



# CHAKRAVARTHY & ASSOCIATES

## Company Secretaries

**CS N Phani Chakravarthy**

ACS, M.Com., B.Com (Comp.)

Practicing Company Secretary

Reg. Off : Plot No. 256, Employees Colony,

Yapral, Secunderabad-500 087

---

**Independent Auditor's Certificate on the compliance with the conditions of proposed preferential allotment in terms of Chapter V of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (as amended)**

To  
The Board of Directors  
Gradiente Infotainment Limited  
306, 3<sup>rd</sup> Floor, May Fair Gardens,  
Banjara Hills, Road No. 12,  
Hyderabad, Telangana-500034

Dear Sir/Madam,

1. This certificate is issued in accordance with the terms of our engagement letter dated 28<sup>th</sup> November, 2022 with Gradiente Infotainment Limited (hereinafter 'the Company').
2. In connection with the proposed issuance of equity shares and convertible warrants by way of preferential issue, the Company is required to obtain a certificate of a practicing company secretary, with regard to compliance with the conditions of the proposed preferential issue, as per the requirements of sub-para 2 of para 163 of Part III of chapter V of the Security and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations 2018, as amended (the "ICDR Regulations").
3. The accompanying statement contains details of proposed preferential issue being made (the "Statement"), as required by ICDR Regulations is prepared by the Management of the Company, which we have initialed for identification purposes only.

### **Management's Responsibility for the Statement**

4. The preparation of the accompanying Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the Management of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.



5. The Management is also responsible for ensuring that the Company complies with the below requirements of the ICDR Regulations:
- i. Determine the relevant date, being the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue;
  - ii. Determination of the minimum price for issue of equity shares
  - iii. Compliance with the requirements of the ICDR Regulations.

### **Auditor's Responsibility**

6. Pursuant to the requirements of sub-para 2 of para 163 of Part III of chapter V of the ICDR Regulations, it is our responsibility to obtain limited assurance and conclude as to whether the details of the proposed preferential issue provided in the Statement is in accordance with the requirements of the ICDR Regulations as applicable to the preferential issue.
7. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence that vary in nature, timing and extent than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we have performed the following procedures in relation to the Statement:
- a. Noted the relevant date, being the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue;
  - b. Verified the calculation of the minimum price of the equity shares to be allotted in preferential issue
  - c. Obtained and read the statutory registers of the Company to note equity shares are fully paid up;
  - d. Read the certified copy of the board resolution passed at the Board Meeting produced before us by the management containing the list of the Proposed Allottees.
  - e. Read the certified copy of the notice of general meeting produced before us by the management.
  - f. Obtained confirmation from the registrar of the Company confirming that the pre-preferential shareholding of the proposed allottees are held in dematerialized form.
  - g. Verified Permanent Account Numbers (PAN) as per the Statement from the attested copy of PAN; and





h. Conducted relevant management inquiries and obtained necessary representations.

### **Conclusion**

10. Based on our examination as above, and the information and explanations given to us, nothing has come to our attention that causes us to believe that the details of the proposed preferential issue provided in the Statement are not in accordance with the requirements of the ICDR Regulations as applicable to the preferential issue.

### **Restriction on use**

11. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the ICDR Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as Secretarial auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are subject of this certificate, will extend any duty of care we may have in our capacity as Secretarial auditors of the Company.

12. This certificate is addressed to and provided to the Board of Directors of the Company solely with the purpose of placing before shareholders' of the Company (on the website of the Company) so as to provide them requisite information for approving the proposed preferential issue of equity shares and convertible warrants and for the purpose of further submission to the stock exchanges and should not be used by any other person or for any other purpose. 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 certificate is shown or into whose hands it may come without our prior consent in writing.

For Chakravarthy & Associates  
Practicing Company Secretary



N. Phani Chakravarthy  
Practicing Company Secretary  
M. No - 32380, CP. No- 22563  
UDIN: A032380E003144434

Date: 04-12-2022

Place: Hyderabad

## STATEMENT CONTAINING DETAILS OF THE PROPOSED PREFERENTIAL ISSUE

### Calculation of the minimum price for issue of equity shares:

1. The minimum issue price for the proposed preferential issue of Gradiante Infotainment Limited, based on the pricing formula prescribed under Regulation 164 / 165 of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 has been worked out at Rs. 7.44/-
2. The relevant date for the purpose of said minimum issue price was 25<sup>th</sup> November, 2022.

