



(Please scan this QR Code to view the Prospectus)

Prospectus  
Dated: February 20, 2024  
Please read Section 26 of the Companies Act, 2013  
100% Fixed Price Issue



**M.V.K. AGRO FOOD PRODUCT LIMITED**  
CIN: U15316MH2018PLC304795

REGISTERED OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
GUT No. 44 and 46, Kusumnagar, At Post Waghalwada, Umari, Nanded – 431 807, Maharashtra, India.	Swapna Rajaram Bansode, Company Secretary and Compliance Officer	Tel: +91 862 309 4480 Email: info@mvkagrofood.com	www.mvkagrofood.com

**PROMOTERS OF OUR COMPANY: MAROTRAO VYANKATRAO KAWALE, SAGARBAI MAROTRAO KAWALE, GANESHRAO VYANKATRAO KAWALE, KISHANRAO VYANKATRAO KAWALE AND SANDIP MAROTRAO KAWALE**

**DETAILS OF THE ISSUE**

TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Up to 54,90,000 Equity Shares of ₹ 120/- aggregating up to ₹ 6,588 Lakhs	Nil	Up to 54,90,000 Equity Shares of face value of ₹10/- each aggregating up to ₹ 6,588 Lakhs	The Issue is being made pursuant to Regulation 229 (2) of SEBI (ICDR) Regulations as the Company's post issue paid-up capital shall be more than ten crore rupees and upto twenty five crore rupees. For details in relation to share reservation among NIIs and RIIs, see "Issue Structure" on page 276 of this Prospectus.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES**

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis for Issue Price" beginning on page no. 88 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 24 of this Prospectus.


**ISSUER'S ABSOLUTE RESPONSIBILITY**

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


**LISTING**

The Equity Shares offered through the Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE"). Our Company has received an 'in-principle' approval letter dated February 16, 2024 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of the NSE. For the purpose of this Offer, the Designated Stock Exchange will be NSE. A signed copy of the Prospectus has been delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Prospectus up to the Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 360 of this Prospectus.

**LEAD MANAGER: HORIZON MANAGEMENT PRIVATE LIMITED**

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 Horizon Management Private Limited	Mr. Manav Goenka	Telephone: +91 33 4600 0607 Email ID: smeipo@horizon.net.co

**REGISTRAR TO THE ISSUE: MAS SERVICES LIMITED**

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 MAS SERVICES LIMITED	Mr. N. C. Pal	Telephone: +91 112 638 7281/83, 114 132 0335 E-mail: ipo@masserv.com

**ISSUE PROGRAMME**

<b>ISSUE OPENS ON: THURSDAY, FEBRUARY 29, 2024</b>	<b>ISSUE CLOSURES ON: MONDAY, MARCH 4, 2024</b>
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**M.V.K. AGRO FOOD PRODUCT LIMITED**

M.V.K. Agro Food Product Limited (the “Company”) was incorporated on February 2, 2018 under the name and style of ‘M.V.K. Agro Food Product Limited’, a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated February 2, 2018 issued by the Deputy Registrar of Companies, Central Registration Centre. For details of change in Registered Office of our Company, please refer to the chapter titled “History and Certain Corporate Matters” on page 149 of this Prospectus.

**Registered Office:** GUT No. 44 and 46, Kusumnagar, At Post Waghawada, Umari, Nanded – 431 807, Maharashtra, India

**Telephone:** +91 862 309 4480; **E-mail:** info@mvkagrofood.com; **Website:** www.mvkagrofood.com;

**Contact Person:** Swapna Rajaram Bansode, Company Secretary and Compliance Officer; **CIN:** U15316MH2018PLC304795

**PROMOTERS OF OUR COMPANY:** MAROTRAO VYANKATRAO KAWALE, SAGARBAI MAROTRAO KAWALE, GANESHRAO VYANKATRAO KAWALE, KISHANRAO VYANKATRAO KAWALE AND SANDIP MAROTRAO KAWALE

**THE ISSUE**

**PUBLIC ISSUE OF UP TO 54,90,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH (“EQUITY SHARES”) OF THE COMPANY FOR CASH AT A PRICE OF ₹ 120/- PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ 110/- PER EQUITY SHARE) (THE “ISSUE PRICE”), AGGREGATING UPTO ₹ 6,588 LACS (“ISSUE”). OUT OF THE ISSUE, 2,74,800 EQUITY SHARES AGGREGATING TO ₹ 329.76 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 52,15,200 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT AN ISSUE PRICE OF ₹ 120/- PER EQUITY SHARE AGGREGATING TO ₹ 6,258.24 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 35.44% AND 33.67%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” ON PAGE 270 OF THE PROSPECTUS.**

**THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10/- AND THE ISSUE PRICE IS 12 TIMES OF THE FACE VALUE**

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post- Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled – “Issue Information” beginning on page 270 of this Prospectus.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 279 of this Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 and 28 of the Companies Act, 2013.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under “Basis for Issue Price” beginning on page no. 88 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” on page 24 of this Prospectus.

**COMPANY’S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through the Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE”). Our Company has received an ‘in-principle’ approval letter dated February 16, 2024 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of the NSE. For the purpose of this Offer, the Designated Stock Exchange will be NSE. A signed copy of the Prospectus has been delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Prospectus up to the Issue Closing Date, see “Material Contracts and Documents for Inspection” on page 360 of this Prospectus.

**LEAD MANAGER TO THE ISSUE**



**Horizon Management Private Limited**  
19 R N Mukherjee Road, Main Building, 2<sup>nd</sup> Floor,  
Kolkata- 700 001, West Bengal, India.  
**Telephone:** +91 33 4600 0607  
**Facsimile:** +91 33 4600 0607  
**E-mail:** smeipo@horizon.net.co  
**Website:** www.horizonmanagement.in  
**Investor grievance:** investor.relations@horizon.net.co  
**SEBI Registration Number:** INM000012926  
**Contact Person:** Manav Goenka

**REGISTRAR TO THE ISSUE**



**MAS Services Limited**  
T-34, 2nd Floor, Okhla Industrial Area,  
Phase-II New Delhi- 110 020  
**Telephone:** +91 112 638 7281/83, 114 132 0335  
**Facsimile:** +91 112 638 7384  
**E-mail:** ipo@masserv.com  
**Website:** www.masserv.com  
**Investor grievance:** investor@masserv.com  
**SEBI Registration No.:** INR000000049  
**Contact Person:** N. C. Pal

**ISSUE OPENS ON**

**ISSUE OPENS ON: THURSDAY, FEBRUARY 29, 2024**

**ISSUE CLOSES ON**

**ISSUE CLOSES ON: MONDAY, MARCH 4, 2024**

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.*

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

#### General Terms

Term	Description
“Company”, “our Company”, “MVK”, “the Company”, “the Issuer”	M.V.K. Agro Food Product Limited, a company incorporated under the Companies Act, 2013, having its Registered Office at GUT No. 44 and 46, Kusumnagar, At Post Waghalwada, Umari, Nanded – 431 807, Maharashtra, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.
Our Promoters	Promoters of our Company, namely Marotrao Vyankatrao Kawale, Sagarbai Marotrao Kawale, Ganeshrao Vyankatrao Kawale, Kishanrao Vyankatarao Kawale and Sandip Marotrao Kawale. For further details, please see the section entitled “ <i>Our Promoters and Promoter Group</i> ” on page 168 of this Prospectus.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see “ <i>Our Promoters and Promoter Group</i> ” on page 168 of this Prospectus.

#### Company Related Terms

Term	Description
Articles / Articles of Association / AoA	The Articles / Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. For details, see “ <i>Our Management</i> ” on page 154 of this Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, N B T and Co, Chartered Accountants.
Banker to our Company	Banker to our Company, namely HDFC Bank Limited.
Board / Board of Directors	Board of directors of our Company or a duly constituted committee thereof.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e., U15316MH2018PLC304795
Chief Financial Officer / CFO	Sandip Marotrao Kawale, the Chief Financial Officer of our Company.
Company Secretary and Compliance Officer	Swapna Rajaram Bansode , the Company Secretary and the Compliance Officer of our Company.
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Director(s)	The director(s) on the Board of our Company, unless otherwise specified.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
Group Companies	Companies (other than our Subsidiary) with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.

