non-Executive	Independent Director
6.	Mr. Tom Antony	01413738	Non-Executive	Independent Director
7.	Mr. Jeemon P.V	00876858	Non-Executive	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	**Mr. Bejoy Arputharaj Sam Manohar** **Designation:** Chairman and Managing Director **Address:** P. No. 3, 4, Flat H, Apex Subramniya Appartments, Krishnaveni Ammal Nagar, Iyyappan Thangal, Ayyappanthangal, Kancheepuram, Tamil Nadu – 600056, India. **Date of Birth:** March 28, 1983 **Qualification:** Graduate (Bachelor of Science Computer Science) **Occupation:** Business **Nationality:** Indian **Term:** 3 years w.e.f August 8, 2022 till August 7, 2025 and liable to retire by rotation **Date of First Appointment:** February 2, 2016 **Date of Appointment as MD:** August 8, 2022 **DIN**: 03459098	39	1. Phantom Creative Effects Private Limited. 2. Phantomfx Studios Private Limited

S. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
2.	**Mr. Binu Joshua Sam Manohar** **Designation:** Whole Time Director **Address:** 76/H 125, Tamil Nadu Housing Board, Tenkasi, Tamil Nadu - 627811, India. **Date of Birth:** July 7, 1986 **Qualification**: Bachelor of Commerce from Manonmaniam Sundaranar University **Occupation:** Business **Nationality:** Indian **Term:** 3 years w.e.f August 8, 2022 till August 7, 2025 and liable to retire by rotation **Date of First Appointment:** August 8, 2022 **Date of Appointment as WTD:** August 8, 2022 **DIN**: 03459073	36	1. JOJ Service Private Limited 2. Phantomfx Studios Private Limited
3.	**Mrs. Syntia Moses Darry** **Designation:** Whole Time Director **Address:** 20-B, Sri Krishna Nagar, Noombal, 5th Cross Street, Chettiyaragaram, Tiruvallur, Tamil Nadu - 600077, India. **Date of Birth:** June 14, 1984 **Qualification:** Post Graduate (Master of Commerce) and Masters of Computer Application) **Occupation:** Service **Nationality: Indian** **Term:** 3 years w.e.f. August 8, 2022 till August 7, 2025 and liable to retire by rotation **Appointed on:** August 8, 2022 **DIN**: 03459055	38	NIL
4	**Mr. Ravindran Sivasankaran** **Designation:** Whole Time Director **Address:** B. Plot 3 Apex Subramaniya Apartments, Krishnaveniammal Nagar, Iyyappan Thangal, Ayyappanthangal, Poonammallee, Kancheepuram, Tamil Nadu - 600056, India. **Date of Birth:** November 13, 1982 **Qualification:** B.E (I.T) from Manonmaniam Sundaranar University **Occupation:** Service **Nationality:** Indian **Term:** 3 years w.e.f. August 8, 2022 till August 7,	39	NIL

S. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
	2025 and liable to retire by rotation **Appointed on:** August 8, 2022 **DIN**: 08009653		
5	**Mr. Manjit Singh Parmar** **Designation:** Non-Executive Independent Director **Address**: 5A, Owners Court, Montieth Lane, Egmore, Chennai - 600008, Tamil Nadu, India. **Date of Birth:** March 20, 1955 **Qualification:** Post Graduate in commerce **Occupation:** Self-Occupied **Nationality:** Indian **Term:** For a period of 5 years w.e.f. August 8, 2022, not liable to retire by rotation **Appointed on:** August 8, 2022 **DIN**: 07511020	67	1. Regenix Biosciences Limited
6	**Mr. Tom Antony** **Designation:** Non-Executive Independent Director **Address:** 8/2, Home Finders Estate, Valluvar Salai, Ramapuram, Ambattur, Tiruvellur, Tamil Nadu - 600089, India **Date of Birth:** April 22, 1974 **Qualification:** Masters in Law, M.B.A and Fellow Member of ICSI **Nationality:** Indian **Term:** For a period of 5 years w.e.f. August 8, 2022, not liable to retire by rotation **Appointed on:** August 8, 2022 **DIN**: 01413738	48	NIL

S. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
7	**Mr. Jeemon P.V** **Designation:** Non-Executive Director **Address:** Palatty Pulely House, Ambalanada, Muriyad, Thrissur, Kerala-680683 **Date of Birth:** April 20, 1976 **Qualification:** F.C.S, M.B.A, and M.L from University of Madras **Occupation:** **Nationality:** Indian **Term:** Liable to retire by rotation **Appointed on:** August 8, 2022 **DIN**: 00876858	44	1. Axyz Metaverse Privatelimited 2. Axyz Virtual Private Limited 3. Jes Innovations Private Limited 4. Chickywok India Private Limited 5. Baf Food and Beveragesprivate Limited 6. Axyz Global Services Private Limited 7. F3 Xr Technologia Private Limited 8. Pranag Foundation 9. Celebrity Esports Entertainment Private Limited 10. Electronic Premier League Sports Private Limited 11. Folea Film Factory Private Limited 12. Gld Animation Infotech Private Limited 13. Pamba Electronic System Pvt Ltd

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Mr. Bejoy Arputharaj Sam Manohar, aged 39 years, is the Promoter and Chairman & Managing Director of our Company. He holds degree in Bachelor of Science in Computer Science from Kalinga University. He was originally appointed on the Board on February 2, 2016 as the Director of the Company. He has been designated as Chairman and Managing Director of w.e.f. August 8, 2022 for a term of 3 years. He has an experience of around 22 years in our Industry. He is the key driver of the growth of the Company at present level. He is responsible for the managing and supervising operations, expansion of business, sourcing new projects and overall management of the business of our Company. His abilities have been instrumental in leading the business of the Company.

Mrs. Syntia Moses Darry, aged 38 years, is the Whole Time Director of our Company. She holds a Master degree in Commerce and Computer Application. She has over 12 years of experience in industry. She is responsible for budgets, cost effectiveness and Company's finance.

Mr. Binu Joshua Sammanohar, aged 36 years, is the Whole Time Director of our Company. He holds a Bachelor degree in commerce from Manonmaniam Sundaranar University. He has an experience of more than 12 years working in Sales, Marketing and Operations. He is responsible for Company's day to day operations, creating strategies for sustained growth, envisioning Company policies and finance.

Mr. Ravindran Sivasankaran, aged 39 years, is a Whole Time Director of our Company. He holds degree of B.E (I.T) from Manonmaniam Sundaranar University. He has an experience of over 18 years of Industry experience. He started as a compositor and has multiple domestic and global TV shows and blockbusters to his credit. Prior to joining our Company, he worked at several major studios, overseeing and staffing mega Indian projects like Dashavatharam and Ayirathil Oruvan. He heads VFX of our Company.

Mr. Manjit Singh Parmar, aged 67 years, is an Independent Director of our Company. He is an Alumnus of Shri Ram College of Commerce and Post Graduate of University of Delhi. 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. Tom Antony, aged 48 years, is an Independent Director of our Company. He holds a Fellow Member of Institute of Company Secretaries of India and holds Master's Degree in Management (MBA) and Masters in Business Laws from University of Madras. He has an experience of more than 20 years in the field of corporate laws compliances. He was associated with Apollo Hospitals Enterprises Limited as Secretarial Officer handling compliance functions under Companies Act and SEBI Regulations. He has cross functional experience in the areas of Legal, Secretarial, Human Resources, Finance & Accounts, Taxation, Administration, Corporate Governance, Compliance & Risk Management and Investor Relations. Presently he is acting as a Management and Corporate Law Consultant advising corporates and other business enterprises in various areas of business which includes compliance & risk management and transaction advisory.

Mr. Jeemon P.V., aged 38 years, is a Non-Executive Non-Independent Director of our Company. He is one of India's Pioneer Specialists in 3D Stereoscopic and Auto Stereoscopic Technologies, Former Studio head (Media) of Byju's and the Director of AXYZ Meta film city, Hollywood. Completing his graduation in Philosophy in 1996, he stepped into the animation technology industry and completed his Post graduate diploma in Multimedia and many other diplomas in Animation and software industries, from Chennai and Mumbai. He started his career as the Media head at Cochin Naval Base. Later, he became part of the Animation and film academy at SB College, Changanachery, which is the first Animation and Film academy in Kerala. Kicking off a steady growth for the animation industry in Kerala, Jeemon directed more than 40 episodes of the first-ever 3D animated serial in Malayalam on Asianet Middle-East Channel in 2003. He carried out successful research in 3D lenticular printing and was instrumental in starting the first 3D Lenticular printing unit in Kerala. He also brought out the first stereoscopic 3D animated video from the state. He has worked in a handful of movies including the first ever Mythological movie in 3D, the first ever 3D movie from Kannada, the first 2D to 3D converted movie- Dam 999, etc. Later he did his research in autostereoscopic technology and developed a 3D display, which was introduced at Gitex in 2014. He was a member of the 3D imaging society at LA from 2014 to 2015. Jeemon has several achievements attached to his name, including the 'Yuva technology' award from the Asianet in 2016. He developed a patented 3D stereoscopic camera lens which can be attached to an autostereoscopic display mobile phone which is the first of its kind in the world.

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.	Bejoy Arputharaj Sam Manohar	Spouse of Syntia Moses Darry
2.	Binu Joshua Sammanohar	Brother of Bejoy Arputharaj Sam Manohar
3.	Syntia Moses Darry	Spouse of Bejoy Arputharaj Sam Manohar

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 thestock 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

Name	**Bejoy Arputharaj Sam Manohar**
Designation	Chairman and Managing Director
Period	August 8, 2022 to August 7, 2025
Date of approval of shareholder	August 8, 2022
Remuneration	Rs.12,00,000/- per month
Perquisite	As per the Rules of the Company

Name	**Syntia Moses Darry**
Designation	Whole Time Director
Period	August 8, 2022 to August 7, 2025
Date of approval of shareholder	August 8, 2022
Remuneration	Rs.5,00,000/- per month
Perquisite	As per the Rules of the Company

Name	**Binu Joshua Sammanohar**
Designation	Whole Time Director
Period	August 8, 2022 to August 7, 2025
Date of approval of shareholder	August 8, 2022
Remuneration	Rs.8,00,000/- per month
Perquisite	As per the Rules of the Company

Name	**Ravindran Sivasankaran**
Designation	Whole Time Director
Period	August 8, 2022 to August 7, 2025
Date of approval of shareholder	July 15, 2022
Remuneration	Rs.5,00,000/- per month
Perquisite	As per the Rules of the Company

ii. Non-Executive Directors

Non-Executive Non-Independent Directors and 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:

Sr. No.	Name of the Directors	No. of Equity Shares held	% of pre-issue paid-up Equity Share capital in our Company
1.	Mr. Bejoy Arputharaj Sam Manohar	61,54,200	68.38%
2.	Mrs. Syntia Moses Darry	12,60,000	14.00%
3.	Mr. Binu Joshua Sam Manohar	4,50,000	5.00%
4.	Mr. Ravindran Sivasankaran	36,000	0.40%
5.	Mr. Manjit Singh Parmar	-	-
6.	Mr. Tom Antony	-	-
7.	Mr. Jeemon P.V.	-	-

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 Promoter, 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 127 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 127 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 31, 2020 for approval of borrowing limits not exceeding₹. 25 Crores.

Changes in The Board for the Last Three Years

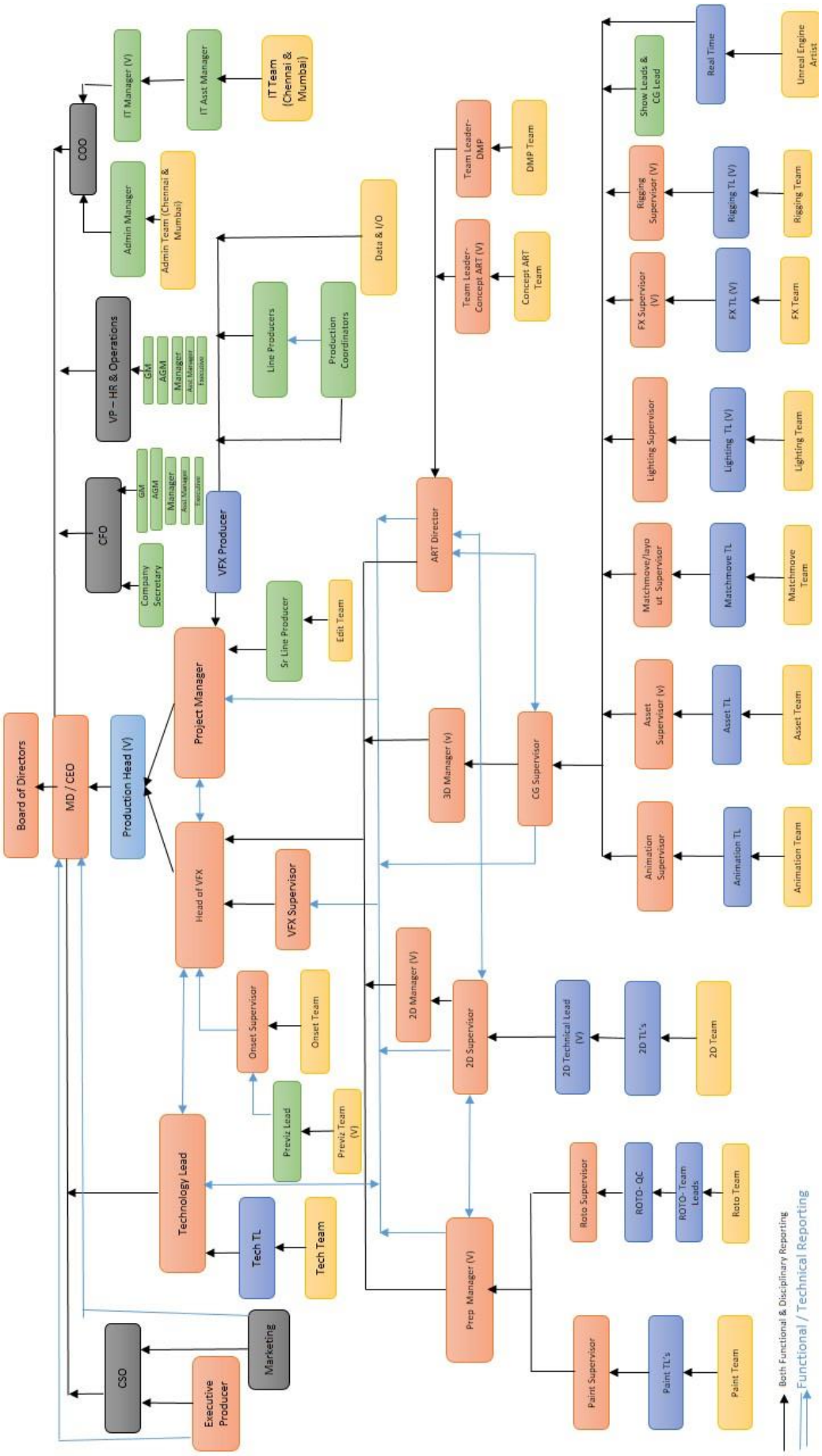
Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

Name of Director	Date of Event	Reason for Change
Mr. Bejoy Arputharaj Sam Manohar	August 8, 2022	Appointed as Chairman and Managing Director
Mr. Binu Joshua Sam Manohar	August 8, 2022	Appointed as Whole-Time Director
Mrs. Syntia Moses Darry	August 8, 2022	Appointed as Whole-Time Director
Mr. Ravindran Sivasankaran	August 8, 2022	Appointed as Whole-Time Director
Mr. Manjit Singh Parmar	August 8, 2022	Appointed as Independent Director
Mr. Tom Antony	August 8, 2022	Appointed as Independent Director
Mr. Jeemon P.V.	August 8, 2022	Appointed as Non-Executive Non-Independent Director

Management Organization Structure

The Management Organization Structure of the company is depicted from the following chart;

Organizational Chart


Board of Directors
MD / CEO
Production Head (V)
Project Manager
Head of VFX
VFX Supervisor
Technology Lead
Tech TL
Tech Team
Previz Lead
Previz Team (V)
Onset Supervisor
Onset Team
2D Manager (V)
2D Supervisor
2D Technical Lead (V)
2D TL's
2D Team
Prep Manager (V)
Roto Supervisor
ROTO- QC
ROTO- Team Leads
Roto Team
Paint Supervisor
Paint TL's
Paint Team
3D Manager (V)
CG Supervisor
Animation Supervisor
Animation TL
Animation Team
Asset Supervisor (V)
Asset TL
Asset Team
Matchmove/layout Supervisor
Matchmove TL
Matchmove Team
Lighting Supervisor
Lighting TL (V)
Lighting Team
FX Supervisor (V)
FX TL (V)
FX Team
Rigging Supervisor (V)
Rigging TL (V)
Rigging Team
Show Leads & CG Lead
Real Time
Unreal Engine Artist
ART Director
Team Leader- DMP
DMP Team
Team Leader- Concept ART (V)
Concept ART Team
VFX Producer
Sr Line Producer
Edit Team
Line Producers
Production Coordinators
Data & I/O
COO
IT Manager (V)
IT Asst Manager
IT Team (Chennai & Mumbai)
Admin Manager
Admin Team (Chennai & Mumbai)
VP – HR & Operations
GM
AGM
Manager
Asst Manager
Executive
CFO
Company Secretary
CSO
Executive Producer
Marketing
Both Functional & Disciplinary Reporting
Functional / Technical Reporting

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 including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. 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 August 18, 2022 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. Manjit Singh Parmar	Chairperson	Non-Executive Independent Director
Mr. Tom Antony	Member	Non-Executive Independent Director
Mr. Binu Joshua Sam Manohar	Member	Whole-Time 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 theinternal 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 issuspected 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 aswell 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 thefinance 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 any invite such of the executives as it considers appropriate (and particularly thehead 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 August 18, 2022. 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. Tom Antony	Chairperson	Non-Executive Independent Director
Mr. Manjit Singh Parmar	Member	Non-Executive Independent Director
Mr. Jeemon P.V.	Member	Non-Executive Non-Independent 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 Directorstheir 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 August 18, 2022. 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. Tom Antony	Chairperson	Non-Executive Independent Director
Mrs. Syntia Moses Darry	Member	Whole-time Director
Mr. Manjit Singh Parmar	Member	Non-Executive Independent 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 August 18, 2022. 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. Tom Antony	Chairperson	Non-Executive Independent Director

Mrs. Syntia Moses Darry	Member	Whole-time Director
Mr. Manjit Singh Parmar	Member	Non-Executive Independent 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:

Name	:	**Mr. Bejoy Arputharaj Sam Manohar**
Designation	:	Managing Director
Date of Appointment	:	June 28, 2022
Expiration of Term	:	3 years w.e.f. August 8, 2022 to August 7, 2025 and liable to retire by rotation
Qualification	:	Graduate (Bachelor of Science Computer Science)
Previous Employment	:	Self Employed
Overall Experience	:	Overall experience of around 22 years in our PFX Industry in creation, execution and supervising PFX effect and managing operation.
Remuneration paid in F.Y. 2021-22)	:	Rs.28.35 Lakhs

Name	:	**Rajinikanth E.S**
Designation	:	Chief Financial Officer
Date of Appointment	:	July 1, 2022
Qualification	:	B.Com., LLB, ICFAI, MBA (Finance)
Previous Employment	:	Self Employed
Overall Experience	:	Having 22 years of experiences in accounting, taxation, risk management, statutory compliance and planning.
Remuneration paid in F.Y. 2021-22	:	NIL

Name	:	**Mr. Pallavi Tongi**
Designation	:	Company Secretary & Compliance Officer
Date of Appointment	:	July 1, 2022
Qualification	:	Company Secretary
Previous Employment	:	Self Employed
Overall Experience	:	She is also a member of the ICAI and having experience of 1 year in the field of taxation, audit, filing of IT returns, and compliance with Companies Act and SEBI Regulations. She has worked as audit assistant in Sunil Bumb and Co.
Remuneration paid in F.Y. 2021-22	:	NIL

N*otes:*

- *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 pursuantto 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 that statutory benefits provided by ourCompany. 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

Except the following, none of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

Sr. No.	Name of the KMP	Relationship with other KMP
1.	Mr. Bejoy Arputharaj Sam Manohar	Spouse of Syntia Moses Darry and brother of Binu Joshua Sam Manohar

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. Bejoy Arputharaj Sam Manohar who is holding 61,54,200 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:

Sr. No.	Name of Director	Date of Change	Reason
1.	Bejoy Arputharaj Sam Manohar	August 8, 2022	Appointed as Chairman and Managing Director
2.	Rajinikanth ES	July 1, 2022	Appointed as Chief Financial Officer

Sr. No.	Name of Director	Date of Change	Reason
3.	Ms. Pallavi Tongia	July 1, 2022	Appointed as Company Secretary

N*ote: 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. 127.