### Average of the volume weighted average price (VWAP) of the equity shares of GRADIENTE INFOTAINMENT LIMITED quoted on the Bombay Stock Exchange Limited during the 90 trading days preceding the relevant date (considering relevant date as 25/11/2022)

Days	Date	WAP	Days	Date	WAP	Days	Date	WAP
1	24-Nov-22	6.47	31	11-Oct-22	5.28	61	26-Aug-22	8.91
2	23-Nov-22	6.62	32	10-Oct-22	5.49	62	25-Aug-22	8.95
3	22-Nov-22	7.01	33	7-Oct-22	5.46	63	24-Aug-22	8.54
4	21-Nov-22	7.22	34	6-Oct-22	5.27	64	23-Aug-22	8.19
5	18-Nov-22	7.63	35	4-Oct-22	5.08	65	22-Aug-22	7.74
6	17-Nov-22	7.68	36	3-Oct-22	5.25	66	19-Aug-22	7.44
7	16-Nov-22	7.82	37	30-Sep-22	4.85	67	18-Aug-22	7.09
8	15-Nov-22	7.87	38	29-Sep-22	4.89	68	17-Aug-22	6.75
9	14-Nov-22	8.05	39	28-Sep-22	5.13	69	16-Aug-22	6.43
10	11-Nov-22	8.00	40	27-Sep-22	5.35	70	12-Aug-22	6.01
11	10-Nov-22	7.85	41	26-Sep-22	5.57	71	11-Aug-22	5.90





12	9-Nov-22	7.56		42	23-Sep-22	5.85		72	10-Aug-22	5.62
13	7-Nov-22	7.57		43	22-Sep-22	5.92		73	8-Aug-22	5.36
14	4-Nov-22	7.13		44	21-Sep-22	6.23		74	5-Aug-22	5.11
15	3-Nov-22	7.18		45	20-Sep-22	6.51		75	4-Aug-22	4.87
16	2-Nov-22	7.05		46	19-Sep-22	6.81		76	3-Aug-22	4.64
17	1-Nov-22	6.72		47	16-Sep-22	6.86		77	2-Aug-22	4.42
18	31-Oct-22	6.40		48	15-Sep-22	6.96		78	1-Aug-22	4.21
19	28-Oct-22	6.10		49	14-Sep-22	7.43		79	29-Jul-22	4.01
20	27-Oct-22	5.81		50	13-Sep-22	7.54		80	28-Jul-22	3.82
21	25-Oct-22	5.54		51	12-Sep-22	7.27		81	27-Jul-22	3.64
22	24-Oct-22	5.41		52	9-Sep-22	6.84		82	26-Jul-22	3.47
23	21-Oct-22	5.22		53	8-Sep-22	6.58		83	25-Jul-22	3.16
24	20-Oct-22	4.98		54	7-Sep-22	6.69		84	22-Jul-22	2.84
25	19-Oct-22	4.82		55	6-Sep-22	7.08		85	21-Jul-22	2.62
26	18-Oct-22	5.17		56	5-Sep-22	7.55		86	20-Jul-22	2.50
27	17-Oct-22	5.22		57	2-Sep-22	7.14		87	19-Jul-22	2.39
28	14-Oct-22	4.89		58	1-Sep-22	7.39		88	18-Jul-22	2.28
29	13-Oct-22	5.02		59	30-Aug-22	7.77		89	15-Jul-22	2.18
30	12-Oct-22	5.22		60	29-Aug-22	8.17		90	14-Jul-22	2.08
<b>Average</b>										<b>5.96</b>



**Average of the volume weighted average price (VWAP) of the equity shares of GRADIENTE INFOTAINMENT LIMITED quoted on the Bombay Stock Exchange Limited during the 10 trading days preceding the relevant date (considering relevant date as 25/11/2022)**