<b>Term</b>	<b>Description</b>
Independent Director(s)	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0SRI01019
Key Managerial Personnel / KMP	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the section titled “ <i>Our Management</i> ” on page 154 of this Prospectus.
Managing Director/ MD	The managing director of our Company.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on December 20, 2023 in accordance with the requirements of the SEBI ICDR Regulations.
Memorandum of Association / MoA	Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company’s nomination and remuneration committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. For details, see “ <i>Our Management</i> ” on page 154 of this Prospectus.
Non-executive Directors	Non-executive Directors of our Company.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Registered Office	The registered office of our Company situated at GUT No. 44 and 46, Kusumnagar, At Post Waghawada, Umari, Nanded – 431 807, Maharashtra, India.
Registrar of Companies/ RoC	Registrar of Companies, Maharashtra at Mumbai, having its office at ROC, 100, Everest, Marine Drive, Mumbai City, Mumbai - 400 002, Maharashtra, India.
“Restated Consolidated and Standalone Financial Statements” or “Restated Consolidated and Standalone Financial Information” or “Restated Financial Statements” or “Restated Financial Information”	The Restated Consolidated and Standalone Financial Information comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the six months period ended September 30, 2023, the Summary Statement of Significant Accounting Policies, and other explanatory information and the Restated Standalone Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Standalone Statements of Profit and Loss (including other comprehensive income), the Restated Standalone Statement of Changes in Equity, the Restated Standalone Cash Flow Statement, each for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information of the Company, prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended; the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; and the Guidance Note on “ <i>Reports in Company Prospectuses (Revised 2019)</i> ” issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time. For further details, see “ <i>Restated Financial Information</i> ” on page 179.
“Senior Management”	Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “ <i>Our Management</i> ” on page 154 of this Prospectus.
Shareholders	Shareholders of our Company, from time to time.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations. For details, see “ <i>Our Management</i> ” on page 154 of this Prospectus.
Subsidiary	Sai Krupa Dairy & Food Products Private Limited, is the wholly owned subsidiary of our Company.

## Issue Related Terms

Term	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of this Prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allot/Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue to the successful applicants.
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of this Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of this Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicant and which will be considered as an application for Allotment in terms of this Prospectus.
ASBA Bid	A Bid made by ASBA Bidder
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Banker(s) to the Issue	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account has been opened, in this case being HDFC Bank Limited.
Basis of Allotment	Basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in “ <i>Issue Procedure</i> ” on page 279 of this Prospectus.
Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of this Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Bidding Centers	The centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated Branches for SCSBs, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Business Day	Monday to Friday (except public holidays).
Broker Centers	Broker centers notified by the Stock Exchanges, where Applicants can submit the ASBA Forms to a Registered Broker.  The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ) and are updated from time to time.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s)/ CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the website of NSE ( <a href="http://www.nseindia.com">www.nseindia.com</a> ).

<b>Term</b>	<b>Description</b>
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable).
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of this Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
DP ID	Depository Participant's identity number
Draft Prospectus/DP	The Draft Prospectus dated December 30, 2023 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and this Prospectus will constitute an invitation to purchase the equity shares.
Electronic Transfer of Funds	Refunds through ECS (Electronic Clearing Services), NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Emerge Platform of NSE / NSE EMERGE	The EmERGE Platform of NSE for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, 2018 which was approved by SEBI as an SME Exchange on September 27, 2011.
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.



<b>Term</b>	<b>Description</b>
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow Agreement	Agreement dated February 20, 2024 entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue and Sponsor Bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being HDFC Bank Limited.
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of a joint Application and whose name shall also appear as the first holder of the beneficiary account held in joint names or any revisions thereof.
Foreign Portfolio Investor(s) / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 279 of this Prospectus.
Issue Agreement	The agreement dated December 29, 2023 between our Company and the LM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Lead Manager under this Prospectus being ₹ 120/- per share.
Issue Proceeds	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” on page 79 of this Prospectus.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Opening	The date on which the Lead Manager, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being, Thursday, February 29, 2024
Issue Closing	The date after which the Lead Manager, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being Monday, March 4, 2024
Issue/Issue Size	Initial Public Offering of up to 54,90,000 Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ 120/- each, aggregating up to ₹ 6,588 lacs.
Lead Manager/ LM	The lead manager to the Issue, being Horizon Management Private Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is 1,200 and in multiples of 1,200 thereafter; subject to a minimum allotment of 1,200 Equity Shares to the successful applicants.
Market Maker	Market Maker of the Company, in this case being Nikunj Stock Brokers Limited
Market Maker Reservation Portion	The Reserved portion of 2,74,800 Equity shares of ₹ 10/- each at an Issue Price of ₹ 120/- aggregating to ₹ 329.76 lakhs for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	Agreement dated February 20, 2024 entered into between the Market Maker, the Lead Manager and our Company.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.

<b>Term</b>	<b>Description</b>
Net Proceeds	Proceeds of the Issue less our Company's share of Issue related expenses. For further information about the Issue related expenses, see " <i>Objects of the Issue</i> " on page 79 of this Prospectus.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 52,15,200 Equity Shares of ₹ 10/- each at ₹ 120/- per Equity Share including share premium of ₹ 110/- per Equity Share aggregating to ₹ 6,258.24 Lakhs.
Non-Institutional Applicant / Investors	All Applicants, including Eligible FPIs, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs, OFIs other than eligible QFIs).
Non-Retail Portion including Qualified Institution Buyers (NRII)	The remaining portion of the Net Issue including 26,07,600 Equity Shares of ₹ 10/- each at ₹ 120/- per Equity Share including share premium of ₹ 110/- per Equity Share aggregating to ₹ 3,129.12 Lakhs, after retails portion, being not more than 50% of the Net issue which shall be available for allocation to NRIIs in accordance with the SEBI ICDR Regulations.
Non-Resident/ NR	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FPIs and FVCIs.
Prospectus	This Prospectus dated February 20, 2024 filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Issue Account for collection of Application Amounts from Escrow Account(s) and ASBA Accounts opened, in this case being HDFC Bank Limited.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FPIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Qualified Institutional Buyers / QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Registrar Agreement	The registrar agreement dated December 29, 2023 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents/ RTAs	The registrar and the share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI as per the list available on the website of NSE .
Registrar to the Issue / Registrar	MAS Services Limited
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Retail Portions	Portion of the Issue being not less than 35% of the Net Issue consisting of 26,07,600 Equity Shares of ₹ 10/- each at ₹ 120/- per Equity Share including share premium of ₹ 110/- per Equity Share aggregating to ₹ 3,129.12 Lakhs, which shall be available for allocation to RIBs (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.

<b>Term</b>	<b>Description</b>
Refund account	Account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Refund Account have been opened, in this case being HDFC Bank Limited.
SEBI Master Circular	Master circular dated June 21, 2023 issued by the Securities and Exchange Board of India in order to enable the stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place.
Self-Certified Syndicate Banks or SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being HDFC Bank Limited.
Stock Exchange	National Stock Exchange of India Limited
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
TRS/Transaction Registration Slip	The slip or document issued by an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	The Market Maker and Book Running Lead Manager shall be acting as the Underwriters to the Issue
Underwriting Agreements	The agreement dated February 20, 2024 entered into among the Underwriters and our Company.
Unified Payment Interface or UPI	Unified Payment Interface is an instant payment system developed by National Payments Corporation of India, which enables merging several banking features, seamless fund routing and merchant payments into one hood. It allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a persons' bank account.
UPI	Unified Payment Interface.
UPI Circulars / SEBI UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the SEBI Master Circular and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.

<b>Term</b>	<b>Description</b>
UPI Mechanism	Process for applications by RIBs submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter(s) or Fraudulent Borrower(s)	Company or person, as the case may be, categorized as a wilful defaulter(s) or fraudulent borrower(s) by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI and in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, Working Days shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Days shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars.