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 127 and 84 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.

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OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTER

DETAILS OF OUR PROMOTER

Mr. Bejoy Arputharaj Sam Manohar

	Mr. Bejoy Arputharaj Sam Manohar, aged 39 years, is the Promoter and Chairman & Managing Director of our Company. He holds degree in Bachelor of Science in Computer Science from Kalinga University. He was originally appointed on the Board on February 2, 2016 as the Director of the Company. He has been designated as Chairman and Managing Director of w.e.f. June 28, 2022 for a term of 3 years. He has an experience of around 22 years in our Industry. He is the key driver of the growth of the Company at present level. He is responsible for the managing and supervising operations, expansion of business, sourcing new projects and overall management of the business of our Company. His abilities have been instrumental in leading the business of the Company.

Particulars	Details
Permanent Account Number	ALBPB8620P
Passport No.	Z4714795
Bank Account Details	Name of the Bank- Kotak Mahindra Bank Account No: 1211356429

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of SEBI (ICDR) Regulations 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	Bejoy Arputharaj Sam Manohar
1.	Father	Sam Manohar
2.	Mother	Maliga Devi Sam
3.	Spouse	Syntia Moses Darry
4.	Brother	Binu Joshua Sammanohar
5.	Sister	-
6.	Son	-
7.	Daughter	1. Fiona Hannet 2. Debina Sheryl
8.	Spouse Father	Darry Moses
9.	Spouse Mother	Vasantha Juliet
10.	Spouse Brother	-
11.	Spouse Sister	F. Sylviya Shirani

5. **Companies and proprietorship firms forming part of our Promoter Group are as follows:**

Relationship with Promoter	Individual
	Bejoy Arputharaj Sam Manohar
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	Phantomfx Studios Private Limited
	8,000 Shares
	80%
Any company in which a company (mentioned above) holds 20% of the total holding	
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	N.A

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

None of the Promoter Group Entity is having business objects similar to our business as mentioned in the Chapter "Our Group Entities" beginning on page 123 of the Red Herring Prospectus except the below mentioned Promoter Group Entities:

INTEREST OF THE PROMOTERS

Interest in the promotion of Our Company

Our Promoter is Mr. Bejoy Arputharaj Sam Manohar. Our Promoters 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 78,64,200 (87.38%) 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 105, 127 and 45 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

For details on 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 162 of this Red Herring Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority.

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OUR GROUP COMPANIES/ ENTITIES

Below mentioned are the details of Companies / Entities promoted by the Promoters of our 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. Phantomfx Studios Private Limited
2. Phantomfx Studio Limited

1. PHANTOMFX STUDIOS PRIVATE LIMITED

Corporate Information

Phantomfx Studios Private Limited was incorporated on April 11, 2022 under Companies Act, 2013. The registered office of the company is situated at No. 16018, Tower 16B Prestige Bella Vista, Kancheepuram Tamil Nadu – 600056, India. The Corporate Identification Number is U92490TN2022PTC151313.

The Company is incorporated with the object to carry on the business of media, and to design, develop, maintain, market, buy, import, export, sell, organize celebrity management, media endorsement, corporate launches, entertainment programs, film branding /film release through OTT , event management, corporate events, electronic media designing, providing online support services for related business, processes and activities.

Board of Directors

The Directors of Phantomfx Studios Private Limited as on the date of this Red Herring Prospectus are as follows:

Name	Designation
Bejoy Arputharaj Sam Manohar	Director
Binu Joshua Sam Manohar	Director

Shareholding Pattern

The Shareholding Pattern of Phantomfx Studios Private Limited as on the date of this Red Herring Prospectus is as follows:

Name of shareholder	No. of shares
Mr. Bejoy Arputharaj Sam Manohar	8,000
Mr. Binu Joshua Sam Manohar	2,000
TOTAL	**10,000**

Financial Performance

The Financial Performance of Phantomfx Studios Private Limited is not available as the Company is incorporated on April 11, 2022.

2. PHANTOMFX STUDIO LIMITED

Corporate Information

Phantomfx Studio Limited was incorporated on June 22, 2022 under the Business Corporation Act of British Columbia, Canada. The registration no, is BC1365966. As the law of Canada, the company is not required to have a registered office. The company is incorporated through attorney.

The Company is incorporated with the object to carry on the business of vfx and digital studio.

Board of Directors

Mr. Bejoy Arputharaj Sam Manohar is the only director on the Board of Phantomfx Studios Limited as on the date of this Red Herring Prospectus as per the Business Corporation Act.

Shareholding Pattern

Mr. Bejoy Arputharaj Sam Manohar is the only member of Phantomfx Studios Limited as on the date of this Red Herring Prospectus as per the Business Corporation Act. As on the date of this Red Herring Prospectus there is no capital in the Company.

Financial Performance

The Financial Performance of Phantomfx Studio Limited is not available as the Company is incorporated on June 22, 2022.

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 127 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 162 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 Annexure VIII Related Party Disclosures under the chapter titled "Financial Statement" beginning on page 127 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

The summary of the related party transactions is as under:

(Amt Rs in Lakhs)

Sl No	Nature of Transaction	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
A)	**Remuneration Paid**				
	Mr. Bejoy Arputharaj Sam Manohar	9.00	28.35	16.00	24.00
	Mrs. Syntia Moses Darry	7.50	24.50	14.18	18.60
	Mr. Binu Joshua Sam Manohar	6.30	0.00	0.00	0.00
B)	**Unsecured Loan**				
	Loan Received				
	Mr. Bejoy Arputharaj Sam Manohar	0.60	359.68	253.37	90.25
	Loan Repaid				
	Mr. Bejoy Arputharaj Sam Manohar	17.95	275.90	153.17	96.24

For details on related party transaction of our Company, please refer to Annexure 33 of Restated Financial statement beginning on page 127 of this Red Herring Prospectus.

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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 bythe 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.

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SECTION IX – FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION OF PHANTOM DIGITAL EFFECTS LIMITED (FORMERLY KNOWN AS PHANTOM DIGITAL EFFECTS PRIVATE LIMITED)

The Board of Directors
PHANTOM DIGITAL EFFECTS LIMITED
6th Floor, Tower B, One India Bulls Park
Plot No.14, 3rd Main Road, Ambattur
Chennai – 600058 (Tamil Nadu)

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Phantom Digital Effects Limited** (Formerly known as Phantom Digital Effects Pvt Ltd.) (the "**Company**") comprising the Restated Statement of Assets and Liabilities as at June 30 2022, as on March 31 2022, March 31 2021 and March 31 2020, the Restated Standalone Statements of Profit and Loss, the Restated Cash Flow Statement for the three month period ended June 30 2022, and for the years ended March 31, 2022, 2021 and 2020, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively referred to as, the "**Restated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on July 30, 2022 for the purpose of inclusion in the Draft Prospectus/ Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") on ***SME Platform of National Stock Exchange of India Limited ("NSE EMERGE")***.
2. These restated Summary Statement have been prepared in terms of the requirements of:

    a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Act**")

    b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**"); and

    c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Tamil Nadu and the Stock Exchange in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in **Annexure IV** to the Restated Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Information taking into consideration:

    a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 1,2022 in connection with the proposed IPO of equity shares of **Phantom Digital Effects Limited** (the "**Issuer Company**") on SME platform of National Stock Exchange of India Limited ("**NSE EMERGE"**);

    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 Information; and

    d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. These special purpose Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the three-month period ended on June 30, 2022, and financial years ended on March 31,2022, March 31, 2021 and March 31, 2020, which has been approved by the Board of Directors.

   We have Re-Audited the special purpose standalone financial statements of the company for the three-month period ended on June 30, 2022, and for the financial year ended March 31, 2022 prepared in accordance with the Indian GAAP for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to the proposed IPO, Which have been approved by the Board of Directors.

6. For the purpose of our examination, we have relied on our Auditors' Report dated 25/07/2022, and 12/07/2022 on the financial statements of the company for the three-month period ended on June 30, 2022, and for the year ended March31, 2022 respectively as referred in Paragraph 5 above.

The audits for the financial years ended March 31, 2021 and 2020 were conducted by the Company's previous auditors, **M/s. Ravichandran & Thangaraj, Chartered Accountants ("the Previous Auditor")** and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and (collectively, the Audited Financial Information") examined by them for the said years.

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

   a. The **"Restated Summary Statement of Assets and Liabilities"** as set out in **Annexure I** to this report, of the Company as at for the three-month period ended on June 30, 2022 and financial years ended on March 31, 2022, March 31, 2021 and March 31, 2020 are prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, have been arrived at after making such regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more. These are fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.

   b. The **"Restated Summary Statement of Profit and Loss"** as set out in **Annexure II** to this report, of the Company as at and for the three-month period ended on June 30, 2022 and as at and for the years ended March 31, 2022, March 31, 2021 and March 31,2020 are prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.

   c. The **"Restated Summary Statement of Cash Flow"** as set out in **Annexure III** to this report, of the Company as at and for the three-month period ended on June 30, 2022, and as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 are prepared by the Company and approved by the Board of Directors. These Restated Statement of Cash Flow have been arrived at after making such regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.

   d. The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

   e. The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;

   f. The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;

g. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;

h. Profits and losses have been arrived at after charging all expenses including depreciation and after making such regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV** to this report;

i. Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies;

j. There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements except emphasis matter paragraph (refer our point 7(h)).

k. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;

l. From FY 2019-20 to till 30/06/2022, i.e., the period covered in the restatement, The company has not declared and paid any dividend.

8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the three-month period ended on June 30, 2022, and as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 proposed to be included in the Draft Prospectus/Prospectus.

Annexure No.	Particulars
1	Statement of Assets & Liabilities as restated
2	Statement of Profit & Loss as restated
3	Statement of Cash Flow as Restated
4	Significant Accounting Policy And Notes To The Restated Summary Statements
5	Adjustments Made In Restated Financial Statements / Regrouping Notes
6	Statement of Share Capital as restated
7	Statement of Reserves & Surpluses as restated
8	Statement of Long-Term Borrowings as restated
9	Statement of Long-Term Provisions as restated
10	Statement of Short-Term Borrowings as restated
11	Statement of Trade Payable as restated
12	Statement of Other Current Liabilities as restated
13	Statement of Short-Term Provisions as restated
14	Statement of Fixed Assets & Depreciations as restated
15	Statement of Deferred Tax Assets as restated
16	Statement of Other Non-Current Assets as restated
17	Statement of Inventories - W.I.P as restated
18	Statement of Trade Receivable as restated
19	Statement of Cash & Cash Equivalent as restated
20	Statement of Short-Term Loans and Advances as restated
21	Statement of Other Current Assets as restated
22	Statement of Revenue from operations as restated
23	Statement of Other Income as restated
24	Statement of Cost of Material Consumed as restated
25	Statement of Changes in Inventories as restated
26	Statement of Employees Benefit Expenses as restated

27	Statement of Other Direct Expenses as restated
28	Statement of Financial Charges as restated
29	Statement of Depreciation & Amortisation Expenses as restated
30	Statement of Other Expenses as restated
31	Details Of Summary Of Accounting Ratios As Restated
32	Statement of Provision for Taxation as restated
33	Details Of Related Parties Transaction As Restated
34	Details Of Capitalization Statement As Restated

9. We, M/s. **L.U. Krishnan & Co**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the **"Peer Review Board"** of the ICAI.

10. The Restated Financial Information do 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 5above.

11. 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.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Tamil Nadu in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

14. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For **L.U.KRISHNAN & CO**
Chartered Accountants

P K Manoj
Partner
FRN No. 001527S
Membership No. 207550
Place : Chennai

Date: 18th August, 2022
UDIN: 22207550APGXRY3961

Statement of Assets and Liabilities as Restated

Annexure 1
(Amt Rs in Lakhs)

Particulars		Note No.	As at			
			30th June 2022	31st March 2022	31st March 2021	31st March 2020
I.	**EQUITY AND LIABILITIES**					
1	**SHAREHOLDERS' FUNDS**					
	(a) Share Capital	6	1.00	1.00	1.00	1.00
	(b)Reserves and Surplus	7	935.64	524.53	34.32	26.81
2	**NON-CURRENT LIABILITIES**					
	(a) Long-Term Borrowings	8	260.57	228.20	323.12	191.25
	(b) Long-Term Provisions	9	39.48	52.62	40.76	28.00
3	**CURRENT LIABILITIES**					
	(a) Short-Term Borrowings	10	16.34	23.61	62.13	107.44
	(b) Trade Payables	13				
	(A) Total outstanding dues of micro enterprises and small enterprises and		-	-	-	-
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		106.54	75.01	96.48	52.96
	(c) Other Current Liabilities	14	420.57	390.68	166.02	129.82
	(d) Short-Term Provisions	15	328.20	195.43	8.12	0.13
	TOTAL		**2,108.34**	**1,491.08**	**731.95**	**537.40**
II.	**ASSETS**					
1	**NON-CURRENT ASSETS**					
	(a) Property, Plant & Equipment and Intangible Assets					
	(i) Property, Plant & Equipment	16	159.32	71.03	67.83	98.72
	(ii) Intangible Assets	16	2.22	2.50	4.55	7.87
	(b) Deferred Tax Assets (Net)	17	14.66	25.56	22.29	8.84
	(c) Other Non-Current Assets	18	92.12	75.15	29.73	56.65
2	**CURRENT ASSETS**					
	(a) Inventories-W.I.P	19	516.40	549.92	430.00	158.00
	(b) Trade Receivables	20	1,017.35	389.25	9.94	121.40
	(c) Cash & Bank Balances	21	95.59	167.46	50.36	24.87
	(d) Short-Term Loans and Advances	22	199.36	193.39	80.24	38.77
	(e) Other Current Assets	23	11.31	16.82	37.00	22.29
	TOTAL		**2,108.34**	**1,491.08**	**731.95**	**537.40**

The accompanying notes form an integral part of these Restated Financial Information
As per our Report on Even date attached

For and on behalf of the Board of Directors

For L.U.KRISHNAN & CO
Chartered Accountants
FRN : 001527S

Phantom Digital Effects Limited

	Bejoy Arputharaj	Syntia Moses Darry
CA P K Manoj	Managing Director	Director
Partner	Din – 03459098	Din: 03459055
Membership No. : 207550		
Place: Chennai		
Date: 18 August 2022	Pllavai Tongia	Rajinikanth E S
	Company Secretary	
UDIN - 22207550APGXRY3961	Membership No.: A66438	CFO

Statement of Profit and Loss as Restated

Annexure 2
(Amt Rs in Lakhs)

Particulars		Annx No	for the Period Ended			
			30th June 2022	31st March 2022	31st March 2021	31st March 2020
I.	**Income**					
II	Revenue From Operation	**24**	1,218.64	2,233.27	676.44	1,294.47
III	Other Income	**25**	16.24	3.34	38.97	32.25
	Total Revenue		**1,234.88**	**2,236.60**	**715.41**	**1,326.72**
IV.	**Expenditure**					
(a)	Cost of Materials Consumed	**26**	55.61	81.62	20.11	70.72
(b)	Changes in Inventories of Work-in-Progress	**27**	33.53	(119.92)	(272.00)	22.00
(c)	Employee Benefits Expenses	**28**	414.34	1,148.65	682.32	775.98
(d)	Other Direct Expenses	**29**	119.05	331.91	192.84	270.13
(e)	Finance Costs	**30**	1.45	65.53	29.76	87.67
(f)	Depreciation & Amortisation Expenses	**31**	6.92	28.56	39.08	49.87
	Other Expenses	**32**	45.50	45.16	21.12	26.43
	Total Expenditure		**676.40**	**1,581.52**	**713.23**	**1,302.79**
V	Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		**558.49**	**655.09**	**2.18**	**23.93**
VI	**Exceptional and Extraordinary Items**		**-**	**-**	**-**	**-**
VII	**Profit/(Loss) Before Tax (V-VI)**		**558.49**	**655.09**	**2.18**	**23.93**
VIII.	**Tax Expense:**					
(1)	Current Tax		136.48	168.15	8.12	15.46
(2)	Deferred Tax		10.09	(3.27)	(13.45)	(2.83)
(3)	Tax Adjustment of Earlier Years		-	-	-	-
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**411.11**	**490.21**	**7.51**	**11.30**
X	Profit (Loss) for the period from discontinuing operations		-	-	-	-
XI	Tax expenses of discontinuing operations		-	-	-	-
XII	Profit Loss) for the period from discontinuing operations (after tax) (X-XI)		-	-	-	-
XIII	**Profit/(Loss) for the Year (IX+XII)**		**411.11**	**490.21**	**7.51**	**11.30**
VIV.	Earnings per Equity Share of Rs.10 Each					
	-Basic (Note 22 and 31 of Other notes to accounts)		**4.57**	**5.45**	**0.08**	**0.13**
	-Diluted (Note 22 and 31 of Other notes to accounts)		**4.57**	**5.45**	**0.08**	**0.13**

The accompanying notes form an integral part of these Restated Financial Information
As per our Report on Even date attached

For and on behalf of the Board of Directors

For L.U.KRISHNAN & CO
Chartered Accountants
FRN : 001527S

Phantom Digital Effects Limited

	Bejoy Arputharaj	Syntia Moses Darry
CA P K Manoj	Managing Director	Director
Partner	Din – 03459098	Din: 03459055
Membership No. : 207550		
Place: Chennai		
Date: 18 August, 2022	Pllavai Tongia	Rajinikanth E S
UDIN - 22207550APGXRY3961	Company Secretary	CFO

Membership No.: A66438

Statement of Cash Flow as Restated

Annexure 3
(Amt Rs in Lakhs)