Days	Date	WAP		Days	Date	WAP
1	24-Nov-22	6.47		6	17-Nov-22	7.68
2	23-Nov-22	6.62		7	16-Nov-22	7.82
3	22-Nov-22	7.01		8	15-Nov-22	7.87
4	21-Nov-22	7.22		9	14-Nov-22	8.05
5	18-Nov-22	7.63		10	11-Nov-22	8.00
Average Price						7.44

<b>A</b>	<b>Average of 90 trading days VWAP</b>	<b>5.96</b>
<b>B</b>	<b>Average of 10 trading days VWAP</b>	<b>7.44</b>
<b>C</b>	<b>Applicable Minimum Price (Higher of the A or B)</b>	<b>7.44</b>

**Pre-preferential shareholding of the proposed allottees:**

- a) None of the proposed allottee(s) has/ have sold any equity shares of the company during the 90 trading days preceding the relevant date. Further, where the proposed allottee(s) is/ are promoter/ promoter group entity, then none of entities in the promoter and promoter group entities has/ have sold any equity share of the company during the 90 trading days preceding the relevant date(25-11-2022).
- b) The pre-preferential shareholding of each of proposed allottee(s) has been locked in accordance with Regulation 167 (6) of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018. Further, there is no sale/ pledge of pre-preferential holding from 25<sup>th</sup> November, 2022 till 31<sup>st</sup> August 2023. The details of allottee-wise pre-preferential shareholding and lock-in thereon is as given hereunder:





Name of the Proposed Allottee	DP ID	Qty	Lock-in details	
			From	To
Vimal Raj Mathur	IN301774-17678403	774546	25-11-2022	31-08-2023
Vimal Raj Mathur	IN300214-24212354	160177	25-11-2022	31-08-2023
Vimal Raj Mathur	IN300484-20615151	111914	25-11-2022	31-08-2023
Prabhat Sethia	IN300394-15183964	46800	25-11-2022	31-08-2023
Suchit Mohan Lal	IN302269-14116031	24902	25-11-2022	31-08-2023
Vimal Raj Mathur	IN300394-17335618	22089	25-11-2022	31-08-2023
Sushant Mohan Lal	IN302269-12458714	20000	25-11-2022	31-08-2023
Abdul Raof Mohammed	IN302863-10330206	18200	25-11-2022	31-08-2023
Mathur Sudheep Raj	IN302863-10316181	5400	25-11-2022	31-08-2023
Sunitee Raj	IN304295-20603408	1155	25-11-2022	31-08-2023
Sunitee Raj	IN300394-17335609	650	25-11-2022	31-08-2023
Krishna Hemant Mehta	1201090015988916	610000	25-11-2022	31-08-2023
Bharat Nareshkumar Saxena	1203760000732152	186900	25-11-2022	31-08-2023
Prabhat Sethia	1203070000246814	147295	25-11-2022	31-08-2023
Sridevi Ananth . .	1203230006027841	33750	25-11-2022	31-08-2023
Vimal Raj Mathur	1205270000055318	15629	25-11-2022	31-08-2023
Shyamsundar Shyamsundar	1208160038353771	15000	25-11-2022	31-08-2023
Vimal Raj Mathur	1203320000737327	8771	25-11-2022	31-08-2023
Anusha Mathur	1203320121563492	1889	25-11-2022	31-08-2023
Prabhat Sethia .	1201090006345987	1000	25-11-2022	31-08-2023
Sangeeta Sethia .	1201090006320381	540	25-11-2022	31-08-2023
Anusha Mathur	1208670001824881	201	25-11-2022	31-08-2023
Vineet Raj Mathur	1208670003290032	5	25-11-2022	31-08-2023



- c) None of the proposed allottees belonging to promoter(s) or the promoter group is ineligible for allotment in terms of Regulations 159 of SEBI (ICDR) Regulations, 2018.
- d) The proposed issue is being made in accordance with the requirements of Chapter V of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018, Section 42 and 62 of the Companies Act 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other requirements of Companies Act, 2013. Further, the company has complied with all legal and statutory formalities and no statutory authority has restrained the company from issuing these proposed securities.

For Chakravarthy & Associates  
Practicing Company Secretary



N. Phani Chakravarthy  
Practicing Company Secretary  
M.No - 32380, CP.No- 22563  
UDIN: A032380E003144434

Date: 04-12-2022  
Place: Hyderabad