### Conventional and General Terms and Abbreviations

<b>Term</b>	<b>Description</b>
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAGR	Compounded Annual Growth Rate.
Category I AIF	AIFs which are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.
Category II AIF	AIFs which are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
Category III AIF	AIFs which are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulation.
Category I FPI(s)	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations.
Category II FPI(s)	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III FPIs	FPIs who are registered as Category III FPIs under the SEBI FPI Regulations, and shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970.
Companies Act	Companies Act, 1956 and / or the Companies Act, 2013 as applicable.
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
Companies Act 2013	Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder.
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Depository(ies)	NSDL and CDSL, both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.

<b>Term</b>	<b>Description</b>
DP or Depository Participant	A depository participant as defined under the Depositories Act
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP ID	Depository Participant's Identity Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Term Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extraordinary General Meeting
EMERGE	The SME platform of NSE Limited
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 duly amended
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration 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 Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
INR or ₹ or Rs. Or Indian Rupees	Indian Rupee, the official currency of the Republic of India.
IPO	Initial public offering
IRDAI	Statutory body constituted under the Insurance Regulatory and Development Authority Act, 1999
IRR	Internal rate of return
IMPS	Immediate Payment Service
IST	Indian Standard Time
Insolvency Code	Insolvency and Bankruptcy Code, 2016
ISIN	International Securities Identification Number
IT	Information Technology
KYC	Know your customer
Lacs	Lakhs

<b>Term</b>	<b>Description</b>
LIBOR	London Inter-Bank Offer Rate
MCA	The Ministry of Corporate Affairs, GoI
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House, a consolidated system of ECS.
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NRO	Non-resident ordinary account
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NPCI	National Payments Corporation of India
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
PIO	Person of India Origin
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RTGS	Real Time Gross Settlement
Rule 14A	Rule 14A under the Securities Act
₹/Rs./ Rupees/ Indian Rupees	The lawful currency of India
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Ind AS Transition Circular	SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

<b>Term</b>	<b>Description</b>
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Merchant Bankers Regulation	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Securities Act	The United States Securities Act of 1933.
Stamp Act	The Indian Stamp Act, 1899
STT	Securities Transaction Tax
SME	Small and Medium Enterprises
State Government	The government of a state in India
Trademarks Act	Trademarks Act, 1999
TAN	Tax deduction account number
TDS	Tax deducted at source
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. Holder	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31

### Industry Related Terms

<b>Term</b>	<b>Description</b>
APEDA	Agricultural and Processed Food Products Export Development Authority
APMCs	Agricultural Produce Market Committee
CAD	Current Account Deficit
CAGR	Compound Annual Growth Rate
CCEA	Cabinet Committee on Economic Affairs
COVID-19	CoronaVirus Disease of 2019
CPI	Consumer Price Index
CRISIL	Credit Rating Information Services of India Limited
DPIIT	Department for Promotion of Industry and Internal Trade
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EBP	Ethanol Blending Programme
e-NAM	Electronic National Agriculture Market
ESY	Ethanol Supply year
FAO	Food and Agriculture Organization
FAOSTAT	The Food and Agriculture Organization Corporate Statistical Database
FDI	Foreign Direct Investment
FRP	Fair and Remunerative Price
FY	Financial Year
GDP	Gross Domestic Product
GHP	Good Hygienic Practices
GMP	Good Manufacturing Practices
GST	Goods and Services Tax
GVA	Gross Value Added
HACCP	Hazard Analysis and Critical Control Points
HFIs	High-Frequency Indicators
ICAR	Indian Council of Agricultural Research

<b>Term</b>	<b>Description</b>
ICAR-CCRI	ICAR-Central Citrus Research Institute
IDU	India Development Update
ILO 2023	International Labour Organisation
IMF 2020	International Monetary Funds
ISMA	Indian Sugar Mills Association
IVRI	Indian Veterinary Research Institute
KMS	Kharif Marketing Season
LMT	Lakh Metric Tonnes
MMT	Million Metric Tonnes
MoU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
MSP	Minimum Support Price
Mt	Million Tonnes
OECD	Organisation for Economic Cooperation and Development
OMC	Oil Marketing Companies
PACS	Primary Agricultural Credit Society
PE	Provisional Estimates
PLISFPI	Production-Linked Incentive Scheme for Food Processing Industry
PM FME	Pradhan Mantri Formalisation of Micro Food Processing Enterprises
PM-Kisan	Pradhan Mantri Kisan Samman Nidhi Yojana
PMKSY	Pradhan Mantri Krishi Sinchai Yojana
PMKSY-PDMC	Pradhan Mantri Krishi Sinchayee Yojana
SAMPADA	Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters
SS	Sugar Season
TMA	Transport and Marketing Assistance
TQM	Total Quality Management
UK	United Kingdom
US	United States
USD/ US\$	US Dollar
WPI	Wholesale Price Index
WTO	World Trade Organization

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 331, 95, 98, 135, 179, 246 and 279, respectively of this Prospectus, will have the meaning ascribed to such terms in these respective sections.



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

### Certain Conventions

All references to “India” contained in this Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on page 179 of this Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Information of our Company, which comprises the Restated Consolidated and Standalone Financial Information comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the six months period ended September 30, 2023, the Summary Statement of Significant Accounting Policies, and other explanatory information and the Restated Standalone Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Standalone Statements of Profit and Loss (including other comprehensive income), the Restated Standalone Statement of Changes in Equity, the Restated Standalone Cash Flow Statement, each for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information of the Company, prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended; the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; and 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. For further details, see “*Restated Financial Information*” on page 179. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Years are to the twelve-month period ended March 31 of that year. In this Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the Restated Financial Statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on Page Nos. 24, 115 and 226, respectively of this Prospectus and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our Restated Financial Statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have

been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 24, 98 and 115 respectively, this Prospectus.

### Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Prospectus in “lacs” units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.

### Exchange rates

This Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	Exchange rate as on (in ₹)			
	September 30, 2023 <sup>^</sup>	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.06	82.22	75.91	73.53

<sup>^</sup>Since, September 30, 2023 was a public holiday, the exchange rate as of September 29, 2023 has been considered.  
(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in))

### Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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

The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “*Basis for Issue Price*” on page 88 of this Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 24 of this Prospectus.

## FORWARD - LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- We cannot assure you that the manufacturing unit proposed to be set up by us will become operational as scheduled, or at all, or operate as efficiently as planned. If we are unable to commission our new manufacturing unit in a timely manner or without cost overruns, it may adversely affect our business, results of operations and financial condition.
- As on date we have not obtained any of the approvals, clearances and permissions as may be required from the relevant authorities for the proposed manufacturing unit. In the event we are unable to obtain such approvals and permits, our business, results of operations, cash flows and financial condition could be adversely affected.
- Our Company has limited experience of manufacturing Ethanol and Bio-CNG and Fertilizer. Hence, we have limited exposure in manufacturing products outside of our existing product portfolio, which may make it difficult to evaluate our past performance and prospects with respect to the same.
- We cannot assure that we shall be able to utilize our proposed manufacturing unit to its full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition.
- There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 24, 115 and 226, respectively, of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect current views as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the Lead Managers will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

## OFFER DOCUMENT SUMMARY

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections entitled “Risk Factors”, “Industry Overview”, “Outstanding Litigation and Material Developments”, “Our Promoters and Promoter Group”, “Financial Statements”, “Objects of the Issue”, “Our Business”, “Issue Procedure” and “Description of Equity Shares and Terms of Articles of Association” on pages 24, 98, 246, 168, 179, 79, 115, 279 and 331, respectively.

### 1. Summary of Industry

The sugarcane and sugar sector in India ranks second among the country’s agro-based industries, after cotton. India ranks first globally in sugar production. It produced about 37 million metric tons of sugar in 2022. It is not only responsible for the livelihood of sugarcane farmers in rural areas but also provides employment to about 500 thousand workers in the sugar mills. Additionally, the gross value added from the sugar crop was about 806 billion Indian rupees in 2020. Apart from being the leading sugar producer, India was also the third-largest exporter of sugar in the world in 2022. Sugar mills will show stable operating profitability on higher domestic sugar prices and increasing sales of ethanol which will subsequently help offset the rise in sugarcane cost and lower exports in fiscal 2024, according to a report by CRISIL. Sugar production is estimated to be 340 lakh tonnes in SS 2022-23, as compared to the peak of 358 lakh tonnes produced in the previous SS 2021-22; with the highest ever diversion towards ethanol estimated at 45 lakh tonnes (higher by 41% y-o-y), according to the Indian Sugar Mills Association (ISMA). This increasing diversion towards high realisation ethanol is likely to support 8-12% revenue growth for sugar mills this fiscal. By the year 2025, the government is targeting to divert 60 lakhs tonnes of excess sugar towards ethanol annually.