	Particulars	For the Period ended			
		30th June 2022	**31st March 2022**	**31st March 2021**	**31st March 2020**
A	**CASH FLOWS FROM OPERATING ACTIVITIES:**				
	Net Profit Before Tax	558.49	655.09	2.18	23.93
	Adjustments for:				
	Depreciation	6.92	28.56	39.08	49.87
	Profit on Sale of Fixed Assets	(1.52)	-	-	
	Interest Expenses / (Income)	1.45	65.53	(0.52)	(0.98)
	Operating Profit before working capital changes:	**565.35**	**749.18**	**40.74**	**72.82**
	Adjustments for changes in working capital:				
	Increase in Trade Receivables	(628.10)	(379.31)	92.07	(15.52)
	Increase in Inventory-WIP	33.53	(119.92)	(272.00)	22.00
	Increase in Short Term Loans & Advances	(5.97)	(113.14)	-	
	Increase in Short Term Provisions	132.77	187.31	-	
	Increase in Long-Term Provisions	(13.14)	11.86	11.89	
	Increase in Other Current Liabilities	29.89	224.66	-	28.00
	Increase in Other Non-current assets	(16.98)	(45.42)	-	
	Increase in Other current assets	5.51	20.18	-	
	Decrease in Long-Term Loans & Advances	-	-	(3.62)	
	Decrease in Trade and Other payables	31.53	(21.48)	80.46	92.00
	Decrease in Long term Borrowings	32.37	(94.92)	-	
	Decrease in Short term Borrowings	(7.28)	(38.52)	-	
	Cash generated from operations	**159.49**	**380.48**	**(50.45)**	**199.31**
	Income Taxes paid	136.48	168.15	12.76	15.46
	Cash flow before extraordinary item	23.01	212.33	(63.21)	183.85
	Extraordinary items	-	-	-	-
	NET CASH FROM OPERATING ACTIVITES (A)	**23.01**	**212.33**	**(63.21)**	**183.85**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**				
	Fixed assets purchased including Intangible Assets	(99.28)	(29.71)	(4.88)	(27.77)
	Proceeds from sale of Car	5.86	-	-	-
	Changes in Non-current Assets	-	-	6.50	1.94
	NET CASH USED IN INVESTING ACTIVITIES (B)	**(93.42)**	**(29.71)**	**1.62**	**(25.82)**
C	**CASH FLOWS FORM FINANCING ACTIVITES**				
	Interest paid	(1.45)	(65.53)	0.52	0.98
	Fixed Deposit Receipt				7.40
	Loan Received/(re-paid)	-	-	86.56	(155.98)
	NET CASH USED IN FINANCING ACTIVITIES (C)	**(1.45)**	**(65.53)**	**87.08**	**(147.60)**

	Effect of Exchange Difference				
	Exchange difference on Realized (Loss)/Gain				
D	**NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)**	**(71.87)**	**117.09**	**25.49**	**10.42**
	Opening Cash and Cash Equivalents	167.46	50.36	24.87	14.45
	CLOSING CASH AND CASH EQUIVALENT	**95.59**	**167.45**	**50.36**	**24.87**

Accounting Policies & Notes on Accounts
As per our Report on Even date attached

	For and on behalf of the Board of Directors	
For L.U.KRISHNAN & CO	**Phantom Digital Effects Limited**	
Chartered Accountants		
FRN : 001527S		
	Bejoy Arputharaj	Syntia Moses Darry
CA P K Manoj	Managing Director	Director
Partner	Din - 03459098	Din: 03459055
Membership No. : 207550		
Place: Chennai		
Date: 18 August, 2022	Pllavai Tongia	Rajinikanth E S
	Company Secretary	
UDIN - 22207550APGXRY3961	Membership No.: A66438	CFO

ANNEXURE-4

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS

A. BACKGROUND

Phantom Digital Effects Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on February 02, 2016 vide Registration No.U92100TN2016PTC103929 under the provisions of the Companies Act, 2013. The registered office of the Company is situated at 6th floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur, Chennai, TamilNadu 600058 India with operating units across the Country. Subsequently, company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on July 21st 2022 and the name of the company was changed to Phantom Digital Effects Limited ('the Company" or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated July 29th, 2022 Registrar of Companies, Chennai with Corporate Identification Number U92100TN2016PLC103929

SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting and Preparation of Financial Statement: -

The summary statement of restated assets and liabilities of the Company as at 30th June 2022, 31st March, 2022, 31st March, 2021 and 31st March, 2020 and the related summary statement of restated profit and loss and cash flows for the period ended 30th June 2022, 31st March, 2022, 31st March, 2021 and 31st March, 2020 (collectively referred to as the "Restated summary financial information') have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company (erstwhile firm) in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

The restated summary financial information has been prepared by applying necessary adjustments to the financial statements ('financial statements') of the Company (erstwhile firm). The financial statements of the Company (erstwhile firm) have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the accounting standards specified under section 133 of the Companies Act, 2013, of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations 2009, as amended (the "Regulations"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistently applied.

b. Use of Estimates: -

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

c. Revenue recognition:

The company derives its revenues primarily from Sale of Visual effects (Vfx) Products and Service contracts. Product revenues are recognised when the soft copy of the file is made or given to the client. Revenue from Vfx and service contracts are received in advance are recognized in the month of raising the invoice and the remaining part recognized over a period of months thereafter. Sales are shown net of sales returns, if any.

Interest Income: Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

Dividend Income: Dividend Inocme is recognised when the owners right to receive payment is established.

Other Income: Other items of income and expenditure are recognized on accrual basis and as a going concern the accounting policies are consistent with the generally accepted accounting policies

d. Property Plant and Equipment including Intangible assets:

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipments purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets are stated at cost less accumulated amortisation.

e. Depreciation and Amortization: -

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Writen Down Value (WDV) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year.

Intangible assets are amortised as per Writen Down Value (WDV) method over the estimated useful life as specified in Schedule II of the Companies Act 2013. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

The Management estimates are based on the useful life provided in the Schedule II to Companies Act 2013. However for certain assets the Management estimates differ from the useful life mentioned in Schedule II. The Useful Life of Various assets are mentioned below: -

Sr. No	Major Head	Useful Life
1	Plant and Machinery	10 years
2	Furniture and Fixture	10 years
3	Office Equipment	10 years
4	Computer	3 years
5	Motor Vehicle	10 years

f. Impairment Assets:-

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

g. Foreign currency transactions:

Domestic Operation:

I . Initial recognition :

A foreign currency transaction should be recorded, on initial recognition 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.

II . Measurement :

Foreign currency monetary items should be reported using the closing rate.
Non-monetary items which are carried in terms of historical cost denominated in a foreign currency should be reported using the exchange rate at the date of the transaction
Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency should be reported using the exchange rates that existed when the values were determined.

III . Treatment of Foreign Exchange:

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss

h. Employee Benefits:-

A. Short-term employee benefits

Leave encashment:
The leave encashment liability upon retirement would not arise as the accumulated leave is written off every year and accounted at actual.

B. Post-employment benefits

Defined benefit plan:
Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined contribution Plan:
Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

i. Taxes on Income:-

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

A. Current Tax:
Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

j. Provisions and Contingent Liabilities:-

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

k. Earnings Per Share:-

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is

the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

l. Cash and Cash Equivalents:-

Cash and cash equivalents comprise cash and cash deposits with banks. The Company considers all highly liquid investments with a remaining maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

m. Cash Flow Statement:-

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

n. Investments:-

Long Term investments are stated at cost and provision for diminution is made if the decline in value is other than temporary in nature.

ANNEXURE 5

ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Adjustments having no impact on Profit Material Regrouping

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

Reconciliation of Restated profit

(Amt Rs in Lakhs)

Particulars	**30.06.2022**	**2021-22**	**2020-21**	**2019-20**
Net Profit Before Tax as per audited accounts but before adjustments for restated accounts:	**558.49**	**655.09**	**2.18**	**23.93**
Provision for Gratuity Recognized	(13.14)	11.86	12.63	28.13
Loss on Sale/Fair Value of Current Investment carried at FVTPL	(1.52)	-	-	-
Miscellaneous Expense already considered for Gratuity Valuation	-	-	8.27	-
Capital Gain on Sale of Investments (Removal from Other Income)	-	-	-	-
Difference in amount of Depreciation	(1.56)	1.15	9.16	15.50
Net Adjustment in Profit and Loss Account	**(16.22)**	**13.01**	**30.06**	**43.64**
Adjusted Profit before Tax	**-**	**-**	**-**	**-**
Net Profit before Tax as per Restated Accounts:	**542.27**	**668.10**	**32.24**	**67.57**

ANNEXURE 6

DETAILS OF SHARE CAPITAL AS RESTATED

(Rs. in Lakhs)

Particulars	**As at 30th June 2022**	**As at 31st March 2022**	**As at 31st March 2021**	**As at 31st March 2020**
Authorised Share Capital				
70,00,000 Equity Shares of Rs 10/- each fully paid @	700.00	0.50	0.50	0.50

Issued, Subscribed & Paid Up				
10,000 Equity Shares of Rs 10/- each fully paid equity shares	1.00	1.00	1.00	1.00
Total	**1.00**	**1.00**	**1.00**	**1.00**

Note: @Authorised Capital increased from 70,00,000 equity shares to 1,20,00,000 Equity shares with effect from 8th August, 2022 vide Members resolution and approval on 8th August, 2022.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
Equity Shares#				
At the beginning of the year	0.10	0.10	0.10	0.10
Issued during the year	-	-	-	-
Total Outstanding at the end of the year	**0.10**	**0.10**	**0.10**	**0.10**

Note: #The Company at its members meeting held on 08-08-2022, has proposed to issue bonus shares of 899 for every share held (in the ratio of 899:1) by capitalizing the reserve.

ANNEXURE 7

DETAILS OF RESERVES AND SURPLUS AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
(a) General Reserve				
Opening Balance	475.00	-	-	-
Add: Additions during the year	435.00	475.00	-	-
Less: Deduction during the year	-	-		
Closing Balance	**910.00**	**475.00**	**-**	**-**
(b) Surplus				
Opening Balance	49.53	34.32	31.46	20.16
Add: Additions during the year	411.11	490.21	2.86	11.30
Less: Tax Adjustment of Earlier Years	-	-	-	4.65
Less: Transferred to General Reserves	435.00	475.00	-	-
Closing Balance	**25.64**	**49.53**	**34.32**	**26.81**
Total	**935.64**	**524.53**	**34.32**	**26.81**

ANNEXURE 8

DETAILS OF LONG-TERM BORROWINGS AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
Secured				
a) Vehicle Loan- Hire Purchase	53.00	-	-	-
Unsecured				
a) Term Loans:				
i. From Banks	3.36	4.05	37.79	-

ii. From Others	3.75	6.40	9.38	60.67
b) Loans and advances from related parties	200.47	217.75	275.95	130.58
Total	**260.57**	**228.20**	**323.12**	**191.25**

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

Sr. No.	Lender	Nature of Facility	Date of Sanction of Loan	Amount outstanding as at June 30, 2022	Rate of Interest (%)	Repayment Terms	Security / Principal terms and conditions
1	ICICI Bank Ltd	Hypothecation of BMW Car	23/06/2022	53.00	7.99	60 Months	BMW car

Notes:

(i) The figures disclosed above are based on the Statements of Assets and Liabilities as Restated of the Company

(ii) The rate of interest given above are as agreed with the lenders in the respective facility letters.

(iii) The above includes long-term borrowings disclosed under Annexure and the current maturities of long-term borrowings included in other current liabilities.

ANNEXURE 9

DETAILS OF LONG-TERM PROVISIONS AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
Provision for Gratuity	39.48	52.62	40.76	28.00
Total	**39.48**	**52.62**	**40.76**	**28.00**

ANNEXURE 10

DETAILS OF SHORT-TERM BORROWINGS AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
Unsecured				
a) Current Maturities of Long term borrowings	16.34	23.61	62.13	107.44
Total	**16.34**	**23.61**	**62.13**	**107.44**

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS

Sr. No.	Lender	Nature of Facility	Date of Sanction of Loan	Amount outstanding as at June 30, 2022	Rate of Interest (%)	Repayment Terms	Security / Principal terms and conditions
1	Fullerton India Credit India Limited	Business Loan	29/08/2019	2.58	14.00%	48 Months	Unsecured-EMI
2	ICICI Bank Limited	MSME Loan	09/10/2020	3.23	9.25%	48 Months	Unsecured-EMI
3	Bajaj Finserve Limited	Business Loan	31/01/2019	13.62	19.75%	56 Months	Unsecured-EMI
4	Clix Capital Services Pvt Ltd	MSME Loan	01/02/2019	1.08	14.00%	36 Months	Unsecured-EMI
5	ICICI Bank Limited	Business Loan	15/05/2018	1.84	16.00%	36 Months	Unsecured-EMI
6	Shriram City Union Finance Limited	Business Loan	04/02/2019	1.09	21.00%	42 Months	Unsecured-EMI

Notes:

(i) The figures disclosed above are based on the Statements of Assets and Liabilities as Restated of the Company.

(ii) The rate of interest given above are as agreed with the lenders in the respective facility letters.

ANNEXURE 11

DETAILS OF TRADE PAYABLES AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
(i) MSME	-	-	-	-
(ii) Others	106.54	75.01	96.48	52.96
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
Total	**106.54**	**75.01**	**96.48**	**52.96**

ANNEXURE 12

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
(i) Current maturities of Long Term Debt				
a) Advance received from customers	26.41	53.31	-	-
b) TDS Payable	34.49	34.71	5.71	9.26
c) GST Payable	225.41	183.48	9.43	47.34
d) Audit Fees Payable	4.13	3.45	0.50	
e) Salary Payable	122.55	107.14	131.05	66.57
f) Professional Tax payable	0.18	0.18	-	-
g) PF payable	5.26	4.07	14.34	0.75
h) Other Payable	2.15	4.33	4.98	5.90
Total	**420.57**	**390.68**	**166.02**	**129.82**

ANNEXURE 13

DETAILS OF SHORT-TERM PROVISIONS AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
a) Provision for Income Tax	328.20	195.43	8.12	0.13
Total	**328.20**	**195.43**	**8.12**	**0.13**

ANNEXURE 14

DETAILS OF PROPERTY, PLANT AND EQUIPMENT AS RESTATED

(Rs. in Lakhs)

Particulars	Gross Block					Accumulated Depreciation					Net Block	
	April 1, 2021	Additions for the year	Deletions for the year	Effect of Foreign exchange translation	March 31, 2022	April 1, 2021	Depreciation for the Year	Depreciation on deletion	Effect of Foreign exchange translation	March 31, 2022	March 31, 2022	March 31, 2021
Computers & Accessories	74.31	7.64	-	-	81.96	62.82	9.24	-	-	72.07	9.89	11.49
Furniture & Fittings	67.17	3.15	-	-	70.32	42.50	6.67	-	-	49.18	21.14	24.67
Office Equipments	63.91	18.92	-	-	82.83	38.82	8.89	-	-	47.71	35.12	25.09
Vehicles	19.01	-	-	-	19.01	12.43	1.70	-	-	14.14	4.88	6.58
TOTAL (A)	**224.41**	**29.71**	**-**	**-**	**254.11**	**156.58**	**26.51**	**-**	**-**	**183.08**	**71.03**	**67.83**
Previous Year	**219.81**	**4.60**	**-**	**-**	**224.41**	**121.09**	**35.49**	**-**	**-**	**156.58**	**67.83**	**98.72**

Note 14. Intangible Assets

(Rs. in Lakhs)

Particulars	Gross Block					Accumulated Amortization					Net Block	
	April 1, 2021	Additions for the year	Deletions for the year	Effect of Foreign exchange translation	March 31, 2022	April 1, 2021	Depreciation for the Year	Depreciation on deletion	Effect of Foreign exchange translation	March 31, 2022	March 31, 2022	March 31, 2021
Computer Software	27.51	-	-	-	27.51	22.95	2.05	-	-	25.01	2.50	4.55
TOTAL (A)	**27.51**	**-**	**-**	**-**	**27.51**	**22.95**	**2.05**	**-**	**-**	**25.01**	**2.50**	**4.55**
Previous Year	**27.23**	**0.28**	**-**	**-**	**27.51**	**19.36**	**3.59**	**-**	**-**	**22.95**	**4.55**	**7.87**

ANNEXURE 15

DETAILS OF DEFERRED TAX ASSETS AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
Deferred Tax Asset	14.66	25.56	22.29	8.84
Total	**14.66**	**25.56**	**22.29**	**8.84**

ANNEXURE 16

DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
A. Unsecured, Considered good				
a) Security Deposits	92.12	75.15	29.73	56.65
Total	**92.12**	**75.15**	**29.73**	**56.65**

ANNEXURE 17

DETAILS OF INVENTORIES – W-I-P AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
Valued at cost or NRV whichever is lower				
a) Work-in-Progress	516.40	549.92	430.00	158.00
Total	**516.40**	**549.92**	**430.00**	**158.00**

ANNEXURE 18

DETAILS OF TRADE RECEIVABLES AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
(Unsecured and Considered Good)				
Over Six Months	69.31	69.31	-	6.37
Others	948.04	319.94	9.94	60.03
Total	**1,017.35**	**389.25**	**9.94**	**121.40**

ANNEXURE 19

DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
a) Cash & Cash Equivalents				
i) Balance with banks	95.49	167.45	50.30	24.87
ii) Cash in hand	0.10	0.00	0.07	0.00
Total	**95.59**	**167.46**	**50.36**	**24.87**

ANNEXURE 20

DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
A. Unsecured, Considered good				
a) IT & GST Refundable	188.85	179.02	73.26	33.89
b) Other loans and advances	10.50	14.37	6.98	4.88
Total	**199.36**	**193.39**	**80.24**	**38.77**

ANNEXURE 21

DETAILS OF OTHER CURRENT ASSETS AS RESTATED

(Rs. in Lakhs)

Particulars	As at 30th June 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
A. Unsecured, Considered good				
a) Prepaid expenses	-	5.51	-	-
b) SEPC Incentive receivable	11.31	11.31	37.00	22.29
Total	**11.31**	**16.82**	**37.00**	**22.29**

ANNEXURE 22

DETAILS OF REVENUE FROM OPERATION

(Rs. in Lakhs)

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of services:				
Local	1,190.20	1,571.49	444.55	639.56
Exports	28.44	661.78	231.89	654.91
TOTAL	**1,218.64**	**2,233.27**	**676.44**	**1,294.47**

ANNEXURE 23

DETAILS OF OTHER INCOME AS RESTATED

(Rs. in Lakhs)

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest Income-From Bank Deposits	0.13	0.04	0.52	0.98
Interest Income-IT Refund	-	-	1.11	2.38
Incentive on Export Services	-	-	37.00	22.29
Foreign Exchange Profit	0.13	1.59	0.00	-
Profit on Sale of Fixed Assets	1.52	-	-	-
Other non-operating income	1.33	1.70	0.33	6.60
Provision for Gratuity	13.14	-	-	-
Total	**16.24**	**3.34**	**38.97**	**32.25**

ANNEXURE 24

DETAILS OF COST OF MATERIALS CONSUMED AS RESTATED

(Rs. in Lakhs)