For further details, please refer to the chapter titled “Industry Overview” on page 98 of this Prospectus.

### 2. Summary of Business

We are an integrated sugar and other allied products manufacturing company operating from Nanded District in the State of Maharashtra. We operate a single location sugar unit having licensed crushing capacity of 2,500 TCD. In addition to sugar we also commercialise and sell our by-products and waste products, namely, Molasses, Bagasse and Pressmud. We are also engaged in the generation of Power for captive consumption. Our business can hence be broken up into two segments, namely Sugar and its by-products/waste products. In the year 2020, we commenced operations of manufacturing of Sugar. In the year 2020, our Company implemented backward integration and began commercial operations of the by-products and waste products of Sugar along with Co-Generation capabilities. Our Company has in the Fiscal 2023, completed three crushing seasons, i.e., 2020-21, 2021-22 and 2022-23. Over the years, we have expanded the production / manufacturing capacities of all our products.

For further details, please refer to chapter titled “Our Business” on page 115 of this Prospectus.

### 3. Promoters

Marotrao Vyankatrao Kawale, Sagarbai Marotrao Kawale, Ganeshrao Vyankatrao Kawale, Kishanrao Vyankatarao Kawale and Sandip Marotrao Kawale are the Promoters of our Company. For further details please see chapter titled “Our Promoters and Promoter Group” beginning on page 168 of this Prospectus.

### 4. Issue

Our Company is proposing the public issue of upto 54,90,000 Equity Shares of face value of ₹ 10/- each of M.V.K. Agro Food Product Limited (the “Company” or the “Issuer”, and such equity shares the “Equity Share”) for cash at a price of ₹ 120/- per Equity Share including a share premium of ₹ 110/- per Equity Share (the “Issue Price”) aggregating to ₹ 6,588 lakhs (the “Issue”), of which 2,74,800 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ 120/- per Equity Share including a share premium of ₹ 110/- per Equity Share aggregating to ₹ 329.76 lakhs 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 52,15,200 Equity Shares of face value of ₹ 10/- each at a price of ₹ 120/- per Equity Share including a share premium of ₹ 110/- per Equity Share aggregating to ₹ 6,258.24 lakhs is herein after referred to as the “Net Issue”. The Issue and the Net Issue will constitute 35.44% and 33.67%, respectively, of the post issue paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

## 5. Objects of the Issue

The proposed utilization of Net Proceeds is set forth as stated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount (₹ in) Lakhs	% of Gross Issue Proceeds
1.	Setting up a greenfield unit in Nanded, Maharashtra for (i) manufacturing Ethanol and (ii) generation and bottling of Bio-CNG and Fertilizer	5,238.17	79.51%
2.	General Corporate Purpose <sup>(1)</sup>	587.08	8.91%
<b>Net Issue Proceeds</b>		<b>5,825.25</b>	<b>88.42%</b>

<sup>(1)</sup> The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please see chapter titled “Objects of the Issue” beginning on page 79 of this Prospectus.

## 6. Aggregate shareholding of Promoters and Promoter Group

Following are the details of the shareholding of Promoters and Promoter Group:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
<b>Promoters</b>					
1.	Marotrao Vyankatrao Kawale	83,88,000	83.88%	83,88,000	54.15%
2.	Ganeshrao Vyankatrao Kawale	4,02,000	4.02%	4,02,000	2.60%
3.	Kishanrao Vyankatrao Kawale	4,02,000	4.02%	4,02,000	2.60%
4.	Sagarbai Marotrao Kawale	2,000	0.02%	2,000	0.01%
5.	Sandip Marotrao Kawale	4,02,000	4.02%	4,02,000	2.60%
<b>Promoter Group</b>					
6.	Puja Marotrao Kawale	2,000	0.02%	2,000	0.01%
7.	Parmeshwar Kishanrao Kawale	4,02,000	4.02%	4,02,000	2.60%
<b>Total</b>		<b>1,00,00,000</b>	<b>100.00%</b>	<b>1,00,00,000</b>	<b>64.56%</b>

For further details, please see chapter titled “Capital Structure” on page 67 of this Prospectus.

## 7. Summary of Restated Financial Information

Following are the details as per the Restated Financial Information as at and for the six months period ended September 30, 2023 and as at for the Financial Years ended on March 31, 2023, 2022 and 2021:

(₹ in lacs)

S. No.	Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	500.00	500.00	500.00	500.00
2.	Net Worth	1,767.74	1,337.67	960.22	640.41
3.	Revenue from operations	6,012.52	9,327.65	13,067.11	2,283.40
4.	Profit after Tax	430.07	377.45	319.81	140.41
5.	Earnings per Share*	8.60	7.55	6.40	3.35
6.	Net Asset Value per equity share*	35.35	26.75	19.20	12.81
7.	Total Borrowings	6,281.23	9,156.10	6,001.32	7,496.33

\*Earnings per Share and Net Asset Value per equity share have been considered Pre-Bonus.

For further details, please refer the section titled “Financial Information” on page 179 of this Prospectus.

## 8. Auditor qualifications which have not been given effect to in the Restated Financial Information

The Restated Financial Information does not contain any qualification requiring adjustments by the Auditors.

## 9. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company, our Subsidiary, our Group Companies, our Promoters and our Directors is provided below:

**a) Litigations involving our Company**

*i) Cases filed against our Company:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	6	14.52
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

*ii) Cases filed by our Company:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

**b) Litigations involving our Directors**

*i) Cases filed against our Directors:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters*	4	3.41
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

\*Includes litigation filed against the Promoters

*ii) Cases filed by our Directors:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

**c) Litigations involving our Promoters**

*i) Cases filed against our Promoters:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	1	1.70
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

*ii) Cases filed by our Promoters:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

**d) Litigations involving our Subsidiary**

*i) Cases filed against our Subsidiary:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	4	3.52
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

ii) *Cases filed by our Subsidiary:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

#### e) Litigations involving our Group Companies

i) *Cases filed against our Group Companies :*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	5	37.03
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

ii) *Cases filed by our Group Companies :*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

For further details, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 246 of this Prospectus.

## 10. Risk Factors

Please see the chapter titled “*Risk Factors*” beginning on page 24 of this Prospectus.

## 11. Summary of Contingent Liabilities

Following are the details as per the Restated Financial Statements as at and for the six month period ended September 30, 2023 and as at and for the Financial Years ended on March 31, 2023, 2022 and 2021:

Particulars		Six month period ended September 30, 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
A.	Income tax demand	12.33	4.65	-	-
B.	TDS Demand	2.20	1.67	1.26	0.19
C.	Corporate Guarantee	1,280.00	-	-	-
	<b>Total</b>	<b>1,294.53</b>	<b>6.32</b>	<b>1.26</b>	<b>0.19</b>

(₹ in lakhs)

Please see the chapter titled “*Financial Information*” beginning on page 179 of this Prospectus.