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Job Work	55.61	81.62	20.11	70.72
Total	**55.61**	**81.62**	**20.11**	**70.72**

ANNEXURE 25

DETAILS OF CHANGES IN INVENTORIES OF WORK IN PROGRESS AS RESTATED

(Rs. in Lakhs)

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening inventory of Work in Progress	549.92	430.00	158.00	180.00
Less: Closing inventory of Work in Progress	516.40	549.92	430.00	158.00
Net (Increase) / Decrease	**33.53**	**(119.92)**	**(272.00)**	**22.00**

ANNEXURE 26

DETAILS OF EMPLOYESS EXPENSES AS RESTATED

(Rs. in Lakhs

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries & Wages	384.84	1,098.57	659.17	740.91
Contribution to Provident fund	16.08	17.07	9.73	6.23
Provision for Gratuity	-	11.86	12.63	28.13
Staff Welfare	13.41	21.15	0.80	0.70
Total	**414.34**	**1,148.65**	**682.32**	**775.98**

ANNEXURE 27

DETAILS OF OTHER DIRECT EXPENSES AS RESTATED

(Rs. in Lakhs)

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Power & fuel	14.21	56.37	37.76	46.89
Software Charges	8.62	20.89	16.41	28.78
Rent- Office	6.15	74.03	80.36	76.86
Repairs to machinery	10.11	30.21	27.26	33.61
Rent- Lease Assets	51.19	69.38	-	-
Telephone & Internet Charges	6.33	22.17	11.37	10.14
Advertisement Charges	22.44	58.86	19.68	73.85
Total	**119.05**	**331.91**	**192.84**	**270.13**

ANNEXURE 28

DETAILS OF FINANCE COST AS RESTATED

(Rs. In Lakhs)

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest Expenses	1.45	32.98	29.76	86.15
Other Borrowing costs	-	32.55	-	1.52
Total	**1.45**	**65.53**	**29.76**	**87.67**

ANNEXURE 29

DETAILS OF DEPRECIATION AND AMORTISATION AS RESTATED

(Rs. in Lakhs)

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation on Tangible Assets	6.65	26.51	35.49	43.41
Amortization on Intangible Assets	0.28	2.05	3.59	6.45
Total	**6.92**	**28.56**	**39.08**	**49.87**

ANNEXURE 30

DETAILS OF OTHER EXPENSES AS RESTATED

(Rs. in Lakhs)

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Legal and Professional Charges	31.91	17.17	2.86	6.74
Insurance Expenses	1.25	0.75	0.81	0.54
Audit Fees	0.75	3.00	0.50	0.50
Bank Charges	0.43	0.67	1.46	3.55
Printing and Stationery	0.56	2.57	0.33	0.84
Miscellaneous expenses	2.67	5.16	1.76	1.47
Rates and Taxes	-	6.72	3.34	-
Security Charges	0.37	1.86	-	-
Postage & Telegram	0.23	0.10	0.02	0.23
Travelling Expense	6.07	6.06	8.78	9.73
Business Promotion	1.26	1.09	1.27	2.84
Total	**45.50**	**45.16**	**21.12**	**26.43**

PAYMENT TO AUDITORS AS:

(Rs. in Lakhs)

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
a. Auditor	0.75	3.00	0.30	0.30
b. for taxation matters	0.00	0.00	0.20	0.20
c. for company law matters	-	-	-	-

d. for management services	-	-	-	-
e. for other services	-	-	-	-
f. for reimbursement of expenses	-	-	-	-
Total	**0.75**	**3.00**	**0.50**	**0.50**

ANNEXURE 31

DETAILS OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED

Ratios	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Restated PAT as per P& L Account	**411.11**	**490.21**	**7.51**	**11.30**
Weighted Average Number of Equity Shares at the end of the Year / Period	0.10	0.10	0.10	0.10
No. of equity shares at the end of the year / period	90.00	90.00	90.00	90.00
Net Worth	**936.64**	**525.53**	**35.32**	**27.81**
Current Assets	1,840.01	1,316.84	607.55	365.33
Current Liabilities	871.64	684.73	332.75	290.35
Earnings Per Share				
Basic & Diluted	*4.57	5.45	0.08	0.13
Return on Net Worth (%)	43.89%	93.28%	21.26%	40.63%
Net Asset Value Per Share (Rs)	10.41	5.84	0.39	0.31
Current Ratio	**2.11**	**1.92**	**1.83**	**1.26**

***EPS for June 30, 2022 is unannualized figures**

Note: Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (Rs.) = **Restated Profit after Tax available to equity Shareholders** / **Weighted Average Number of Equity Shares at the end of the year / period**

Return on Net Worth (%) = **Restated Profit after Tax available to equity Shareholders** / **Restated Net Worth of Equity Shareholders**

Net Asset Value per equity share (Rs.) = **Restated Net Worth of Equity Shareholders** / **Number of Equity Shares outstanding at the end of the year / period**

ANNEXURE 32

DETAILS OF STATEMENT OF TAX SHELTER AS RESTATED

(Rs. in Lakhs)

Particulars	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before tax as per books of Accounts (A)	**558.49**	**655.09**	**2.18**	**23.93**

Normal Corporate Tax Rate	22.88%	22.88%	22.88%	22.88%
Minimum Alternative Tax Rate	15.60%	15.60%	15.60%	15.60%
Permanent Differences(B)				
Other adjustments	(1.52)	-	-	-
Donation Disallowances	-	-	-	-
Prior Period Items	-	-	-	-
Employee share of PF	-	-	7.90	-
Penalty	-	-	0.37	-
Total (B)	**(1.52)**	-	**8.27**	-
Timing Differences (C)				
Depreciation as per Book of Accounts	6.92	28.56	39.08	49.87
Depreciation as per Income tax	8.49	27.41	29.92	34.36
Difference between tax depreciation and book depreciation	(1.56)	1.15	9.16	15.51
Gratuity	(13.14)	11.86	12.63	28.13
Total (C)	**(14.70)**	**13.01**	**21.79**	**43.64**
Net Adjustments D = (B+C)	**(16.22)**	**13.01**	**30.06**	**43.64**
Total Income (E=A+D)	**542.27**	**668.10**	**32.24**	**67.57**
Brought Forward losses set off	-	-	-	-
Tax effect on the above (F)	-	-	-	-
Taxable Income/(Loss) for the period/year (E+F)	**542.27**	**668.10**	**32.24**	**67.57**
Tax Payable for the year	136.48	168.15	8.12	15.46
Tax payable as per MAT	-	-	-	-
Tax expense recognised	136.48	168.15	8.12	15.46
Tax payable as per normal rates or MAT (whichever is higher)	136.48	168.15	8.12	15.46

ANNEXURE 33

DETAILS OF RELATED PARTIES TRANSACTION AS RESTATED

(Rs. in Lakhs)

Sl. No	Key Managerial Personnel	Relation
1	Mr.Bejoy Arputharaj Sam Manohar	Managing Director cum CEO
2	Ms.Syntia Moses Darry	Director
3	Mr.Bino Joshua Sam Manohar	Director cum COO

Transaction with Related Parties during the Year

(Rs. in Lakhs)

Sl No	Nature of Transaction	For the period ended 30 June 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
A)	**Remuneration Paid**				
	Mr. Bejoy Arputharaj Sam Manohar	9.00	28.35	16.00	24.00
	Mrs. Syntia Moses Darry	7.50	24.50	14.18	18.60

	Mr. Binu Joshua Sam Manohar	6.30	0.00	0.00	0.00
B)	**Unsecured Loan**				
	Loan Received				
	Mr. Bejoy Arputharaj Sam Manohar	0.60	359.68	253.37	90.25
	Loan Repaid				
	Mr. Bejoy Arputharaj Sam Manohar	17.95	275.90	153.17	96.24

ANNEXURE 34

Particulars	Pre-Offer as at 30 June 2022	Post-Offer*
Borrowings		
Current Borrowings (A)	16.34	**[●]**
Non-current Borrowings (B)	260.57	**[●]**
Total borrowings (C = A+B)	**276.91**	**[●]**
Equity		
Equity Share Capital (D)	1.00	**[●]**
Other Equity (E)	935.64	**[●]**
Total Equity (F = D+E)	**936.64**	**[●]**
Non-current Borrowings / Total Equity (G = B/F)	**0.28**	**[●]**
Total borrowings / Total Equity (H = C/F)	**0.30**	**[●]**

*The corresponding post-Offer capitalization data is not determinable at this stage pending the completion of the Book Building process and hence, the same have not been provided in the above statement.

Note:

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.06.2022.

2. Borrowings with original contractual maturity of more than one year are classified as long term as per guidance of Schedule III of the Companies Act, 2013. All other borrowings have been classified as short term.

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 June 30, 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 Statement, as Restated" on page 127 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 19 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 14 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 Phantom Digital Effects Private Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period ended June 30, 2022 and for the financial year ended March 31, 2022, 2021 and 2020 included in this Red Herring Prospectus beginning on page 127 of this Red Herring Prospectus.

BUSINESS OVERVIEW

Our Company was incorporated as a private limited company under the name of "Phantom Digital Effects Private Limited" under the Companies Act, 2013 vide certificate of incorporation dated February 2, 2016, issued by the Registrar of Companies, Tamil Nadu at Chennai, bearing Corporate Identification Number (CIN) U92100TN2016PTC103929. Subsequently, our Company was converted into a Public Limited Company pursuant to the special resolution passed by the Shareholders of our Company on July 21, 2022. Consequent upon conversion of our Company into public limited, the name of company was changed from "Phantom Digital Effects Private Limited" to "Phantom Digital Effects Limited" and a fresh Certificate of Incorporation dated July 29, 2022, was issued by the Registrar of Companies, Tamil Nadu at Chennai. The CIN of the Company changed to U92100TN2016PLC103929.

Our Promoter Mr. Bejoy Arputharaj Sam Manohar started the journey of VFX & animation in the year 2011 by taking up small projects. Our Company was formed in the year 2016. Today, our Company is a creative VFX studio, specializing in Film and Commercial VFX. We have delivered morethan thousands of shots for Domestic & International (Hollywood) films, independent feature films, web series & commercials in the past few years. Apart from working for film production, web series and commercials, Our Company periodically takes up subcontracts from larger visual effects studios as well.

We are a Certified Trusted Partner Network company, full-fledged creative studio, based in India with offices operating in US and Canada. We provide high-end visual effects solutions for commercials, feature films, and television media (Web series) globally. Phantom Digital Effects Limited offers all sorts of creative VFX works, ranging from Final Compositing and Roto to creating 3D Elements, Photo real creatures and Environments, 3D, matchmove, and Animations.

For detailed information on the business of our Company please refer to "Our Business" beginning on page numbers 84 of this Red Herring Prospectus.

The Company support production houses by providing end to end services.

Services Offered by our Company

As a TPN Certified studio, PhantomFX offers a wide range of VFX services. The company's specializations include:

1. Completing a Shot with final compositing
2. Creating 3D elements, photoreal creatures, and environments
3. Rig/Wire removal, paint cleanup, rotoscopy
4. 3D matchmove
5. 3D animation (storyboard, animation)
6. Pre-visualization Game cinematics
7. Fire / water Fx and other natural phenomena 3D ride animation

FEATURES

Some of the recent Indian Projects & International Projects that we have executed successfully and well recognised by the industry and well appreciated by the viewer are as under:

Indian Projects		
S. No	**Name of the Movie**	**Scope of Work**
1.	Vikram	VFX & CGI Compositing
2.	Beast	VFX
3.	RRR	VFX
4.	Minnal Murali	VFX & CGI Compositing
5.	Robot 2.0	VFX & CGI Compositing
6.	Bahubali 1 and Bahubali 2: The Conclusion	VFX Comp
7.	Puli (South)	Set Extensions, VFX, CGI & Bridge
8.	Ayirathil Oruvan	Photo Real CG Shots
9.	Maaveran	Set Extensions & Compositing
10.	Seemaraja	Set Extensions, CGI & VFX Compositing
International Projects		
S. No	**Name of the Movie**	**Scope of Work**
1.	Avengers	Stereo Roto & Paint
2.	Van Helsing	VFX Comp
3.	Transformers	Stereo Roto & Paint
4.	Dangerous	VFX
5.	Superman & Lois	VFX
6.	The Art of the Walking Dead Universe	VFX
7.	Outlander	VFX
8.	The Flash	3D Matchmove & Rotomation
9.	Grey's Anatomy	Roto & Paint

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 Board of Directors of our Company have been authorised to create charge on the assets of the Company upto ₹50 crores vide special resolution passed at the Extra-Ordinary General Meeting held on August 8, 2022.

- The authorized capital of the Company has been increased from ₹70,00,000 to ₹1,20,00,000 by creation of 50,00,000 new Equity Shares of ₹10 each vide ordinary resolution passed at the Extra-Ordinary General

Meeting held on August 8, 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 July 21, 2022.

- The Shareholders of our Company approved appointed of Mr. Bejoy Arputharaj Sam Manohar as Managing Director, Mr. Binu Joshua Sam Manohar and Mrs. Syntia Moses Darry as Whole-time Director in the Extra Ordinary General Meeting held on August 8, 2022.

- The Shareholders of our Company approved appointed of Mr. Mr. Ravindran Sivasankaran as Whole-time Director in the Extra Ordinary General Meeting held on August 8, 2022.

- The Shareholders of our Company appointed Mr. Manjit Singh Parmar and Mr. Tom Antony as Independent Directors and Mr. Jeemon P.V as Non-Executive Non-Independent Director in the Extra Ordinary General Meeting held on August 8, 2022.

- The authorized capital of the Company has been increased from ₹7,00,00,000 to ₹12,00,00,000 by creation of 50,00,000 new Equity Shares of ₹10 each vide ordinary resolution passed at the Extra-Ordinary General Meeting held on August 8, 2022.

- 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 Annual General Meeting held on August 25, 2022.

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 19 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.
- Government support and spending on entertainment industry;
- Company's ability to adopt the changing technology in entertainment industry;
- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Significant developments in India's economic and fiscal policies;
- Failure to adapt to the changing needs of industry and in particular entertainment industry may adversely affect our business and financial condition;
- 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 127 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 high-end visual effects solutions ranging from Final Compositing and Roto to creating 3D Elements, Photo real creatures and Environments, 3D matchmove and Animations for commercials, feature films, and television media globally.

- **Other Income**
  Our other income mainly consists of interest from banks and Incentive on Export Services.

(Rs. In Lakhs)

Particulars	For the month ended June 30, 2022	For the period ended March 31,		
		2022	2021	2020
Income				
Revenue from operations	1,218.64	2,233.27	676.44	1,294.47
As a % of total Income	98.68%	99.85%	94.55%	97.57%
Other Income	16.24	3.34	38.97	32.25
As a % of Total Income	1.32%	0.15%	5.45%	2.43%
Total Revenue	**1,234.88**	**2,236.60**	**715.41**	**1,326.72**

Expenditure

Our total expenditure primarily consists of employee benefit expenses, Cost of Materials Consumed, Other Direct Expenses, Finance Costs and other expenses.

- **Employment Benefit Expenses**

  It includes Salaries and allowances, Contributions to provident and other funds, Gratuity, and other expenses.

- **Cost of Materials Consumed**

  It includes charges paid independent freelancers, sub-contractor and other expenses.

- **Other Direct Expenses**

  It includes Power & Fuel, Software Charges, Rent of the premises, Repairs to machinery, Assets Lease Charges, Advertisement Charges and Telephone & Internet Charges.

- **Other Expenses**

  It includes consumption of Legal and Professional Charges, Insurance Expenses, Audit Fees, Bank Charges, Printing and Stationery, Miscellaneous expenses, Rates and Taxes, Security Charges, Postage & Telegram, Travelling Expense and Business Promotion.

- **Finance Costs**

  Our finance costs mainly include finance charges and interest.

- **Depreciation**

Depreciation includes depreciation and amortization.

RESULTS OF OUR OPERATION

(Rs. In Lakhs)

Particulars	For the month ended June 30, 2022*	For the period ended March 31,		
		2022	2021	2020
Income				
Revenue from operations	1,218.64	2,233.27	676.44	1,294.47
% of Total Revenue	98.68%	99.85%	94.55%	97.57%
% Increase/(Decrease)	-	230.15%	-47.74%	-
Other Income	16.24	3.34	38.97	32.25
% of Total Revenue	1.32%	0.15%	5.45%	2.43%
% Increase/(Decrease)	-	-91.44%	20.82%	-
Total Revenue	**1,234.88**	**2,236.60**	**715.41**	**1,326.72**
Variance		212.63	-46.08	-
Expenses				
Cost of materials consumed	55.61	81.62	20.11	70.72
% total Revenue	4.50%	3.65%	2.81%	5.33%
% Increase/(Decrease)	-	305.88%	-71.56%	-
Changes in Inventories of Work-in-Progress	33.53	-119.92	-272.00	22.00
% total Revenue	2.71%	-5.36%	-38.02%	1.66%
Employee Benefits expenses	414.34	1,148.65	682.32	775.98
% total Revenue	33.55%	51.36%	95.38%	58.49%
% Increase/(Decrease)	-	68.34%	-12.07%	-
Other Direct Expenses	119.05	331.91	192.84	270.13
% total Revenue	9.64%	14.84%	26.95%	20.36%
% Increase/(Decrease)	-	72.12%	-28.61%	-
Other expenses	45.50	45.16	21.12	26.43
% total Revenue	3.68%	2.02%	2.95%	1.99%
% Increase/(Decrease)	-	113.82%	-20.09%	-
Total Expenses	**668.02**	**1,487.42**	**644.39**	**1,165.26**
% to total revenue	54.10%	66.50%	90.07%	87.83%
Restated Profit Before Interest, Tax, Depreciation and Amortisation (EBITDA)	**566.86**	**749.18**	**71.02**	**161.47**
Finance Costs	1.45	65.53	29.76	87.67
% total Revenue	0.11%	2.93%	4.16%	6.61%
% Increase/(Decrease)	-	120.22%	-66.06%	-
Depreciation and amortization expenses	6.92	28.56	39.08	49.87
% total Revenue	0.56%	1.28%	5.46%	3.76%
% Increase/(Decrease)	-	-26.93%	-21.63%	-
Restated Profit (Loss) Before Tax	**558.49**	**655.09**	**2.18**	**23.93**
Exceptional Item	-	-	-	-
Total tax expense	146.57	164.87	-0.69	12.63

Particulars	For the month ended June 30, 2022*	For the period ended March 31,		
		2022	2021	2020
Restated profit (Loss) after tax from continuing operations (A)	**411.11**	**490.21**	**2.86**	**11.30**
% to total revenue	**33.29%**	**21.92%**	**0.40%**	**0.85%**

**Figures for the three months ended June 30, 2022 were not compared with full year figures as same are not comparable.*

Our income is dependent upon few major customers, details of the same is as following:

(Rs. In Lakhs)

Particulars	June 30, 2022	March 31, 2022	March 31, 2021
KJR Studios	573.48	200.00	200.00
DRP-Gunaa Teamworks	160.06	144.59	21.40
Zoic INC	142.90	44.68	-
RaajKamal Film International	141.60	35.40	-
Retrophiles Private Limited	84.37	421.85	-
Total	**1102.41**	**846.52**	**221.4**
As a % of total Income	89.27%	37.85%	30.95%

REVIEW OF OPERATIONS FOR THE PERIOD ENDED JUNE 30, 2022

Income from Operations

Our revenue from operations for the period ended June 30, 2022 was Rs.1,234.88 Lakhs which was about 98.68% of the total revenue and which includes high-end visual effects solutions for commercials, feature films and television media domestically and internationally.