## 12. Summary of Related Party Transactions



Following are the details of related party transactions as per the Restated Financial Information as at and for the six months period ended September 30, 2023 and as at and for the Financial Years ended on March 31, 2023, 2022 and 2021:

Sr. No.	Nature of Transaction	<i>(Amount in Lakhs, Unless Otherwise Stated)</i>			
		As at			
		30-Sep-23	31-Mar-23	31-Mar-22	31-Mar-21
1	<b>Remuneration</b>				
	Sandip M. Kawale	7.50	3.75		
2	<b>Loans Taken</b>				
	Sandip Tractors	8.03	26.30	13.03	3.89
	VPK Agro Food Product Pvt. Ltd.	5.33	1,978.82	1,237.08	606.57
	Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd.	263.92	1,229.89	917.53	
	Sai Krupa Dairy & Food Products Private Limited	-	2,248.00	0.23	
3	<b>Loans Repaid</b>				
	Sandip Tractors	8.94	97.45	52.56	74.90
	VPK Agro Food Product Pvt. Ltd.	37.68	2,076.95	1,223.60	371.91
	Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd.	80.07	611.69	1,073.25	156.10
	Sai Krupa Dairy & Food Products Private Limited	-	51.36	80.03	-
4	<b>Purchase of Goods</b>				
	VPK Agro Food Product Pvt. Ltd.	328.26	18.15	1,447.28	-
	Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd.	220.38	1,156.37	-	-
	Sai Krupa Dairy & Food Products Private Limited	-	92.68	289.61	-
5	<b>Sales of Goods</b>				
	VPK Agro Food Product Pvt. Ltd.	7.35	8.37	3.46	16.56
	Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd.	1.45	6.42	5.20	0.48
<b>3. Balances Outstanding at the end of the Year</b>					

Sr. No.	Particulars	<i>(Amount in Lakhs, Unless Otherwise Stated)</i>			
		As at			
		30-Sep-23	31-Mar-23	31-Mar-22	31-Mar-21
1	VPK Agro Food Product Pvt. Ltd.	29.07289	-	98.14	85.66
		Debit. Bal		Credit Bal.	Credit Bal.
2	VPK Agro Food Product Pvt. Ltd.		23.65	15.85	14.81
			Debit. Bal	Debit. Bal	Debit. Bal
3	Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd	490.22	306.37	311.83	156.10
		Credit Bal.	Credit Bal.	Debit. Bal	Debit. Bal
4	Sai Krupa Dairy & Food Products Private Limited	-	2,116.83	79.80	-
		-	Credit Bal.	Debit. Bal	
5	Sai Krupa Dairy & Food Products Private Limited-Creditors	-	14.61	14.61	-
		-	Credit Bal.	Credit Bal.	
6	Sandip M. Kawale	0.35	1.85	0.39	0.09
		Credit Bal.	Credit Bal.	Credit Bal.	Debit. Bal
7	Sandip Tractors	182.91	183.50	110.12	70.92
		Debit. Bal	Debit. Bal	Debit. Bal	Debit. Bal
8	Sagarbai M. Kawale	20.52	20.52	20.52	-
		Credit Bal.	Credit Bal.	Credit Bal.	
9	Ganeshrao V. Kawale	4.67	4.67	4.67	-
		Credit Bal.	Credit Bal.	Credit Bal.	
10	Kishanrao V. Kawale	5.42	5.42	5.42	-
		Credit Bal.	Credit Bal.	Credit Bal.	
11	Marotrao V. Kawale	13.02	13.02	13.02	-
		Credit Bal.	Credit Bal.	Credit Bal.	

Please see the chapter titled “Financial Information” beginning on page 179 of this Prospectus.

### 13. Financials Arrangements

There are no financing arrangements whereby the Promoters, members of the Promoter Group, the Directors of our Company and their relatives, have 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 period of six months immediately preceding the date of the Prospectus.

**14. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Prospectus**

The details of the weighted average price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Prospectus is as follows::

Name of Promoters	No. of shares acquired in last one year from the date of this Prospectus	Weighted Average Price (in ₹)
Marotrao Vyankatrao Kawale	61,14,000	Nil*
Ganeshrao Vyankatrao Kawale	2,01,000	Nil**
Kishanrao Vyankatrao Kawale	2,01,000	Nil**
Sagarbai Marotrao Kawale	1,000	Nil**
Sandip Marotrao Kawale	2,01,000	Nil**

\*Equity Shares in the preceding one year were acquired by way of Gift from immediate relatives and by way of bonus issue.

\*\* Equity Shares in the preceding one year were acquired by way of bonus issue

**15. Average Cost of Acquisition of Shares for Promoters**

The average cost of acquisition of Shares for the Promoters is as follows:

Name of Promoters	No. of shares held	Average Cost of Acquisition (in ₹)
Marotrao Vyankatrao Kawale	83,88,000	2.71
Ganeshrao Vyankatrao Kawale	4,02,000	6.66
Kishanrao Vyankatrao Kawale	4,02,000	7.25
Sagarbai Marotrao Kawale	2,000	9.95
Sandip Marotrao Kawale	4,02,000	6.66

^ Computed based on the Equity Shares acquired/allotted/purchased (including acquisition pursuant to transfer by way of gift and bonus issue.

**16. Pre-IPO Placement**

Our Company does not contemplate any issuance or placement of Equity Shares in this Issue, until the listing of the Equity Shares.

**17. Issue of equity shares made in last one year for consideration other than cash**

Except as set out below we have not issued equity shares for consideration other than cash in the preceding one year:

Date of allotment	Number of equity shares allotted	Face Value	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
December 19, 2023	50,00,000	10	N.A.	Bonus issue in the ratio of 1 bonus equity shares for every one fully paid up Equity Share held on December 18, 2023, authorised by our Board, pursuant to a resolution passed at its meeting held on November 27, 2023 and by our shareholders pursuant to a resolution passed at the EGM held on December 19, 2023	Nil	Bonus Issued out of profit and loss account

Bonus issue of Equity Shares to Ganeshrao Vyankatrao Kawale (2,01,000); Kishanrao Vyankatrao Kawale (2,01,000); Marotkar Vyankatrao Kawale (41,94,000); Parmeshwar Kishanrao Kawale (2,01,000); Puja Marotrao Kawale (1,000); Sagarbai Marotrao Kawale (1,000); and Sandip Marotrao Kawale (2,01,000).

**18. Split or consolidation of Equity Shares in the last one year**

No split or consolidation of equity shares has been made in the last one year prior to filing of this Prospectus.

**19. Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

## SECTION II – RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.*

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 98, 115 and 226 of this Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.*

*This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 15 of this Prospectus.*

*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.*

### **Materiality:**

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

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

*The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

*In this Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to M.V.K. Agro Food Product Limited.*

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

## INTERNAL RISK FACTORS

### BUSINESS RELATED RISKS

- 1. We cannot assure you that the manufacturing unit proposed to be set up by us will become operational as scheduled, or at all, or operate as efficiently as planned. If we are unable to commission our new manufacturing unit in a timely manner or without cost overruns, it may adversely affect our business, results of operations and financial condition.***

We are an integrated sugar and other allied products manufacturing company operating from Nanded District in the State of Maharashtra. We operate a single location sugar unit having licensed crushing capacity of 2,500 TCD. In addition to sugar we also commercialise and sell our by-products and waste products, namely, Molasses, Bagasse and Pressmud. We are also engaged in the generation of Power for captive consumption. In the year 2020, we commenced operations of manufacturing of Sugar. In the year 2020, our Company implemented backward integration and began commercial operations of the by-products and waste products of Sugar along with Co-Generation capabilities. Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and generation of Bio-CNG and Fertilizer. Our expansion plan may be subject to delays and other risks, among other things, unforeseen engineering or technical problems, disputes with workers, force majeure events, unanticipated cost increases or changes in scope and delays in obtaining certain property rights and government approvals and consents. Additionally, we may face risks in commissioning the proposed unit including but not limited to, delays in the construction of our proposed manufacturing unit, problems with its facilities or for other reasons, our proposed manufacturing unit does not function as efficiently as intended, or utilisation of the proposed unit is not optimal, we may not be able to take additional orders to produce anticipated or desired revenue as planned any of which could result in delays, cost overruns or the termination of the project.

In the event of any delay in the schedule of implementation or if we are unable to complete the project as per the scheduled time, it could lead to revenue loss. If our proposed project is not commissioned at the scheduled time, our Company may face cash crunch to repay the interest obligations. While we may seek to minimize the risks from any unanticipated events, it cannot be assured that all potential delays could be mitigated and that we will be able to prevent any cost over-runs and any loss of profits resulting from such delays, shortfalls and disruptions. Furthermore, while our Company has a longstanding market experience in the agro-commodity and Sugar business, however we have limited experience in manufacturing and selling of Ethanol and Bio-CNG and Fertilizer and therefore we may not have the requisite experience to address the risks related to the manufacturing of the proposed products. Due to the limited operational experience of our Company in manufacturing Ethanol and Bio-CNG and Fertilizer, we cannot assure the commercial success of the products manufactured through the proposed manufacturing unit. As a result our business, financial condition, results of operations and prospects could be materially and adversely affected. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 79 of this Prospectus.

- 2. As on date we have not obtained any of the approvals, clearances and permissions as may be required from the relevant authorities for the proposed manufacturing unit. In the event we are unable to obtain such approvals and permits, our business, results of operations, cash flows and financial condition could be adversely affected.***

We are engaged in the business of manufacturing sugar and its by-products and waste products, namely, Molasses, Bagasse and Pressmud. We are also engaged in the generation of Power for captive consumption. Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and generation of Bio-CNG and Fertilizer. We propose to utilise the Net Proceeds of this Issue, towards funding the expenses proposed to be incurred towards setting up of the proposed manufacturing unit. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 79 of this Prospectus.

We have not applied for the required licenses and approvals for setting up of our new manufacturing unit. For instance, in relation to the new manufacturing unit, our Company will apply for fresh licenses or renew and revise the existing licenses, such as (i) Industrial Entrepreneurs Memorandum; (ii) consent to operate; (iii) license to work a factory under Section 6(1) of the Factories Act, 1948, etc. The above approvals shall be applied for prior to commencement of civil work or installation of plant and machinery, as per the requirements of the regulatory and statutory authorities. For further details, please refer to “*Government and Other Approvals*” on page 253. We cannot assure you that we will be able to receive the approvals for the said land in a timely manner. If we are not able to receive the required approvals at all or if there is a delay in receiving the same, all other

operations, which are to be undertaken for the completion of the manufacturing unit might also be delayed. This may cause the actual cost of construction to exceed the budgeted amounts due to a variety of factors such as construction delays, cost escalation of raw material, interest rates, labour costs, foreign exchange rates, regulatory and environmental factors, weather conditions and our financing needs. The quotations for plant and machinery and civil works received by us from various suppliers might expire and we may be compelled to purchase the same at a higher cost. Our financial condition, results of operations and liquidity would be materially and adversely affected if our project or construction costs materially exceed such budgeted amounts. For further details, please refer to chapters titled — “*Objects of the Issue*” and “*Government and other Approvals*” on pages 79 and 253, respectively of this Prospectus.

3. ***Our Company has limited experience of manufacturing Ethanol and Bio-CNG and Fertilizer. Hence, we have limited exposure in manufacturing products outside of our existing product portfolio, which may make it difficult to evaluate our past performance and prospects with respect to the same.***

Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and generation of Bio-CNG and Fertilizer. We propose to utilise the Net Proceeds of this Issue, towards funding the expenses proposed to be incurred towards setting up of the proposed manufacturing unit. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 79 of this Prospectus. While, our Company has a longstanding experience in manufacturing and selling of Sugar and its by products, however we have limited experience in manufacturing and selling of Ethanol and Bio-CNG and Fertilizer. Further, our experience of manufacturing Sugar and its by products may not be fully relevant or applicable to our proposed operations and hence we may face limitations to growth of business. Given our limited operating history in manufacturing the said products, we may not succeed in addressing certain risks pertaining to such products in an early stage of growth, including our ability to acquire and retain customers/intermediaries or maintain adequate control of our costs and expenses. Entering into new markets may pose challenges to our management, administrative, financial and operational resources. If we are unsuccessful in addressing business risks in time or at all, our business may be materially and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company. Further, our limited operating history may not provide a meaningful basis for evaluating our business, financial performance, prospects or results of operations, or to make a decision about an investment in our Equity Shares.

4. ***We cannot assure that we shall be able to utilize our proposed manufacturing unit to its full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition.***

A portion of the Net Proceeds is proposed to be utilised towards setting up of a greenfield unit for manufacturing Ethanol and generation of Bio-CNG and Fertilizer. We cannot assure that we shall be able to utilize our proposed manufacturing unit to its full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition. There cannot be any assurance that the proposed capacity would be utilized to its full extent.

5. ***There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution.***

Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and generation of Bio-CNG and Fertilizer. Our Company proposes to utilise an amount of ₹ 3,488.17 lakhs and ₹ 1,750.00 lakhs from the Net Proceeds of this Issue towards setting up the aforementioned manufacturing unit for Ethanol and Bio-CNG and Fertilizer, respectively, and expanding our product portfolio. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 79 of this Prospectus. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its inter se allocation across various heads under the setting up of the proposed manufacturing unit, as disclosed in the section titled “*Objects of the Issue*” on page 79. Further, the plans for deployment of the Net Proceeds are in accordance with our management’s estimates and have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, and interest or exchange rate fluctuations and consequently its requirements may change.

In the event there is a shortfall in receipt of issue proceeds from this Issue, we may be unable to meet the equity requirement for the proposed manufacturing unit which may have a bearing on the commission of our manufacturing unit on time. In case of any shortfall of the proceeds raised from this Issue, there can be no assurance that we will be able to raise the funds through other sources to meet our obligations of meeting equity contribution for our proposed unit. In case of shortfall in the proceeds of this Issue which are to be utilized for meeting the objects of the Issue, the shortfall will be met by such means as are available to our Company at such future time and at the discretion of the management, including by way of cash available with us or by any other means permissible under law. We cannot assure that we will be able to arrange for adequate cash or will be able to procure further loans to meet the funding requirements. Any failure to meet the additional funding requirements will have a material adverse effect on the implementation of the proposed unit.

We may also be required to adhere to certain restrictive covenants as regards raising of finance for the unit from means other than those sanctioned under our present financing documents. Any failure or delay on our part to raise funds from the Issue or any shortfall in the Issue proceeds and subsequent inability of our Company to source alternate means of finance may delay the implementation of our project and could adversely affect our growth plans.

6. ***Our Company is yet to place orders for 100% of the plant and machinery. Any delay in placing orders or procurement of such plant and machinery, may further delay the schedule of implementation and increase the cost of commissioning the manufacturing unit.***

Our Company has received third party quotations for the plant and machinery required to be installed in the proposed manufacturing unit, for details please refer to the chapter titled “*Objects of the Issue*” on page 79 of this Prospectus. Although, we have identified the type of plant and machinery to be purchased for the proposed manufacturing unit, we are yet to place order for 100% of the plant and machinery. Further, the cost of the machineries is based on the quotations received from suppliers and such quotations are subject to change due to various factors such as, change in supplier of equipment, change in the government regulation and policies, change in management’s view of desirability of the current plans, possible cost overruns, etc. Since, we have not yet placed orders for the said plant and machinery we cannot assure that we will be able to procure the same in a timely manner and at the same price at which the quotations have been received. Delay in procurement of the same or fluctuation in the foreign exchange rate can cause time and cost overrun in the implementation of our proposed project and can also compel us to buy such machineries at a higher price, thus causing the budgeted cost to vary. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

7. ***We depend on our domestic brokers and export-oriented commodity traders for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key intermediaries may adversely affect our business and results of operations.***

Our Company follows a diversified marketing approach for marketing and selling its products. We market and sell our products through domestic brokers and export-oriented commodity traders. We market and sell our Sugar through brokers, with whom we share long term relationship. Our brokers further market and sell Sugar to institutional confectionary manufactures, such as PepsiCo Holdings India Private Limited, Parle Biscuits Private Limited and Britannia Industries Limited, *etc.* In addition to our association with brokers, we also sell our products to export oriented commodity traders, such as, Sakuma Exports Limited, Indian Sugar Exim Corporation, Garden Court and HRMM Agro Overseas Private Limited. Our commodity traders have built long-standing relationships with international buyers of various grades of raw sugar, and therefore we sell Sugar in bulk quantities to our commodity traders, who further market and sell it in both bulk and containerised forms in global markets. In the event, we are unable to retain our intermediaries or if our intermediaries continue to decrease, we may have to associate with new intermediaries, on terms and prices which may not be acceptable to us. Further, we cannot assure you that the new intermediaries appointed would be reliable and contribute to our revenues in the same manner as our current intermediaries. On the occurrence of any of the aforementioned events, our business and results of operations could be adversely affected.