Other Income

Our other income for the period ended June 30, 2022 was Rs. 16.24 Lakhs which was about 1.32% of the total revenue and which includes interest income and reversal of Provision for Gratuity.

Expenditure

Cost of materials consumed

The Cost of materials consumed for the period ended June 30, 2022 were Rs. 55.61 Lakhs which was about 4.50% of the total revenue and which includes Job Work.

Employee Benefits expenses

The employee benefits expenses for the period ended June 30, 2022 were Rs. 414.34 Lakhs which was about 33.55% of the total revenue and which includes Salaries and allowances, Contributions to provident and other funds, Gratuity, Staff welfare expenses and other expenses.

Other Direct Expenses

The employee benefits expenses for the period ended June 30, 2022 were Rs. 119.05 Lakhs which was about 9.64% of the total revenue and which includes Power & Fuel, Software Charges, Rent of the premises, Repairs to machinery, Assets Lease Charges, Advertisement Charges and Telephone & Internet Charges.

Other Expenses

Other Expenses for the period ended June 30, 2022 were Rs. 45.50 Lakhs which was about 3.68% of the total revenue and which includes Legal and Professional Charges, Insurance Expenses, Audit Fees, Bank Charges, Printing and Stationery, Miscellaneous expenses, Rates and Taxes, Security Charges, Postage & Telegram, Travelling Expense and Business Promotion.

EBIDTA

Our EBITDA for the period ended June 30, 2022 were Rs. 566.86 Lakhs.

Financial Costs

Financial costs for the period ended June 30, 2022 were Rs.1.45 Lakhs which was about 0.11% of the total revenue andwhich consists of finance charges and interest.

Depreciation

Depreciation for the period ended June 30, 2022 were Rs. 6.92 Lakhs which was about 0.56% of the total revenue and which consists of depreciation and amortization.

Profit /(Loss) after Tax

PAT for the period ended June 30, 2022 was Rs. 411.11 Lakhs.

FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021

Income

Total revenue has increased by Rs.1,556.83 Lakhs and 230.15% from Rs. 676.44 Lakhs in the fiscal year ended March 31, 2021 to Rs.2,233.27 Lakhs in the fiscal year ended March 31, 2022. The increase in revenue was on account of increase in operation and no. of projects undertaken.

Expenditure

Total Expenditure increased by Rs. 868.28 Lakhs and 121.74%, from Rs. 713.23 Lakhs in the fiscal year ended March 31, 2021 to Rs.1,581.52 Lakhs in the fiscal year ended March 31, 2022. Overall expenditure was increased mainly due to increase volume of operations and no. of projects undertaken.

Cost of Materials Consumed

Cost of Materials Consumed in terms of value and percentage increased by Rs.61.51 Lakhs and 305.88% from Rs. 20.11 Lakhs in the fiscal year ended March 31, 2021 to Rs. 81.62 Lakhs in the fiscal year ended March 31, 2022. Cost of Materials Consumed was increased due to increase in volume of operation and no. of projects undertaken.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage increased by Rs. 466.33 Lakhs and 68.34% from Rs. 682.32 Lakhs in the fiscal year ended March 31, 2021 to Rs. 1,148.65 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 Direct Expenses

Other Direct Expenses in terms of value and percentage increased by Rs. 139.08 Lakhs and 72.12% from Rs. 192.84 Lakhs in the fiscal year ended March 31, 2021 to Rs. 331.91 Lakhs in the fiscal year ended March 31, 2022. Other Direct Expenses was increased due to increase in volume of operation and no. of projects undertaken.

Other Expenses

Other Expenses in terms of value and percentage increased by Rs. 24.04 Lakhs and 113.82% from Rs.21.12 Lakhs in the fiscal year ended March 31, 2021 to Rs.45.16 Lakhs in the fiscal year ended March 31, 2022. Other Expenses was increased mainly due to increase in Legal and Professional Charges, Insurance Expenses, Audit Fees, Bank Charges, Printing and Stationery, Miscellaneous expenses, Rates and Taxes, Security Charges, Postage & Telegram, Travelling Expense and Business Promotion.

Profit before Tax and Extraordinary items

Profit before exceptional & extraordinary items and Tax has increased by Rs.678.16 Lakhs and 954.93% from Rs.71.02 Lakhs in the fiscal year ended March 31, 2021 to Rs.749.18 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 and no. of projects undertaken.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 35.78 Lakhs and 120.22% from Rs. 29.76 Lakhs in the fiscal year ended March 31, 2021 to Rs. 65.53 Lakhs in the fiscal year ended March 31, 2022. Finance Costs was increased mainly due to higher interest outgo on increased borrowings.

Depreciation & Amortization Expenses

Depreciation in terms of value decreased by Rs.10.53 Lakhs and 26.93% from Rs. 39.08 Lakhs in the fiscal year ended March 31, 2021 to Rs. 28.56 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. 487.35 Lakhs and 17022.62% from profit of Rs. 2.86 Lakhs in the fiscal year ended March 31, 2021 to profit of Rs. 490.21 Lakhs in the fiscal year ended March 31, 2022. Net profit was increased due to increase in revenue from operations and increase in operation and no. of projects undertaken.

FISCAL YEAR ENDED MARCH 31, 2021 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2020

Income

Total revenue has decreased by Rs.618.03 Lakhs and 47.74% from Rs.1,294.47 Lakhs in the fiscal year ended March 31, 2020 to Rs. 676.44 Lakhs in the fiscal year ended March 31, 2021. The decrease in revenue was due to significant reduction in volume our operations on account of halt in entertainment industry to restrict spread of Covid-19 pandemic and suspension of new releases and projects.

Expenditure

Total Expenditure decreased by Rs.589.56 Lakhs and 45.25%, from Rs. 1,302.79 Lakhs in the fiscal year ended March 31,

2020 to Rs. 713.23 Lakhs in the fiscal year ended March 31, 2021. Overall expenditure was decreased with significant reduction in volume our operations due to halt in entertainment industry on account of Covid-19 pandemic and suspension of new releases and projects.

Cost of Materials Consumed

Cost of Materials Consumed in terms of value and percentage decreased by Rs.50.61 Lakhs and 71.56% from Rs.70.72 Lakhs in the fiscal year ended March 31, 2020 to Rs.20.11 Lakhs in the fiscal year ended March 31, 2021. Cost of Materials Consumed was decreased due to significant reduction in volume our operations on account of halt in entertainment industry due to Covid-19 pandemic and suspension of new releases and projects.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage decreased by Rs.93.65 Lakhs and 12.07% from Rs. 775.98 Lakhs in the fiscal year ended March 31, 2020 to Rs. 682.32 Lakhs in the fiscal year ended March 31, 2021. Overall employee cost was decreased due to reduction in employees strength and salary cut on account of Covid-19 pandemic.

Other Direct Expenses

Other Direct Expenses in terms of value and percentage decreased by Rs.77.29 Lakhs and 28.61% from Rs. 270.13 Lakhs in the fiscal year ended March 31, 2020 to Rs. 192.84 Lakhs in the fiscal year ended March 31, 2021. Other Direct Expenses was decreased due to decrease in volume of operation and no. of projects undertaken on account of Covid-19 pandemic.

Other Expenses

Other Expenses in terms of value and percentage decreased by Rs.5.31 Lakhs and 20.09% from Rs. 26.43 Lakhs in the fiscal year ended March 31, 2020 to Rs. 21.12 Lakhs in the fiscal year ended March 31, 2021. Other Expenses were decreased mainly due to decrease in volume of operation and no. of projects undertaken on account of Covid-19 pandemic.

Profit before Tax and Extraordinary items

Profit before exceptional & extraordinary items and Tax has decreased by Rs.90.45 Lakhs and 56.02% from Rs. 161.47 Lakhs in the fiscal year ended March 31, 2020 to Rs. 71.02 Lakhs in the fiscal year ended March 31, 2021. Profit before exceptional & extraordinary items and Tax was decrease in volume of operation and no. of projects undertaken on account of Covid-19 pandemic.

Finance Costs

Finance Costs in terms of value and percentage decreased by Rs.57.91 Lakhs and 66.06% from Rs. 87.67 Lakhs in the fiscal year ended March 31, 2020 to Rs. 29.76 Lakhs in the fiscal year ended March 31, 2021. Finance Costs was decrease in volume of operation and no. of projects undertaken on account of Covid-19 pandemic.

Depreciation & Amortization Expenses

Depreciation in terms of value decreased by Rs.10.78 Lakhs and 21.63% from Rs. 49.87 Lakhs in the fiscal year ended March 31, 2020 to Rs. 39.08 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 increased by Rs. 8.44 Lakhs and 74.66% from profit of Rs. 11.30 Lakhs in the fiscal year ended March 31, 2020 to profit of Rs. 2.86 Lakhs in the fiscal year ended March 31, 2021. Net profit was decreased due decrease in volume of operation and no. of projects undertaken on account of Covid-19 pandemic.

Other Matter:

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 19 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 products/ main activities derives from high-end visual effects solutions ranging from Final Compositing and Roto to creating 3D Elements, Photo real creatures and Environments, 3D matchmove and Animations for commercials, feature films, and television media globally.

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 labour 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 entertainment 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 and wining of new projects.

8. **Total turnover of each major industry segment in which the issuer company operates**

   The Company is operating in entertainment industry. Relevant industry data, as available, has been included in the chapter titled *"Our Industry"* beginning on page 75 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 19 and 84 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 84 of this Red Herring Prospectus.

13. Capitalisation statement

For detailed information on Capitalisation Statement please refer Annexure 34 of Restated Financial Statements on page number 149 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 June 30, 2022 our Company has total outstanding secured borrowings from banks and financial institutions aggregating to Rs. 53.00 lakhs and Unsecured Loan aggregating to Rs. 23.44 lakhs.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a consolidated basis as of June 30, 2022:

Secured

Name of persons/companies	Outstanding as on June 30, 2022 (Rs. in Lakhs)	Rate of Interest	Nature of Tenure
Secured Loans			
Term Loans			
ICICI Bank Ltd- Hire Purchase	53.00	7.99%	Repayable in 60 months Installments

Unsecured

Name of persons/companies	Outstanding as on June 30, 2022 (Rs. in Lakhs)	Rate of Interest	Nature of Tenure
Inter Corporate Loans			
Fullerton India Credit India Limited	2.58	14.00%	Repayable in 48 months Installments
ICICI Bank Limited- MSME Loan	3.23	9.25%	
Bajaj Finserve Limited	13.62	19.75%	Repayable in 56 months Installments
Clix Capital Services Pvt Ltd	1.08	14.00%	Repayable in 36 months Installments
ICICI Bank Limited- Business Loan	1.84	16.00%	
Shriram City Union Finance Limited	1.09	21.00%	Repayable in 42 months Installments

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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 anyother 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 whetherthey 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 litigationor 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.

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 whichwould 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.

I. Litigations involving our Company

A. Against our Company:

Civil Cases: NIL

B. By our Company:

Civil Cases: NIL

II. Litigations involving our Promoters/Directors

A. Against our Promoters/Directors

Criminal Case: NIL

B. By our Promoters/Directors

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 CompanyNil

B. By Directors of our Subsidiary CompanyNil

Note: The Company do not have any subsidiary company as on the date of this Legal Due Diligence Report

V. Other litigations involving any other entities which may have a material adverse effect on our 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

Except as disclosed above as on the date of this Red Herring Prospectus, there are no cases in the last five years in which penalties have been imposed on our Company or our Directors.

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 June 30, 2022, our Company had outstanding dues to creditors as follows:

(Amount in Lakh)

Particulars	**June 30, 2022**
Trade Payables	
Micro, Small and Medium Enterprises	0.00
Others	106.54
Total	**106.54**

Information provided on the website of our Company is not a part of this Red Herring Prospectus and should notbe deemed to be incorporated by reference. Anyone placing reliance on any other source of information,including our Company's website www.phantom-fx.com would be doing so at their own risk.

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 150 of this Red Herring Prospectus, inthe opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

We certify that except as stated herein above:

a. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters, group entities, companies promoted by the promoters during the past three years.

b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.

c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.

d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.

e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations andfinances of the Company including disputed tax liability or prosecution under any enactment.

f. There are no litigations against the Promoters / Directors in their personal capacity.

g. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.

h. There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authorityin the past five year in respect of our promoters, group company's entities, entities promoted by the promoters of our company.

i. There is no status of criminal cases filed or any investigation being undertaken with regard to allegedcommission of any offence by any of our Directors. Further, none of our Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.

j. The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue ofCapital and Disclosure Requirements) Regulation 2018.

k. Neither the Company nor any of its promoters or directors is a willful defaulter.

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 furtherdetails 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 95 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 August 23, 2022, 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 Shareholders have, pursuant to the resolution dated August 25, 2022 under section 62(1)(c) of the Companies Act 2013, authorized the Issue.

IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated September 23, 2022 to use the name of NSE in this Offerdocument 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 July 12, 2022, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Purva Sharegistry (India) Private Limited, for the dematerialization of its shares.

2. The Company has also entered into an agreement dated July 14, 2022, with the National Securities Depository Limited (NSDL), and the Registrar and Transfer Agent, who, in this case, is Purva Sharegistry (India) Private Limited, for the dematerialization of its shares.

3. The Company's International Securities Identification Number (ISIN) is INEOMLZ01019

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 "Phantom Digital Effects Private Limited"	ROC, Chennai	U92100TN2016PTC103929	February 02, 2016	Perpetual
2.	Certificate of Incorporation for conversion from Private to Public company in the name of "Phantom Digital Effects Limited"	ROC, Chennai	U92100TN2016PLC103929	July 29, 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	Income Tax Department, GoI	AAICP4586D	02/02/2016	Perpetual
2.	Tax Deduction Account Number	Income Tax Department, GoI	MRIP03395A	02/02/2016	Perpetual
3.	GST Registration Certificate (Tamil Nadu)	Central Board of Excise and Custom	33AAICP4586D1ZD	01/07/2017	Valid until cancellation
4.	GST Registration Certificate (Maharashtra)	Central Board of Excise and Custom	27AAICP4586D1Z6	06/08/2022	Valid until cancellation

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 Issue	Valid Upto
1.	Importer-Exporter Certificate	Directorate General of Foreign Trade, Ministry of Commerce and Industry	3517504297	23/06/2017	Perpetual
2.	Registration under Employees Provident Fund and Miscellaneous Act, 1952	Employees Provident Fund Organisation	TNAMB1486738000	26/08/2021	Perpetual
3.	Registration under The Tamilnadu Industrial Establishments (National, Festival and Special Holidays) Act,1958	Assistant Inspector of Labour, Chennai	TN/AILABT/NFSH/68-22-00678	15/07/2022	Perpetual
4.	Maharashtra shop and Establishments (Regulations of Employment and	Chief Inspector, Shop and Establishment, Mumbai	820245664 / KW Ward /COMMERCIAL II	21-09-2022	Perpetual

	conditions of Service)Act ,2017				
5.	ESI Act, 1848	Asst. / Deputy Director, Employee State Insurance Corporation, Chennai	51001166540001099	26/06/2016	Perpetual

INTELLECTUAL PROPERTY

Our Company has the following registered trademarks:

Sr No.	Original Trademark Name	Filed Trademark Name	Registration No.	Application No.	Class	Current Status
1		PhantomFX	4029792	-	41	Registered

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.	www.phantom-fx.com	Phantom Digital Effects Limited	20-11-2022
2.	www.phantomfx.org	Phantom Digital Effects Limited	18-08-2023

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.

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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 August 23, 2022.

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 AGM held on August 25, 2022, and authorised the Board to take decisions in relation to this Issue.

3. The Company has obtained approval from NSE vide its letter dated September 23, 2022 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 the Draft Red Herring Prospectus through its resolution dated August 25, 2022 and this Red Herring Prospectus through its resolution dated October 1, 2022.

5. 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 number 165 of this Red Herring Prospectus.

Prohibition by SEBI

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.

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 have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

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 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.

Directors associated with the Securities Market

We confirm that none of our Directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Red Herring Prospectus.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is more than 10.00 Cr. and upto 25.00 Cr. Our Company also

complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing ofour Equity Shares.
We confirm that:

a) 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 37 of this Red Herring Prospectus.

b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four (4) 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 four (4) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Book Running Lead Manager shall ensure thatthe Issuer shall file a copy of the 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 Red Herring Prospectus/Prospectus with the Registrar of Companies.

d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Book Running 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 37 of this Red Herring Prospectus.

e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board;

f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, None of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board;

g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter.

h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender.

i) 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.

j) 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 190 of this Red Herring Prospectus.

k) In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid-up.

l) 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 February 2, 2016 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.

The present paid-up capital of our Company is ₹. 9,00,00,000 and we are proposing a fresh issue of 26,40,000 Equity

Shares and Offer for Sale of 4,23,600 of Equity Shares ₹. 10/- each at issue price of ₹. [●] per Equity Share including share premium of ₹. [●] per Equity Share, aggregating to ₹. [●] Lakh. Hence, our Post Issue Paid up Capital will be approximately ₹. [●] Lakh which less than ₹.2,500.00 Lakh

3. Positive Net worth

Net worth of the Company as on June 30, 2022 is ₹. 936.64 Lakh.

4. Track record

A. The company should have a (combined) track record of at least 3 years.

Our Company got incorporated on February 2, 2016 and therefore has a track record as specified by National Stock Exchange of India Limited.

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 June 30, 2022	As on March 31, 2022	As on March 31, 2021	As on March 31, 2020
Operating profit (earnings before interest, depreciation and tax)	566.86	749.18	71.02	161.47

Particulars	As on June 30, 2022	As on March 31, 2022	As on March 31, 2021	As on March 31, 2020
Share Capital	1.00	1.00	1.00	1.00
Add: Reserves and Surplus	935.64	524.53	34.32	31.46
Net Worth	936.64	525.53	35.32	32.46

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.phantom-fx.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 July 14, 2022 with NSDL, our Company and Registrar to the Issue; tripartite agreement dated July 12, 2022 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INEOMLZ01019

- 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 162 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 competentjurisdiction against the Company.

3. No material regulatory or disciplinary action has been taken by any stock exchange or regulatoryauthority 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 anissue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued bySEBI 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 bythe RBI.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUSTO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAYBE 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 DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADEIN THE DRAFT RED HERRING 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 DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TOENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 25, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKEUP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Note:
All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Tamil Nadu in terms of sections 26, 32 and 33 of the Companies Act, 2013.

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 thanin 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.phantom-fx.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 Issuemanagement, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directorsand 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 includingat road show presentations, in research or sales reports or at collection centers, *etc.* The Book Running Lead Manager and itsassociates 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

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) th 30 Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) th 90 Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) th 180 Calendar Days from Listing
1.	Shish Industries Limited	4.06	30.00	05-09-2017	32.00	-11.99%	-18.05%	-17.15%
						-0.68%	3.33%	7.034%
2.	Ratnabhumi Developers Limited	23.31	63.00	14-12-2017	63.45	-34.70%	-44.92%	-33.91%
						4.04%	1.771%	7.35%
3.	Touchwood Entertainment Limited	4.21	40.00	21-12-2017	43.50	50.94%	-25%	11.98%
						4.35%	-2.73%	2.58%
4.	SMVD Poly Pack Limited	9.02	55.00	26-12-2017	58.00	-20.14%	-43.47%	-57.09%
						5.1%	-3.8%	2.25%
5.	Narmada Agrobase Limited	7.49	32.00	19-04-2018	31.45	-4.32%	-13.12%	-24.38%
						0.29%	2.22%	0.181%
6.	Rudrabhishek Enterprises Limited	18.73	41.00	13-07-2018	41.25	-1.68%	-1.56%	15.95%
						3.72%	-7.11%	-1.48%
7.	Rajnandini Metal Limited	4.27	26	08-10-2018	35.00	-23.61%	-23.61%	-21.50%
						2.419%	3.67%	12.73%
8.	Nupur Recyclers Limited	34.2	60	23-12-2021	34.20	218.92%	108.17%	146.46%
						3.65	1.47%	-7.98%
9.	Uma Exports Limited	60	65-68	07-04-2022	80.00	26.071%	-38.87%	N.A
						-6.96%	-9.35%	N.A
10.	Annapurna Swadisht Limited	70	68-70	27-09-2022	120.00	N.A	N.A	N.A
						N.A	N.A	N.A

Source: Price Information www.bseindia.com and www.nseindia.com, Issue Information from respective Prospectus.

Summary Statement of Disclosure

Financial Year	Total No. of IPOs	Total Funds Raised (Rs. in Cr.)	Nos. of IPO trading at discount as on 30th calendar day from listing date			Nos. of IPO trading at premium as on 30th calendar day from listing date			Nos. of IPO trading at discount as on 180th calendar day from listing date			Nos. of IPO trading at premium as on 180th 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	2	90.25	Nil	1	Nil	Nil	Nil	Nil	NA	NA	NA	NA	NA	NA
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	3	Nil	Nil	Nil	Nil	Nil	3	Nil	Nil	Nil
2017-18	4	40.60	Nil	1	2	1	Nil	Nil	1	1	1	Nil	Nil	1
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.

Note:

1. Kindly note that we have assumed the % of change in benchmark on the basis of the Companies listed on the relevant Stock Exchange.
2. The listing date of Uma Exports Limited was 07-04-2022, the Company has not completed its 180 calendar days yet. Hence, the information for 180 calendar days has been kept blank.
3. The listing date of Annapurna Swadisht Limited was 27-09-2022, the Company has not completed its 30, 90 and 180 calendar days yet. Hence, the information for 30,90 and 180 calendar days has been kept blank.

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 theSEBI, please refer 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 whoare 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 Red Herring 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 Red Herring 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 Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring 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 anysuch 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 theEquity Shares or any similar security, other than

pursuant to an exemption from, or in a transaction not subjectto, 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 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/1820 dated September 23, 2022, 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 the 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 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 Regulations under the U.S Securities Act and the applicable laws of the jurisdictionwhere 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.

LISTING

Application will be made to the NSE Limited for obtaining permission to deal in and for an official quotationof our Equity Shares. NSE Limited is the Designated Stock Exchange, with which the Basis of Allotment willbe finalized.

The Emerge Platform of NSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. NSE/LIST/1820 dated September 23, 2022.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomesliable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then ourCompany and every Director of our Company who is an officer in default shall, on and from such expiry of 8days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, asprescribed under section 40 of the Companies Act, 2013. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE Limited mentioned above are taken within six Working Days from the Offer Closing Date.

Impersonation

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013which is reproduced below:

Any person who:

a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribingfor, its securities; or
b. makes or abets making of multiple applications to a company in different names or in differentcombinations 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, orto any other person a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

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 theCompanies 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 theform and context in which it appears in this Red Herring Prospectus and such consent and report is not withdrawn upto 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 June 30, 2022, March 31, 2022, 2021 and 2020 and Legal Advisor report on Outstanding Litigations and Material Developments, included in this Red Herring Prospectus, our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION

We have not made any previous publicissues 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 45 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

None of our Group Companies and Associates are listed and have 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 Red Herring 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 Offer is an –Initial Public Offering‖ in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for theEquity 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 creditand 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 Secretaryand 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 suchas 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 ofroutine 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 Ms. Pallavi Tongia as the Company Secretary and Compliance Officer and may be contacted at the following address:

PHANTOM DIGITAL EFFECTS LIMITED
6th Floor, Tower B, One India Bulls Park,
Plot No.14, 3rd Main Road,
Ambattur Chennai,
Tamil Nadu - 600058
Tel: +91 44 43846228
Email: cs@phantom-fx.com Website: www.phantom-fx.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offeror post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in therespective beneficiary account or refund orders, *etc.*

SECTION XII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Red Herring Prospectus, the abridged prospectus, any addendum/ corrigendum thereto, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') 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 all applicable laws, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, RoC, RBI and/or other authorities, as in force on the date of the offer and to the extent applicable.

Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public offers by retail individual investors through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).

For details in relation to Offer expenses, see "Objects of the Issue" and "Other Regulatory and Statutory Disclosures" on pages 63 and 168, respectively.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholder in the manner specified in "Objects of the Issue" beginning on page 63.

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 August 23, 2022 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 AGM of the Company held on August 25, 2022.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to our Shareholders in accordance with the provisions of Companies Act, SEBI ICDR Regulations, SCRA, SCRR, our Memorandum of Association and our Articles of Association and provisions of the SEBI Listing Regulations and other applicable laws including guidelines or directives that may be issued by the GoI in this respect. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see "Dividend Policy" and "Main Provisions of the Articles of Association" beginning on pages 126 and 223, respectively.

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.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10.00 and the Offer Price at the lower end of the Price Band is ₹ 91 per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹ 95 per Equity Share ("Cap Price"). The Anchor Investor Offer Price is ₹ [•] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company and Selling Shareholder in consultation with the BRLM and advertised in all editions [•], an English national daily newspaper, all editions of [•], a Hindi national daily newspaper, each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchange. The Offer Price shall be determined by our Company and the Selling Shareholder, in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

Compliance with the disclosure and accounting norms

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity 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 provisions of the Articles of Association**", beginning on page 223 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 will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

I. Tripartite agreement dated July 12, 2022 among CDSL, our Company and the Registrar to the Issue; and
II. Tripartite agreement dated July 14, 2022 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 1,200 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 1,200 Equity Shares subject to a minimum allotment of 1,200 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.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, ―U.S. persons‖ (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be 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 our Company, Promoters' minimum contribution as provided in "Capital Structure" on page 45 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 223 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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. 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 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.

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 Book Running 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 Exchanges 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	Wednesday, October 12, 2022 *(1)*
Bid/Offer Closing Date	Friday, October 14, 2022 *(2)*
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Wednesday, October 19, 2022
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account orUPI ID linked bank account	On or about Thursday, October 20, 2022
Credit of Equity Shares to Demat accounts of Allottees	On or about Friday, October 21, 2022
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Tuesday, October 25, 2022

Note - (1) Our Company and Selling Shareholders may, in consultation with the BRLM, consider participation by Anchor Investors. 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.

(2) Our Company and the Selling Shareholder may, in consultation with the BRLM, 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 delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholder, in consultation with the BRLM, revision of the Price Band or any delay 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. The Selling Shareholder confirms that he shall extend all reasonable support and co-operation required by our Company and the BRLM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within six Working Day from the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI.

The SEBI is in the process of streamlining and reducing the post offer timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will submit report of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (Other than Bids from Anchor Investors)

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST")
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Offer Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company, Selling Shareholder or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Our Company and the Selling Shareholder, in consultation with the BRLM, reserve 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 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 any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and Selling Shareholder may, in consultation with the BRLM, 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. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will 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 BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

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 be 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 eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 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.

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.

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 37 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 1,200 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.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the Pre-Issue Equity Shares and Promoter minimum contribution in the Offer as detailed in the section titled "Capital Structure" beginning on page 45 of the Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer sub-heading "Description of Equity Shares and Terms of the Articles of Association" on page 223 of the 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 Book Running Lead Managers 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 to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this 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.

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, Business Standard; (ii) All editions of Hindi National Newspaper, Business Standard (Hindi) and (iii) Tamil edition of Regional Newspaper, Makkal Kural 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.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts / authorities in Chennai.

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.

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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 paid up face value capital is more than ₹ 10 Crores but less than ₹ 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 SME 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" and on page 177 and 190 of the Red Herring Prospectus.

This Issue comprise of upto 30,63,000 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 26,40,000 Equity Shares aggregating upto [●] Lakhs by our Company and an Offer for Sale of up to 4,23,600 Equity Shares aggregating up to ₹[•] lakhs by the Selling Shareholder. 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 offer is being made by way of Book Building Process:

Particulars ofthe Offer(2)	**Market Maker Reservation Portion**	**QIBs(1)**	**Non Institutional Applicants**	**Retail Individual Investors**
Number of Equity Shares available for allocation	Up to 1,53,600 Equity Shares	Not more than 14,42,400 Equity Shares	Not less than 4,39,200 Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than 10,28,400 Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of offerSize available for Allocation	5.01 % 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 Offer or the Offer less allocation to QIB Bidders and RIBs will be available for allocation.	Not less than 35% of the Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation
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 60% of the QIB Portion (of up to [●]Equity Shares	Proportionate	Proportionate

		may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Mode of Bid	Only through the ASBA process.	Only through the ASBA process (except for Anchor Investor)	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	1,53,600 Equity Shares in multiple of 1,200 Equity shares	Such number of Equity Shares and in multiples of 1,200 Equity Shares that the Bid Amount exceeds Rs 2,00,000	Such number of Equity shares in multiple of 1,200 Equity shares that Bid size exceeds Rs.2,00,000	1,200 Equity Shares
Maximum Bid Size	1,53,600 Equity Shares	Such number of Equity Shares in multiples of 1,200 Equity Shares not exceeding the size of the Net Offer , subject to applicable limits.	Such number of Equity Shares in multiples of 1,200 Equity Shares so that the Bid does not exceed the size of the Net Offer (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of 1,200 Equity Shares so that the Bid Amount does not exceed Rs 2,00,000
Trading Lot	1,200 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	1,200 Equity Shares and in multiples thereof	1,200 Equity Shares and in multiples thereof	1,200 Equity Shares and in multiples thereof
Terms of Payment	In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids In case of all other Bidders: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (for RIBs or Individual investors bidding under the Non –Institutional Portion for an amount of more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism) that is specified in the ASBA Form at the time of submission of the ASBA Form			
Mode of Bid	Only through the ASBA process (except for Anchor Investors)			

** Assuming full subscription in the Offer*

(1) Our Company and the Selling Shareholders 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. 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 Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For further details, see "Issue Procedure" on page 190(2) Subject to valid Bids being received at or above the Offer Price. The Offer is

being made in terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories ora combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combinationof categories. For further details, please see "Terms of the Issue" on page 190. (3)Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

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/ Red Herring Prospectus with RoC.

Bid/Offer Programme:

Events	Indicative Dates
Bid/Offer Opening Date	Wednesday, October 12, 2022
Bid/Offer Closing Date	Friday, October 14, 2022
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Wednesday, October 19, 2022
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account orUPI ID linked bank account	On or about Thursday, October 20, 2022
Credit of Equity Shares to Demat accounts of Allottees	On or about Friday, October 21, 2022
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Tuesday, October 25, 2022

Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors inaccordance 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).

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordancewith the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular(SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI ("General Information Document") and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section "PART B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websitesof the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.

All Designated Intermediaries in relation to the Offer should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI 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.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) pricediscovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investorsapplying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date;(viii) disposal of Applications; (ix) submission of Bid Cum Application Form; (x) other instructions (limited tojoint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period ofthree months or launch of five main board public issues, whichever is later ("UPI Phase II"), Further pursuant to SEBI CircularSEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently,the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("UPI Phase III"), as may be prescribed by SEBI.

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).

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subjectto modification/change. Our Company, the Selling Shareholder and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document.Our Company, the Selling Shareholder and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Red Herring

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.

This section applies to all the Bidders, please note that all the Bidders are required to make payment of the Full Application Amount along with the Bid Cum Application Form.

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 ofour 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 bereserved 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 EquityShares 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 and Selling Shareholder 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 Interface

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 (inaddition 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 daysto 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 threephases 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 thisphase, 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.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closureto listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicantsinto the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

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 tothe 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 tobe 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 therelevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stampare 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), providedby 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 of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	White
Anchor Investors**	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 UPIfor 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 acceptingthe Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPIID, 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 timeof 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 thisactivity)
5	A registrar to an Offer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchangeas 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.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank accountspecified in the form, to the extent of the application money specified.
For applications submitted by Investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designatedbranches of the respective SCSBs for blocking of funds within one day of closure of Offer.
For applications submitted by investors to intermediaries otherthan SCSBs with useof 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. Stockexchange shall share application details including the UPI ID with sponsor bank on a continuous basis,to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate requestfor blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the timespecified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

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) 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 RHP 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 toaccept 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 applicationis 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 Karta‖. 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 EligibleNRIs 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 DevelopmentCorporations;
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 toTrusts 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 andinvest in equity shares;
p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under theirconstitution 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 ofIndia 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 tothem.

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 a minimum of 1,200 Equity Shares and in multiples of 1,200 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 1,200 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 topay 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 Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company, Selling Shareholder 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 Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure thatthe number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company, Selling Shareholder in consultation with the BRLM will decide the Price Band and the minimum Bid lot size forthe Offer and the same shall be advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard (Hindi) and Chennai Edition of Regional newspaper Makkal Kural where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bidsfrom the Bidders during the Bid / Offer Period.

a) The Bid / Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Offer Period maybe 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 Business Standard, all editions of Hindi national newspaper Business Standard (Hindi) and Chennai Edition of Regional newspaper Makkal Kural where the registered office of the company is situated, 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 theright 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 Bidderin 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 ApplicationForm have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the sameor to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid intothe 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 workingday 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 190 of this Red Herring Prospectus

h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branchof 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 separateBid 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 unblockingthe 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 informationfrom the Registrar to the Offer.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

a. Our Company and Selling Shareholder 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 canmove up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within twodifferent 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 and Selling Shareholder 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 Sharesat 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 withinthe Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand 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 otherapplicants.

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 formonly. 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 thatcan 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 OpeningDate.

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 Stock Exchange.

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 registertheir 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 Applicantswhose 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 theASBA 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 thefunds 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'sor 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 ASBAapplication 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 ApplicationForm 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 PANfor transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to theOffer 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 withPAN, 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 and Selling Shareholder 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 undersubscriptionin 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 Bidcannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of aMutual 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 and Selling Shareholder in consultation with the BRLM, will finalize allocation to the Anchor Investors ona 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, minimumof 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; andwhere 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 upto2500.00 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 Sharesallocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain bythe 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 betweenthe Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) WorkingDays 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 30days 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 Investorswill 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 NRIBidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- ResidentOrdinary ("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 FIIRegulations. 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 theright 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 anyreason.

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 Boardof Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI.In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII orsub 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 ofthe 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 appropriateforeign 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, FVCIsand 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 corpusof 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 andnet 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 categoriesfor 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 beingmade 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 specificfunds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying votingrights.

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 circularsissued 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 tothe 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 generalinsurer 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 theinvestment 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, MutualFunds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pensionfunds 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 alongwith 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 DevelopmentAuthority 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, acertified 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 withminimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the providentfund/ 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 anyreason.

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 permittedto 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 sendto 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 dispatchof 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 Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid CumApplication 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 thanthe 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 collectionsfrom 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 theApplication Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructionsfrom the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the sizeof 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 inthe 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 (Issueof Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only ApplicationSupported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked bythe 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 respectivenames 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: ― "Phantom Digital Effects Limited IPO – Anchor Account- R"

b. In case of Non-Resident Anchor Investors: ― "Phantom Digital Effects Limited IPO – Anchor Account- NR"

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 uploadedbefore 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 relationto,
    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 thenecessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBsor 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 available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches oragents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to thecondition 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:

S. No.	Details*
1	Symbol
2	Intermediary Code
3	Location Code
4	Application No.
5	Category
6	PAN
7	DP ID
8	Client ID
9	Quantity
10	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enterthe following information pertaining to the Bidders into in 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 wherethe 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 anyway 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 ofany of the contents of this Red Herring 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 toverify 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 ofconsolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres 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 theOffer 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 inan 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 illustrativepurposes 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) Our company and Selling Shareholder had entered into an Underwriting Agreement dated September 29, 2022

b) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROCin 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) Regional Newspaper 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 ICRD Regulations. This advertisement, subject to the provisions of section 30 of the CompaniesAct, 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 materialupdates 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 Sharesor 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 the Red Herring Prospectus and under applicable law,rules, regulations, guidelines and approvals;
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 the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure 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;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism forpayment.
9. 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 only the name of the First Bidder whose name should also appear as the first holder of the beneficiaryaccount held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application

Form for all your Bid options;

11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residentsof Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. 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 officialseal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documentsare submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form andentered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary accountis also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank accountlinked UPI ID to make application in the Public Offer;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. 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 via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Offer size and / orinvestment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. 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;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having validdepository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

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 wouldbe required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalfof 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 addressas 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 cancontact 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 allotmentof 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 BidAmount 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 referto the RHP.

GROUNDS 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 assuch 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 Equity Shares which are not in multiples as specified inthe 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 arenot 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 thebeneficiary'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 144Aunder the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/ApplicationForm 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 ASBAAccount 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 Biddersin 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 categoryor 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 notavailable 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 fromthe Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Biddersmay 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 proportionatebasis. 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 theOffer. 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 5,70,000 Equity Shares at or above the Offer Price, full Allotment shall bemade to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 5,70,000 Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of 1,200 Equity Shares and in multiples of 1,200 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 OfferPrice.

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 categoryis less than or equal to 4,39,200 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 4,39,200 Equity Shares at or above the Offer Price, Allotmentshall be made on a proportionate basis up to a minimum of 1,200 Equity Shares and in multiples of 1,200 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 availablefor 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 Fundsshall 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 forAllotment 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, upto a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter for 100% 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 1,200 Equity Shares and in multiples of 1,200 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 5,70,000 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 thediscretion 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, subjectto 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 croresper such Anchor Investor; and

- in case of allocation above twenty five crore rupees; a minimum of 5 such investors

and a maximumof 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investorsfor 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 receivedfrom 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 finalise the Basis of Allotment inconsultation 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 proportionatebasis 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 1,200 equity shares the allotment will be made as follows:

- Each successful Bidder shall be allotted 1,200 equity shares; and
- The successful Bidder out of the total bidders for that category shall be determined by drawof lots in such a manner that the total number of Shares allotted in that category is equal tothe 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 1,200 equityshares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 1,200 equity shares subject to a minimum allotment of 1,200 equity shares.

e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to theBidders 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 willbe 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 1,200 Equity Shares, results in the actualallotment 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 CapitalStructure mentioned in this RHP.