Further, we have not entered into any formal agreements, arrangement or any other understanding with our intermediaries, therefore, our business is dependent upon the continuous relationship with such intermediaries. Further, neither do we have any exclusive intermediaries nor have we entered into any agreements with such intermediaries. Accordingly, our intermediaries are not bound to provide us sales and distribution services. Further, our intermediaries could also start working with our competitors and due to lack of formal agreements, we shall not be able to legally prosecute any of our intermediaries. In the event, our intermediaries do not perform

their services effectively or give preference to our competitors, we may not be able to litigate them on account of lack of formal agreements. We cannot assure you that occurrence of any such events, would not materially affect our financial condition, results of operations and prospects.

**8. *Our business is subject to seasonal variations that could result in fluctuations in our results of operations.***

Our business is seasonal in nature and as a result, our operating results may fluctuate. Since our business is influenced by the availability of our basic raw material, *i.e.*, sugarcane, our production schedules are operational only according to such availability. For example, in the Nanded area, the crushing season generally starts from November each year and remains till March. It is during this period that our majority of the sugar production takes place. During the non-crushing season, *i.e.* April to October, not only is our sugar production affected but also our co-generation and distillery units are affected for the lack of bagasse and molasses. Further, other seasonal factors such as irrigation, seed quality, area of sugarcane production and amount of rainfall also play a role in determining the quantity and quality of sugarcane produce. Consequently, the results of one reporting period may not be necessarily comparable with the preceding, succeeding or corresponding reporting periods. Our revenues recorded during planting and harvesting seasons (*i.e.* 1st half of any financial year) are typically lower or even in losses as compared to revenues recorded during the crushing season (*i.e.* 2nd half of the financial year). During periods of lower sugar production, we continue to incur substantial operating expenses in connection with day to day operations, employees' salaries, miscellaneous maintenance cost and among other things, product promotion expenses which are not reduced significantly during such periods, while our revenues remain reduced. We have experienced, and expect to continue to experience, significant variability in our total revenue, operating cash flows, operating expenses and net revenues on a seasonal basis.

**9. *Sugarcane is the principal raw material used for the production of sugar. Our business depends on the availability of sugarcane and the farmers from whom we procure the sugarcane and any shortage of sugarcane may adversely affect our business and results of operations.***

We do not own any land for cultivation of sugarcane and we purchase our entire sugarcane requirement directly from various independent farmers from within and outside our reserved area. After the de-regulation of the sugar sector, the farmers growing sugarcane within the villages around our manufacturing facility are not required to sell the sugarcane to our Company and we need to maintain cordial relations with these farmers to ensure that they sell their produce to us. We are significantly dependent upon the farmers working in the villages allotted to us, for procurement of sugarcane for our manufacturing operations. Also, we strive to maintain relations with farmers in other villages not in our immediate vicinity so that we have adequate supply of sugarcane during the crushing season. Further, the farmers within our reserved area have no legal or contractual obligation to cultivate sugarcane and may instead grow other crops. If the farmers within our reserved area cultivate other crops, or otherwise limit their cultivation of sugarcane, we may have a shortage of the raw material. The agricultural experts forming part of our Farmer Development Division provide farming techniques and methods to local farmers to ensure that their produce is healthy and matches with our quality standards. We also sponsor the education of our farmers by sending them to farming institutes and colleges, to enable them to obtain technical farming knowledge and expertise. In the event the farmers associated with us are able to realise a higher price for sales of sugarcane from other sugar factories or other users, the farmer may have an incentive to sell the sugarcane to parties other than us. Further, farmers may want to harvest the crop earlier than we have scheduled or grow other crops thereby disrupting our operations. To ensure that the farmers stay interested in selling sugarcane to our Company, we may need to provide financial and other incentives to the farmers. Diversion of sugarcane to other users or other sugar factories may reduce the sugarcane available to us and may adversely affect our financial condition and results of operation. In addition, adverse weather conditions, crop disease, pest attacks may adversely affect sugarcane crop yields and sugar recovery rates for any given harvest. Our sugar production depends on the volume and sucrose content of the sugarcane that is supplied to us. Crop yields and sucrose content depends primarily on the variety of sugarcane grown, the presence of any crop disease, weather conditions such as adequate rainfall and temperature which may vary even in a particular season. Adverse weather conditions may adversely affect our manufacturing operations. Flood or drought can adversely affect the supply and pricing of the sugarcane procured by us from the farmers. There can be no assurance that weather patterns, crop disease or the cultivation of certain sugarcane crop varieties will not reduce the amount of sugar that we can recover in any given harvest. Any reduction in the amount of sugar recovered from sugarcane could have a material adverse effect on our business and results of operations.

**10. *The improper handling, processing or storage of raw materials or products, or spoilage of and damage to such raw materials and products, or any real or perceived contamination in our products, could subject us to regulatory and legal action, damage our reputation and have an adverse effect on our business, results of***



***operations and financial condition.***

The products that we manufacture or process are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. We face inherent business risks of exposure to product liability or recall claims in the event that our products fail to meet the required quality standards or are alleged to result in harm to customers. Further, sugar may be subject to contamination which may affect the health of the final consumer. These contaminations may be human induced or natural, and, as a result, there is a risk that they could affect our processed sugar or other products. There is a potential for deterioration of our sugar products as a result of improper handling at the processing, packing, storing or transportation levels, which may adversely affect our customer image. Such risks may be controlled, but not eliminated, by adherence to good manufacturing practices and finished product testing. We have little, if any, control over proper handling once our products are shipped to our customers. We face the risk of legal proceedings and product liability claims being brought by various entities, including consumers, distributors and government agencies for various reasons including for defective or contaminated products sold or services rendered. If we experience a product recall or are a party to a product liability case, we may incur considerable expense in litigation. We cannot assure that we will not experience product recalls or product liability losses in the future. Further, we do not have any product liability insurance cover and getting such an insurance afresh will require additional cost. Any product recall, product liability claim or adverse regulatory action may adversely affect our reputation and brand image, as well as entail significant costs in excess of available insurance coverage, which could adversely affect our reputation, business, results of operations and financial condition.

***11. We derive a significant portion of our revenue from our sugar segment and any reduction in demand or in the production of this product could have an adverse effect on our business, results of operations and financial condition.***

We derive a significant portion of our revenue from our sugar segment, which comprises of sale of different grades of sugar manufactured by us. Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of sugar could have an adverse effect on our business, results of operations and financial condition. Further, being an integrated unit, the residue from sugar production i.e. bagasse and molasses are further used as raw materials for generation of power or are marketed and sold to third parties. In the absence of adequate sugar production, our co-generation unit and our revenue from sale of by-products and waste products will also suffer due to lack of sufficient raw materials. We may have to acquire these raw materials from external sources, thus increasing our costs. Also, we may not be able to procure these raw materials in the desired quality or at all thus resulting in partial or complete stoppage of these units thus adversely affecting our business operation and financial results.

***12. Our Promoters and our Group Companies have extended personal guarantees with respect to various loan facilities availed by our Company and our Subsidiary. Revocation of any or all of these personal guarantees may adversely affect our business operations and financial condition.***

Our Promoters, Marotrao Vyankatrao Kawale, Sagarbai Marotrao Kawale, Ganeshrao Vyankatrao Kawale and Kishanrao Vyankatarao Kawale, our Group Companies, V.P.K. Agro Food Product Private Limited and Dr Shankarrao Chavan Jaggery and Agro Product Private Limited, our Subsidiary, Sai Krupa Dairy & Food Products Private Limited have extended personal guarantees to secure the loan facilities availed by our Company from HDFC Bank Limited. Further, our Promoters, Ganeshrao Vyankatrao Kawale and Kishanrao Vyankatarao Kawale have extended personal guarantee in favour of Union Bank of India to secure the loan facilities availed by our Subsidiary. In the event any of these guarantees are revoked, our lenders may require us to furnish alternate guarantees or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company or our Subsidiary will be able to arrange such alternative guarantees in a timely manner or at all. If the guarantees is invoked or our manufacturing unit is foreclosed, the ability of our Company or our Subsidiary to continue its business operations could be adversely affected. Further, if our lenders enforce any of the restrictive covenants or exercise their options under the relevant debt financing arrangement, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details please refer to the chapter titled “*Financial Indebtedness*” on page 185 of this Prospectus.