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 allotmentand credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares thatmay 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 irrevocablecontract 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 sharesto 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 transfers the funds represented by allocations of the Equity Shares into Public OfferAccount 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 relevantprovisions 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 notbe syndicate members in an Offer with effect from January 01, 2013. The list of

Broker Centre is available on the websites of BSE i.e. www.bseindia.comand NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated 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 centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.comand NSE i.e. www.nseindia.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 Detailswould 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 Offerquoting 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 problemssuch 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 furtherundertakes 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 OfferClosing 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, 2013which 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, itssecurities; or
(b) Makes or abets making of multiple applications to a company in different names or in different combinations of hisname 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 anyother 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 besent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shallbe 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 untilthe 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. Thepublic 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 accountreferred 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 Sharesfrom 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 shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the followingtripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) Tripartite Agreement dated July 14, 2022 between NSDL, the Company and the Registrar to the Offer;
b) Tripartite Agreement dated July 12, 2022 between CDSL, the Company and the Registrar to the Offer;

The Company's equity shares bear an ISIN No. INE0MLZ01019

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 ForeignExchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subjectto 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 requiredto 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 October15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policyissued 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 –ForeignInvestment 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 withrespect 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 advisingany 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 foreigninvestments, 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 willbe 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 oran investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fullydiluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued byan Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully dilutedbasis 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 Red Herring 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 PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

AND

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

PHANTOM DIGITAL EFFECTS LIMITED
(THE "COMPANY")

1. CONSTITUTION OF THE COMPANY

(a) The regulations contained in table "F" of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles.

(b) The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

2. DEFINITIONS AND INTERPRETATION

A. Definitions

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

a. "Act" means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013, and applicable and subsisting provisions of the Companies Act, 1956, if any, along with the relevant Rules made there under. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.

b. "Annual General Meeting" shall mean a General Meeting of the holders of Equity Shares held annually in accordance with the applicable provisions of the Act.

c. "Articles" shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.

d. "Auditors" shall mean and include those persons appointed as such for the time being by the Company.

e. "Board" or "Board of Directors" shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles.

f. "Board Meeting" shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

g. "Business Day" shall mean a day on which scheduled commercial banks are open for normal banking business;
h. "Capital" or "Share Capital" shall mean the authorized share capital of the Company.

i. “Chairman” shall mean such person as is nominated or appointed in accordance with Article 35 herein below.

j. “Companies Act, 2013” shall mean the Companies Act, 2013 (Act 18 of 2013), as amended, including any statutory modification or re-enactment thereof, for the time being in force

k. “Company” or “this Company” shall mean Phantom Digital Effects Limited.

l. “Committees” shall have the meaning ascribed to such term in Article 66.

m. “Depositories Act” shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.

n. “Director” shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with the Law and the provisions of these Articles.

o. “Dividend” shall include interim dividends.

p. “Encumbrance” shall mean any encumbrance including without limitation any mortgage, pledge, charge, lien, deposit or assignment by way of security, bill of sale, option or right of pre-emption, entitlement to beneficial ownership and any interest or right held, or claim that could be raised, by a third party or any other encumbrance or security interest of any kind;

q. “Equity Share Capital” shall mean the total issued and paid-up equity share capital of the Company, calculated on a fully diluted basis.

r. “Equity Shares” shall mean fully paid-up equity shares of the Company having a par value of INR 10 (Rupees Ten) per equity share of the Company, or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares of the Company.

s. “Executor” or “Administrator” shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Shares or other Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

t. “Extraordinary General Meeting” shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.

u. “Financial Year” shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.

v. “Law/Laws” shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.

w. “Memorandum” shall mean the memorandum of association of the Company, as amended from time to time.

x. “Office” shall mean the registered office for the time being of the Company.

y. “Paid-up” shall include the amount credited as paid up.

z. “Person” shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).

aa. “Register of Members” shall mean the register of Shareholders to be kept pursuant to Section 88 of the Act. (bb) “Registrar” shall mean the Registrar of Companies, from time to time having jurisdiction over the Company. (cc) “Rules” shall mean the rules made under the Act and as notified from time to time.

ab. “Seal” shall mean the common seal(s) for the time being of the Company, if any.

ac. “SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992. “SEBI Listing Regulations” shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.

ad. “Securities” or “securities” shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.

ae. “Shares” or “shares” shall mean any share issued in the Share Capital of the Company, including Equity Shares and preference shares.

af. “Shareholder” or “shareholder” or “member” shall mean any shareholder of the Company, from time to time.

ag. “Shareholders’ Meeting” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.

ah. “Stock Exchanges” shall mean Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities are listed.

B. Interpretation

In these Articles (unless the context requires otherwise):

a. References to a person shall, where the context permits, include such person’s respective successors, legal heirs and permitted assigns.

b. The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

c. References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.

d. Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

e. Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.

f. The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.

g. Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

h. In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

3. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Listing Regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

4. SHARE CAPITAL

a. The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company with such rights, privileges and conditions respectively attached thereto as may be from time to time and the Company may sub- divide, consolidate and increase the Share Capital from time to time and upon the sub-division of Shares, apportion the right to participate in profits in any manner as between the Shares resulting from the sub-division.

b. The Company has power, from time to time, to increase or reduce its authorised or issued and Paid up Share Capital, in accordance with the Act, applicable Laws and these Articles.

c. The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.

d. The Board may, subject to the relevant provisions of the Act and these Articles, allot and issue Shares as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or in respect of an acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any Shares which may be so allotted may be issued as fully/partly Paid-up Shares and if so issued shall be deemed as fully/partly Paid-up Shares.

e. Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Shares, shall be considered as part of the existing Share Capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

f. Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Members, shall for the purposes of these Articles, be a Shareholder.

g. The money, (if any), which the Board shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

5. PREFERENCE SHARES

a. Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

b. Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such

power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

6. PROVISIONS IN CASE OF PREFERENCE SHARES

Upon the issue of preference shares pursuant to Article 5 above, the following provisions shall apply:

a. No such preference shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;

b. No such shares shall be redeemed unless they are fully paid;
c. The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;

d. Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "Capital Redemption Reserve Account" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

e. The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;

f. The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and

g. Whenever the Company shall redeem any redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar as required by Section 64 of the Act.

7. COMPANY'S LIEN

A. On shares :

a. The Company shall have a first and paramount lien :

(I) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

(II) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company;

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

b. The Company's lien, if any, on the shares, (not being a fully paid share), shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

c. For the purpose of enforcing such lien, the Board may sell such partly Paid-up shares, subject thereto in such manner as the Board shall think fit, and for that purpose may cause to be issued, a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to said shares be affected by any irregularity or invalidity in the proceedings in reference to the sale of such shares;

Provided that no sale of such shares shall be made :

(I) unless a sum in respect of which the lien exists is presently payable; or

(II) until the expiration of 14 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.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

d. No Shareholder shall exercise any voting right in respect of any shares or Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

e. Subject to the Act and these Articles, the right of lien under this Article 7 shall extend to other Securities.

8. CALLS

a. Subject to the provisions of Section 49 of the Act, the terms on which any shares may have been issued and allotted, the Board may, from time to time, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by instalments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

b. 14 (fourteen) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment, provided that before the time for payment of such call, the Board may revoke or postpone the same.

c. The call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date as shall be fixed by the Board.

d. The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

e. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

f. If any Shareholder or allottee fails to pay the whole or any part of any call or instalment, due from him on the day appointed for payment t hereof, or any such extension thereof, he shall be liable to pay interest on the same from the day appointed for the payment to the time of actual payment at 10 (ten) per cent per annum or such lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder and the Board shall be at liberty to waive payment of such interest either wholly or in part.

g. Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by instalments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

h. On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal

representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt and the same shall be recovered by the Company against the Shareholder or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Shareholder or his representatives against the Company that the name of such Shareholder was improperly inserted in the Register of Members or that the money sought to be recovered has actually been paid.

i. The Company may enforce a forfeiture of shares under Article 11 below notwithstanding the following : (i) a judgment or a decree in favour of the Company for calls or other money due in respect of any share; (ii) part payment or satisfaction of any calls or money due in respect of any such judgement or decree; (iii) the receipt by the Company of a portion of any money which shall be due from any Shareholder to the Company in respect of his shares; and (iv) any indulgence granted by the Company in respect of the payment of any such money.

j. The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board may agree upon; provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. Provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such Member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such Member so much of such money as shall then exceed the amount of the calls made upon such shares in the manner determined by the Board. Provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, on instalments or calls, or in any other manner, the maker of such advance shall be entitled (as between himself and the other Members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital, in accordance with and subject to the provisions of the Act.

k. No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.

9. TRANSFER AND TRANSMISSION OF SHARES

a. The Company shall record in the Register of Members fairly and distinctly particulars of every transfer or transmission of any share, Debenture or other Security held in a material form.

b. In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

c. I. An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.

II. Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

d. Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and

the transferor shall be deemed to remain the holder of such share until the name of the transferee have been entered in the Register of Members in respect thereof.

e. Subject to the provisions of the Act, a person entitled to a share by transmission shall, subject to the right of the Board to retain such Dividends as hereinafter provided in Article 72(g) be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the shares.

f. The Board shall have power on giving not less than 7 (seven) days ' previous notice or such lesser period as may be specified by SEBI, by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

g. Subject to the provisions of Sections 58 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any Securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

h. Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transfer / transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

i. Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/ transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the listing requirements of the relevant Stock Exchanges on the ground that the number of shares to be transferred is less than any specified number.

j. In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder(s) recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

k. The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint- holders) or his nominee(s), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 9 (a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

l. (l) Subject to the provisions of Articles and the Act, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under

this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

m. A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

(I) Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to register himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(II) Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a unpaid dividend account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

(III) In case of transfer and transmission of shares or other securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

n. Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

o. No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration or other similar documents.

p. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

q. The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

10. DEMATERIALIZATION OF SECURITIES

a. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

b. Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

c. If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

d. Securities in Depositories to be in fungible form :

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

e. Rights of Depositories & Beneficial Owners :

(I) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(II) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(III) 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 a Shareholder of the Company.

(IV) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

f. Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them, subject to Article 17(l).

g. Register and Index of Beneficial Owners :

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

h. Cancellation of Certificates upon surrender by Person :

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

i. Service of Documents :
Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

j. Transfer of Securities :

(I) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(II) In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

k. Allotment of Securities dealt with in a Depository :

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

l. Certificate Number and other details of Securities in Depository :

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

m. Provisions of Articles to apply to Shares held in Depository :

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

n. Depository to furnish information :

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

o. Option to opt out in respect of any such Security :

Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

p. Overriding effect of this Article :

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.

11. FORFEITURE OF SHARES

a. If any Shareholder fails to pay any call or instalment of a call or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to such Shareholder or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

b. The notice shall name a day, (not being less than 14 (fourteen) days from the date of service of notice), and a place or places on or before which such call or instalment or such part or other money as aforesaid and interest

thereon, (at such rate as the Board shall determine and payable from the date on which such call or instalment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

c. If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

d. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

e. Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.

f. Any Shareholder whose shares have been forfeited shall, cease to be a shareholder of the Company and notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

g. The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

h. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles 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 shares.

i. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

j. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

k. The Board may, at any time, before any share so forfeited shall have been sold, re- allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

l. The Directors may subject to the provisions of the Act, accept a surrender of any share certificates from or by any Shareholder desirous of surrendering them on such terms as the Directors think fit.

12. ALTERATION OF SHARE CAPITAL

Subject to these Articles and Section 61 of the Act, the Company may, by an Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

a. increase its Share Capital by such amount as it thinks expedient;

b. consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares :

c. Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

d. convert all or any of its fully Paid up shares into stock, and reconvert that stock into fully Paid up shares of any denomination;

e. sub-divide its existing Shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

f. cancel its Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital within the meaning of the Act.

13. REDUCTION OF SHARE CAPITAL

The Company may, subject to the applicable provisions of the Act, from time to time by a Special Resolution, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

14. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the Act read with Rules made there under from time to time, by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the applicable Laws.

15. POWER TO MODIFY RIGHTS

a. Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of Section 48 of the Act and applicable Laws, and whether or not the Company is being wound up, be varied provided the same is affected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.

b. To every such separate meeting, the provisions of these Articles 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.

c. 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 paripassu therewith.

16. REGISTERS TO BE MAINTAINED BY THE COMPANY

a. The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act

(I) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

(II) A register of Debenture holders; and

(III) A register of any other security holders.

b. The Company may keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

c. The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

17. SHARES AND SHARE CERTIFICATES

a. The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

b. A duplicate certificate of shares may be issued, if such certificate :

(I) is proved to have been lost or destroyed; or

(II) has been defaced, mutilated or torn; and is surrendered to the Company.

c. The Company shall be entitled to dematerialise its existing Shares, rematerialise its Shares held in the depository and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, and the regulations framed there under, if any.

d. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding rupees fifty for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further s pace on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law.

e. The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

f. When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

g. All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine–numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

h. The Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all

books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub- article (g) of this Article.

i. All books referred to in sub-article (h) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

j. The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

k. If any Shares stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to these Articles.

l. Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such Equity Shares or whose name appears as the beneficial owner of such Equity Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such Equity Shares on the part of any other Person whether or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them. The Company shall not be bound to register more than 3 (three) persons as the joint holders of any share except in the case of executors or trustees of a deceased member.

18. SHARES AT THE DISPOSAL OF THE DIRECTORS

a. Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit.

b. Subject to applicable Law, the Directors are hereby authorised to issue Equity Shares or Debentures (whether or not convertible into Equity Shares) for offer and allotment to such of the officers, employees and workers of the Company as the Directors may decide or the trustees of such trust as may be set up for the benefit of the officers, employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the Stock Exchanges and SEBI, the Directors may impose the condition that the shares in or debentures of the Company so allotted shall not be transferable for a specified period.

c. If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

d. Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

e. In accordance with Section 56 and other applicable provisions of the Act and the Rules:

(I) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such

certificate shall be issued in the manner prescribed under section 46 of the Act and the Rules framed thereunder. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. A certificate issued under the Seal of the Company, if any, or signed by two Directors or by a Director and the Secretary, specifying the Shares held by any Person shall be prima facie evidence of the title of the Person to such Shares. Where the Shares are held in depository form, the record of Depository shall be the prima facie evidence of the interest of the beneficial owner.

(II) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment in case of Shares and 6 (six) months from the date of allotment in case of Debentures, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 17 above and in respect of a 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 of shares to the first named joint holders shall be sufficient delivery to all such holders. For any further certificate, the Board shall be entitled but shall not be bound, to prescribe a charge not exceeding Rs. 20 (Rupees 20).

(III) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot. Where share certificates are issued in either more or less than marketable lots, sub-division or consolidation of share certificates into marketable lots shall be done free of charge.

(IV) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

19. UNDERWRITING AND BROKERAGE

a. Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

b. The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful.

20. FURTHER ISSUE OF SHARE CAPITAL

a. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(I) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:

A. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

B. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in Article 20(a)(i)A above shall contain a statement of this right;

C. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person

to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company.

(II) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

(III) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in sub-articles (i) or Article (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules and such other conditions, as may be prescribed under Law.

b. The notice referred to in sub-clause A of Article 20(a)(i)(A) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

c. Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company.

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

d. The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act and the Rules.

21. NOMINATION BY SECURITIES HOLDERS

a. Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

b. Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities of the Company shall vest in the event of death of all the joint holders.

c. Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

d. Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

e. The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

22. NOMINATION FOR DEPOSITS

A security holder may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as

may be prescribed in this regard.

23. NOMINATION IN CERTAIN OTHER CASES

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

24. BORROWING POWERS

a. Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

(I) accept or renew deposits from Shareholders;

(II) borrow money by way of issuance of Debentures ;

(III) borrow money otherwise than on Debentures;

(IV) accept deposits from Shareholders either in advance of calls or otherwise; and

(V) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

b. Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board (not by circular resolution) shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture–stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company (including its uncalled Capital), both present and future. and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

c. Subject to the applicable provisions of the Act and these Articles, any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

d. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board. Company shall have the power to keep in any state or country outside India a

branch register of debenture holders resident in that state or country.

e. Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

f. The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

25. SHARE WARRANTS

a. Share warrants may be issued as per the provisions of applicable Law.

b. Power to issue share warrants

The Company may issue share warrants subject to, and in accordance with the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up on application in writing signed by the persons registered as holder of the share, and authenticated, by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

c. Deposit of share warrant

(I) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.

(II) Not more than one person shall be recognised as depositor of the share warrant.

(III) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

d. Privileges and disabilities of the holders of share warrant

(I) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.

(II) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant, and shall be a Member of the Company.

e. Issue of new Share W arrant or Coupon

The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruct.

26. CONVERSION OF SHARES INTO STOCK AND RE-CONVERSION

a. The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account 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 privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

c. Where the shares are converted into stock, such of the Articles 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.

27. CAPITALISATION OF PROFITS

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 Company's profit and loss account or otherwise, as available for distribution, and

b. that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.

c. The sum aforesaid shall not be paid in cash but shall be applied either in or towards:

(I) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;

(II) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or

(III) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).

d. A securities premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

28. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

a. The Board shall give effect to a Resolution passed by the Company in pursuance of this Article 28.

b. Whenever such a Resolution as aforesaid shall have been passed, the Board shall :

(I) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and

(II) generally do all acts and things required to give effect thereto.

c. The Board shall have full power :

(I) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and

(II) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.

d. Any agreement made under such authority shall be effective and binding on all such shareholders.

29. ANNUAL GENERAL MEETING

In accordance with the provisions of Section 96 of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, subject to the provisions of the Act, not more than 15 (fifteen) months' gap shall elapse between the date of one Annual General Meeting and that of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

30. WHEN ANNUAL GENERAL MEETING TO BE HELD

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held.

31. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING

a. Every Annual General Meeting shall be called during business hours as specified under the Act or Rules on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

b. Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the Registrar, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

32. NOTICE OF GENERAL MEETINGS

a. Number of days' notice of General Meeting to be given : A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served. However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

(I) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company;

(II) Auditor or Auditors of the Company; and

(III) All Directors.

The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

b. Notice of meeting to specify place, etc., and to contain statement of business : Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

c. Contents and manner of service of notice and Persons on whom it is to be served : Every notice may be served by the Company on any Shareholder thereof either in writing or through electronic mode as prescribed in the Act and relevant Rules thereunder personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

d. Special Business : Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special. In case of an Annual General Meeting of the Company, all business to be transacted thereat shall be deemed to be special with the exception of the business specified in Section 102 of the Act.

e. Resolution requiring Special Notice : With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

f. Notice of Adjourned Meeting when necessary : When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

g. Notice when not necessary : 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.

h. The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

33. REQUISITION OF EXTRAORDINARY GENERAL MEETING

a. The Board may, whenever it thinks fit, call an Extraordinary General Meeting or it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

b. Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

c. Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty -one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

d. Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

e. No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

f. The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the

provisions under the Act read with the Companies (Management and Administration) Rules, 2014.

34. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the meeting if convened by or upon the requisition of Members, shall stand dissolved but in case of any other Shareholders' Meeting shall be adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day at such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

35. CHAIRMAN

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all t he Directors present decline to take the Chair, then the Shareholders present shall elect one of their members to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

36. CHAIRMAN CAN ADJOURN THE GENERAL MEETING

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

37. DEMAND FOR POLL

a. At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded in accordance with the Act, be decided in the manner set out in the Act. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.

b. In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.

c. If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the city, town or village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

d. Where a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinizers as prescribed under the Act and Rules to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.

e. Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be

taken at the meeting forthwith.

f. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

g. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

h. The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

38. PASSING RESOLUTIONS BY POSTAL BALLOT

a. Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

b. Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

39. VOTES OF MEMBERS

a. No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

b. Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

c. On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.

d. A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote i n respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.

e. If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely

entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint - holders shall be entitled to be present at the meeting. Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

f. Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.

g. Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

h. Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.

i. An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.

j. A Shareholder present by proxy shall be entitled to vote only on a poll.

k. Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014.

l. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

m. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

n. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.

(I) The Company shall cause minutes of the proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

(II) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

(III) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(IV) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.

(V) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

(VI) Any such Minutes shall be evidence of the proceedings recorded therein.

(VII) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(VIII) The Company shall cause minutes to be duly entered in books provided for the purpose of:

A. the names of the Directors and Alternate Directors present at each General Meeting;

B. all Resolutions and proceedings of General Meeting.

o. All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

p. Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

q. The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, SEBI Listing Regulations or any other Law, if applicable to the Company.

40. DIRECTORS

a. The following shall be the First Directors of the Company:

1. Bejoy Arpurthraj Sam Manohar
2. Syntia Moses Darry

a. Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing Special Resolution at a General Meeting. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

b. Subject to Article 41(a), Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors.

c. The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another Director.

41. CHAIRMAN OF THE BOARD OF DIRECTORS

a. The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside

at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

b. If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

42. APPOINTMENT OF ALTERNATE DIRECTORS

Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairman) during the Original Director's absence. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provis ions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

43. CASUAL VACANCY AND ADDITIONAL DIRECTORS

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 40. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

44. DEBENTURE DIRECTORS

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company, but shall automatically cease and vacate office as a Director if and when the Debentures are fully discharged.

45. INDEPENDENT DIRECTORS

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed SEBI Listing Regulations.

46. NOMINEE DIRECTORS

a. The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any Law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government Company.

b. So long as any moneys remain owing by the Company to The Industrial Development Bank of India, Industrial

Finance Corporation of India, The Industrial Credit and Investment Corporation of India Limited, The Industrial Reconstruction Corporation of India Limited, Life Insurance Corporation of India, General Insurance Corporation of India, National Insurance Company Limited, The Oriental Fire & General Insurance Company Limited, The New India Assurance Company Limited, United India Insurance Company Ltd., Karnataka State Indus trial Investment and Development Corporation Ltd. or any State Financial Corporation or any Financial Institution owned or controlled by the Central Government or any State Government or the Reserve Bank of India or by two or more of them by Central Government themselves (each of the above and Unit Trust of India are hereinafter referred to as the Corporation) out of any loans/debentures, assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of any guarantee furnished by the Corporation on behalf of the Company and remaining outstanding, the Corporation shall have a right to appoint from time to time, any person as Director, Wholetime or non-Wholetime (which Director or Directors, is/are hereinafter referred to as 'Nominee Director/s') on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person in his or their places. The Board shall have no power to remove from the office of the Nominee Directors. At the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation. Subject as aforesaid, Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

47. PERIOD OF HOLDING OF OFFICE BY NOMINEE DIRECTORS

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said powers shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/ shares in the Company or on the satisfaction of liability of the Company arising out of any guarantee furnished by the Corporation.

48. APPOINTMENT OF SPECIAL DIRECTORS

On behalf of the Company, whenever Directors enter into a contract with any Government, Central, State or Local, any Bank or Financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointer shall have right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

49. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification shares of the Company.

50. REMUNERATION OF DIRECTORS

a. Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

b. Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.

c. The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.

d. All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board subject to Section 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

51. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

52. MISCELLANEOUS EXPENSES OF DIRECTORS

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. The rules in this regard may be framed by the Board of Directors from time to time.

53. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 40 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

54. DISQUALIFICATION AND VACATION OF OFFICE BY A DIRECTOR

a. A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.

b. Subject to the applicable provisions of the Act, the resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

55. RELATED PARTY TRANSACTIONS AND DISCLOSURE OF INTEREST

The Company shall comply with the applicable provisions of the Act, Rules framed thereunder and other relevant provisions of Law in respect of related party transactions and the Directors shall comply with the disclosure of interest provisions under the Act.

56. RETIREMENT OF DIRECTORS BY ROTATION

a. At every Annual General Meeting of the Company, one third of such of the Directors as are liable to retire by rotation in accordance with section 152 of the Act (excluding Independent Directors), or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re- election.

b. The Directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Provided that and to the extent permissible under the Act, the Managing Director, joint managing director, deputy managing director, manager or whole-time Director(s) appointed or such other directors nominated pursuant to Articles 44 and 46 hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

57. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

a. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

b. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless :

(I) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(II) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;

(III) he is not qualified or is disqualified for appointment;

(IV) a resolution whether Special or Ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act; or

(V) Section 162 of the Act is applicable to the case.

58. MANAGING DIRECTOR(S) / WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S) / MANAGER

Subject to the provisions of Section 203 of the Act and other applicable provisions of the Act and of these Articles, the Board may appoint from time to time one or more of their Directors to be the Managing Director or joint managing director or whole time director or deputy managing director or manager of the Company on such terms and on such remuneration (in any manner, subject to it being permissible under the Act) partly as the Board may think fit in accordance with the applicable provisions of the Act and the Rules thereunder. Subject to the provisions of the Act, the Managing Director or Joint Managing Director or Wholetime Director or Deputy Managing Director or Manager of the Company so appointed by the Board shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors, but their appointment shall be subject to determination ipso facto if they cease from any cause to be a director or if the company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Wholetime Director or Deputy Managing Director or Manager be determined.

59. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

a. Unless permitted under the Act, the Company however, shall not appoint or employ at the same time more than one of the following categories of management personnel namely, a managing director and manager.

b. The remuneration of a Managing Director/ whole time director or executive director or manager shall (subject to Sections 196, 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles and of any contract between him and the Company) be paid in the manner permitted under the Act.

60. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director, whole time director(s), executive director(s) or managers for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time to time revoke, withdraw, alter or vary ail or any of such powers.

61. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board:

a. to make calls on Shareholders in respect of money unpaid on their shares;

b. to authorise buy-back of securities under Section 68 of the Act;

c. to issue securities, including debentures, whether in or outside India;

d. to borrow money(ies);

e. to invest the funds of the Company;

f. to grant loans or give guarantee or provide security in respect of loans; and

g. any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations to be exercised by the Board only by resolutions passed at the meeting of the Board.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above. In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.
The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under section 180 of the Act.

62. PROCEEDINGS OF THE BOARD OF DIRECTORS

a. At least 4 (four) Board Meetings shall be held in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.

b. The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed under the Act, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

c. The Secretary, as directed by a Director, or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.

d. The Board may meet either at the Office of the Company, or at any other location in India or outside India, as

the Chairman may determine.

e. At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any urgent matters as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

f. At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

63. QUORUM FOR BOARD MEETING

a. Quorum for Board Meetings

(I) Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two- thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.

(II) If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman.

64. CASTING VOTE

Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote. No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

65. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law:

a. The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of association of the Company.

b. The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

(I) Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

(II) Remit, or give time for repayment of, any debt due by a Director;

(III) Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

(IV) Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

Provided further that prior permission of the Company in a General Meeting shall be required for making a contribution, in any Financial Year, to bonafide charitable and other funds in excess of an aggregate amount equivalent to 5 (five) % of the Company's average net profits for the 3 (three) immediately preceding Financial Years.

c. Certain Powers of the Board

Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article and other provisions of the Act, it is hereby declared that the Directors shall have the following powers, that is to say, power:
(I) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company.

(II) Payment out of Capital : To pay and charge to the capital account of the company any commission or interest lawfully payable thereout under the provisions of Sections 40(6) of the Act,

(III) To acquire property : Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights, privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit, and in any such purchases or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory,

(IV) To pay for property, etc. : At their discretion and subject to the provisions of the Act, to pay for any property, rights, or privileges acquired or services rendered in the Company either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the such amount credited as paid up thereon as may be agreed upon and any such bonds; debentures, mortgages or other securities may be either, specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

(V) To secure contracts : To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.

(VI) To accept surrender of shares : To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.

(VII) To appoint Trustees : To appoint any person to accept and to hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

(VIII) To bring and defend actions : To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon.

(IX) To act in insolvency matters : To act on behalf of the Company in all matters relating to bankrupts and insolvents.

(X) To give receipts : To make and give receipts, releases and other discharges for moneys payable to the Company, and for the claims and demands of the Company.

(XI) To invest moneys: Subject to the provisions of Sections 179, 180 (1) (c), 185, and 186 of the Act, to invest, deposit and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and

from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.

(XII) To provide for Personal Liabilities : To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety; for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale, and such other powers, provisions, covenants and agreements as shall be agreed upon.

(XIII) To authorise acceptances: To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give necessary authority for such purpose.

(XIV) To distribute bonus : To distribute by way of bonus amongst the staff of the Company a share in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.

(XV) To provide for welfare of employees : To provide for the welfare of Directors or Ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependants or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of moneys, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions or funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 180 of the Act. To subscribe or contribute or otherwise to assist or to guarantee money to any charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.

(XVI) To create reserve fund : Before recommending any dividend to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to a Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think, conducive to the interest of the company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the company might rightly be applied or expended, and to divide the reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the company or in the purchase or repayment of debentures or debenture- stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

(XVII) To appoint managers etc. : To appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries, or emoluments or remuneration, and to require security insuch instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the company in any specified locality in India or elsewhere in such manner as they think fit.

(XVIII) To comply with local Laws: To comply with requirements of any local law which in their opinion it shall

in the interest of the Company be necessary or expedient to comply with.

(XIX) To delegate powers : Subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow moneys, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any persons so appointed and may annul any such delegation.

(XX) To authorise by power of attorney : At any time and from time to time by Power of Attorney (if so resolved by the Board under the Seal of the Company), to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in the limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board thinks fit) be made in favour of the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly, or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain Powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the Powers, authorities and discretions for the time- being vested in them.

(XXI) To negotiate: Subject to Section 188 of the Act for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient.

(XXII) To make and vary Regulations : From time to time make, vary or repeal bye- laws for the regulation of the business of the Company, its officers and servants.

(XXIII) Amendments to Accounts: Subject to Section 130, the directors shall, if they consider it to be necessary and in the interest of the company, be entitled to amend the Audited Accounts of the company of any financial year which have been laid before the Company in General Meeting. The amendments to the Accounts effected by the directors in pursuance of this Article shall be placed before the members in General Meeting for their consideration and approval.

(XXIV) To formulate schemes, etc. : Subject to provisions of Law, the directors may formulate, create, institute or set up such schemes, trusts, plans or proposals as they may deem fit for the purpose of providing incentive to the officers, employees and workers of the company, including without limiting the generality of the foregoing, formulation of schemes for the subscription by the officers, employees and workers to shares in, or debentures of, the company.

66. COMMITTEES AND DELEGATION BY THE BOARD

a. The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

b. Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

c. The meetings and proceedings of any such Committee of the Board consisting of more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

67. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

a. All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

b. 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.

68. PASSING OF RESOLUTION BY CIRCULATION

a. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.

b. A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

69. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD

a. The Company shall prepare, circulate and maintain minutes of each Board Meeting in accordance with the Act and Rules and such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.

b. The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

70. THE SECRETARY

Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

71. SEAL

a. The Board may provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and if the Seal is provided for, the Board shall provide for the safe custody of the Seal for the time being.

b. Subject to Article 72 (a), the Board may, if a Seal is required to be affixed on any instrument, affix the Seal of the Company, to any instrument 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 2 (two) Directors and of the Secretary or such other person as the Board may appoint for the purpose; and those 2 (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.

72. DIVIDEND POLICY

a. The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

b. Subject to the provisions of Section 123 of the Act, the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.

c. No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed, or out of both, and provided that the declaration of the Board as to the amount of the net profits shall be conclusive.

d. Subject to Section 123, the Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.

e. Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.

f. (I) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.

(II) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this Article as paid on shares.

(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 shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

g. Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

h. Any one of several Persons who are registered as the joint -holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

i. Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct

from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

j. Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

k. Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint -holders of any Share(s) any one of them can give effectual receipts for any money (ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands, shall for the purposes of this Article be deemed to be joint-holders thereof.

l. No unpaid Dividend shall bear interest as against the Company.

m. Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set -off against such calls.

n. Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

73. UNPAID OR UNCLAIMED DIVIDEND

a. Subject to the provisions of the Act, if the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank.

b. Subject to provisions of the Act, any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. “Investors Education and Protection Fund”.

c. Subject to the provisions of the Act, no unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

74. ACCOUNTS AND BOARD’S REPORT

a. The Company shall prepare and keep the books of accounts or other relevant books and papers and financial statements for every Financial Year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, in accordance with the Act, Rules and as required under applicable Law.

b. In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a ‘Board’s report’ as to the state of the Company’s affairs and as to the amounts, if any, which it proposes to carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of dividend; and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report. The Board shall also give the fullest information and explanations in its report aforesaid or in an addendum to that report, on every reservation, qualification or adverse remark contained in the

auditor's report and by the company secretary in practice in his secretarial audit report.

c. The Company shall comply with the requirements of Section 136 of the Act.

75. DOCUMENTS AND NOTICES

a. A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post or by registered post or by courier, to him to his registered address.

b. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have affected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

c. A document or notice may be given or served by the Company to or on the joint - holders of a Share by giving or serving the document or notice to or on the joint- holder named first in the Register of Members in respect of the Share.

d. Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.

e. Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.

f. All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.

g. Where a document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfil all conditions required by Law, in this regard.

76. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

77. NOTICE BY ADVERTISEMENT

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

78. WINDING UP

a. If the Company shall be wound up, the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

b. For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.

c. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

79. INDEMNITY

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

80. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS

Subject to the provision of the Act, no Director, Manager or Officer of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager or Officer or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by order of the directors or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof, unless the same shall happen through the negligence, default, misfeasance, breach of duty or breach of trust of the relevant Director, Manager or Officer.

81. SIGNING OF CHEQUES

Subject to applicable Law and Section 64 of the Act, all cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for moneys paid by the company, shall be signed, drawn, accepted or otherwise executed as the case may be, in such manner as the Directors shall from time to time by resolution determine.

82. INSPECTION BY SHAREHOLDERS

The register of charges, register of investments, Register of Members, books of accounts and the minutes of the meeting of the shareholders shall be kept at the office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

83. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company may amend its Memorandum of Association and Articles of Association subject to Sections 13, 14 and 15 of the Act and such other provisions of Law, as may be applicable from time-to-time.

84. SECRECY OF WORKS OR INFORMATION

No shareholder shall be entitled to visit or inspect the Company's work without permission of the Directors or to

require discovery of any information respectively any details of Company's trading or any matter which is or may be in the nature of a trade s ecret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

85. DUTIES OF THE OFFICER TO OBSERVE SECRECY

Every Director, Managing Directors, manager, Secretary, Auditor, trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Directors before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company with its customers and the state of accounts with individuals and all manufacturing, technical and business information of the company and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the general meeting or by a court of law a except so far as may be necessary in order to comply with any of the provision of these Articles or Law.

86. AUTHORIZATIONS

a. Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges, authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any other Article herein).

b. If pursuant to the approval of these Articles, if the Act requires any matter any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a special resolution to be passed for such matter.

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:6th Floor, Tower B, One India Bulls Park, Plot No.14, 3rd Main Road, Ambattur Chennai, Tamilnadu-600058 from the date of filing this Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Issue Agreement dated July 30, 2022 between our Company, the Selling Shareholders and the BRLM.
2. Registrar Agreement dated September 29, 2022 between our Company, the Selling Shareholders and the Registrar to the Issue.
3. Cash Escrow and Sponsor Bank Agreement dated September 29, 2022, between our Company, the Selling Shareholders, the Registrar to the Issue, the BRLM, the Escrow Collection Bank(s) and the Refund Bank(s).
4. Share Escrow Agreement dated September 29, 2022, between the Selling Shareholders, our Company and the Share Escrow Agent.
5. Underwriting Agreement dated September 29, 2022, between our company and the Underwriters.
6. Market Making Agreement dated September 29, 2022, between our company, the Lead Manager and the Market Maker.
7. Agreement among NSDL, our company and the registrar to the issue dated July 14, 2022.
8. Agreement among CDSL, our company and the registrar to the issue dated July 12, 2022.

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. Authorisation / Consent Letter dated July 30, 2022 issued by the Selling Shareholder.
3. Resolutions of the Board of Directors dated August 23, 2022 in relation to the Issue and other related matters.
4. Shareholders' resolution dated August 25, 2022 in relation to the Issue and other related matters. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Banker to the Issue/Sponsor Bank, Peer Review Auditor, Banker to our Company, and Legal Advisor to act in their respective capacities.
5. Peer Review Auditors Report dated August 18, 2022 on Restated Financial Statements of our Company for the period ended June 30, 2022 and for the years ended March 31, 2022, 2021 and 2020.
6. The Report dated August 18, 2022 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 August 25, 2022 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
8. Copy of approval from NSE Emerge vide letter dated September 23, 2022, to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
9. Board Resolution dated October 1, 2022 for approval of Red Herring Prospectus and Board Resolution dated [●] for approval of the Prospectus.
10. Due diligence certificate dated August 25, 2022 from BRLM to the Issue.

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.

SECTION XIV - 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 and 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. Bejoy Arputharaj Sam Manohar	Executive	Managing Director	SD/-
2.	Mrs. Syntia Moses Darry	Executive	Whole Time Director	SD/-
3.	Mr. Binu Joshua Sam Manohar	Executive	Whole Time Director	SD/-
4.	Mr. Ravindran Sivasankaran	Executive	Whole Time Director	SD/-
5.	Mr. Manjit Singh Parmar	Non-Executive	Independent Director	SD/-
6.	Mr. Tom Antony	Non-Executive	Independent Director	SD/-
7.	Mr. Jeemon P.V	Non-Executive	Director	SD/-
Signed by the Chief Financial Officer and Company Secretary of our Company				
7.	Mr. Rajnikanth E.S	Whole-Time	Chief Financial Officer	SD/-
8.	Ms. Pallavi Tongia	Whole-Time	Company Secretary	SD/-

Date: October 1, 2022
Place: Chennai

DECLARATION

The undersigned Selling Shareholder, hereby confirms, certifies, and declares that all statements, disclosures, and undertakings specifically made or confirmed by her in this Red Herring Prospectus in relation to herself and the Equity Shares being sold by her pursuant to the Offer for Sale are true and correct, provided however, the undersigned Selling Shareholder assumes no responsibility for any other statement, and undertakings, including statements made by, or relating to, the Company, or any other Selling Shareholders, or any expert, or any other person(s) in this Red Herring Prospectus.

Signed by the Selling Shareholder

SD/-
Syntia Moses Darry

Date: October 1, 2022
Place: Chennai