***13. Our Company’s products lack adequate brand presence and awareness and also have geographical presence limited to the State of Maharashtra.***

Our Company's products and brand presence is limited to the State of Maharashtra. We market and sell our products through domestic brokers and export-oriented commodity traders. While these brokers market and sell our Sugar through brokers, with whom we share long term relationship. Our domestic brokers and export-oriented commodity traders further market and sell Sugar to institutional confectionary manufactures and sell it in both bulk and containerised forms in global markets. Accordingly, our Company has not created a brand presence and therefore does not markets and sells its products outside of Maharashtra. Furthermore, sale of Sugar is strictly regulated by the Central Government, therefore we cannot directly export our products in global markets, without seeking assistance from our export-oriented commodity traders. Our business is therefore significantly dependent on domestic brokers and export-oriented commodity traders and the general economic condition and activity in the State of Maharashtra along with the Centra Government and State Government policies relating to distribution of Sugar domestically and internationally. in this region. Although we have good and cordial relations with domestic brokers and export-oriented commodity traders over the years, there can be no assurance that we will not face any issues relating to pricing, distribution and payment with them. Due to this restriction, many of our competitors in other States in India have been able to capture a larger national market. Continuation of this arrangement may place us at a competitive disadvantage and limit our growth opportunities. Our Company's failure or inability to continue its presence in the State of Maharashtra and establish ourselves in other states may impede its growth and business prospects as compared to established players.

**14. *Inability to set / control the cost of sugarcane or the selling price of sugar may impact our profitability.***

Our profitability depends significantly on the cost of sugarcane, our raw material, and the selling price of sugar. We are neither able to set the cost of sugarcane nor the selling price for our sugar. The price we pay for sugarcane is determined by the Government of India and / or the State Government of Maharashtra, where our manufacturing unit is located and we may be adversely affected by rising sugarcane prices, particularly in the event of a decrease in the price of sugar. We purchase all of the sugarcane that we use in our production of sugar from the independent sugarcane farmers within our vicinity and through their some sugarcane farmers' societies located in outside our vicinity. The Government of India and / or the State Government of Maharashtra, where our manufacturing unit is located, annually declares the sugarcane procurement price. The procurement price is a minimum price we must pay to sugarcane farmers for sugarcane. The determination of the procurement price is not related to the prevailing market price of sugar and is only loosely related to the quality of sugarcane. For example, political motives may result in the declaration of higher procurement prices. Rising procurement price, particularly if sugar prices remain stable or decrease during the same period, may adversely affect our results of operations and financial condition. We operate in the sugar industry where the market price for our products is cyclical, while the price at which we procure our raw materials is regulated. These pricing conditions cause our margins to fluctuate and may affect our financial condition, cash flows and results of operation. The sugar industry has historically been cyclical and sensitive to changes in supply and demand. The market in India has experienced periods of limited supply, causing sugar prices and industry profit margins to increase, followed by periods of excess production that result in oversupply, causing declines in sugar prices and industry profit margins. Fluctuations in demand and supply and as a result, the price of our products, occur for various reasons, including:

- a. changes in the availability and price of our primary raw material, sugarcane;
- b. variances in the production capacities of our competitors; and
- c. the availability of substitutes for the sugar products that we produce.

Sugar production in India is currently at low levels as compared to the consumer demand which continues to rise because of population growth, rising income levels, and a shift from traditional sweeteners such as gur and khandsari to sugar. Stronger demand may result in higher prices for sugar. Profitable sugar manufacturers may make prompt payments to farmers who may in turn switch to cultivating sugarcane rather than other crops which have become relatively less profitable. An increase in sugarcane cultivation may lead to an increase in sugar production and a subsequent reduction in sugar prices, which may materially and adversely affect our results of operation and our financial condition.

**15. *Our manufacturing unit, Registered Office and the proposed manufacturing unit for manufacturing Ethanol and generation of Bio-CNG and Fertilizer are concentrated only in 1 area in India i.e. Nanded, Maharashtra. Our results of operations could be materially and adversely affected if such facilities are disrupted.***

All our manufacturing operations including our Registered Office and the proposed manufacturing unit for manufacturing Ethanol and generation of Bio-CNG and Fertilizer are based in a single complex which is situated in the area of Nanded in Maharashtra. The manufacturing unit is the main location from where we sell our manufactured products including sugar and other by-products and also generate power from our co-generation

unit. Because of the concentration of our people and other resources at these units, our results of operations could be materially and adversely affected if one or more of those facilities are damaged as a result of a natural disaster, including an earthquake, flood, fire, or other event that disrupts our business or causes material damage to our property. Further, any disruption of transport services and other infrastructure problems may halt or hinder our manufacturing and administrative operations. Since we do not have any back-up facilities, it could be difficult for us to maintain or resume our operations quickly in the aftermath of such a disaster / event. Further, we also do not have any insurance to cover any such loss or damage to our assets. Occurrence of any such events could adversely affect our business, results of operations and financial condition.

**16. *We constantly face a credit risk which may in turn affect our complete buying cycle adversely.***

As a manufacturer of multiple products like sugar, by-products and power generation, our primary competence is the ability to manufacture and market our various products for different customer segments, and hence exploit the benefits of variety and economies of scale in the each segment of our operations. Our requirement of working capital is high mainly due to our ability to procure sugarcane in large quantities during the crushing season and also store sufficient amounts of finished goods for sale in the non-crushing season, thus relieving our units with total disruptions and work stoppages. Once the crushing season starts, we are required to make upfront payments to the farmers, harvesting and transportation teams and other raw material suppliers as is the case in our industry. Besides, we are also required to give sufficient credit period to our customers in order to maintain our customer relations and competitiveness. Our aforementioned buying cycle is heavily dependent on timely payments being received from our customers. If there is a default in payment from any of our customers or there is any unforeseeable delay in payment, our working capital cycle will be adversely affected. This may lead to our inability to maintain our inventories and thus lack the competitive advantage against various other manufacturers leading to an adverse effect on our business operations and profitability.

**17. *We are dependent on third party transportation providers for the delivery of raw materials. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our raw materials, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.***

We use third party transportation providers for the supply of most of our raw materials. This includes transportation for the sugarcane produced by farmers as we provide harvesting and transport (H & T) services to these farmers. Though we enter into H & T agreements with all our H & T agents, we cannot guarantee that there will not be any transportation strikes, which could have an adverse effect on our receipt of our essential raw materials. In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for sugarcane and other raw materials may have an adverse effect on our business, financial condition, results of operations and prospects. Further, India's physical infrastructure is less developed than that of many developed nations, and especially transportation in village areas is dominated by small, uneven and dirt roads, making transportation difficult and slow. Problems with road connectivity to and from small villages and other communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials. 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 business operations, which could have a material adverse effect on our results of operations and financial condition.

**18. *A slowdown or shutdown in our manufacturing operations or under-utilization of our manufacturing facilities could have an adverse effect on our business, results of operations and financial condition.***

As of the date of this Prospectus, we conduct our operations from our manufacturing facility situated in Nanded, Maharashtra, for all our products and for power generation. Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. We also face significant down-time for several machines due to seasonal nature of our sugar business. We may also face protests from local citizens at our existing facilities or while setting up new facilities, which may delay or

halt our operations. While some of our segments have different production areas, we have various machines linking one product to the other. For example, our sugar manufacturing process produces bagasse which is continuously moved from the sugar mills to the co-generation boiler. Further, several of the raw materials that we require, are perishable products and consequently any malfunction or break-down of our machinery or equipment resulting in the slowdown or stoppage of our operations may adversely affect the quality of such raw materials. Although we have not experienced any significant disruptions at our manufacturing facilities in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or the under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations and financial condition.

**19. There have been instances of delays of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to RoC .**

In the past, there have been certain instances of delays in filing statutory forms which have been subsequently filed by payment of an additional fee as specified by RoC. The details of such forms have been provided below:

Form Type	Due Date Of Filing	Actual Date Of Filing
PAS 3	15/07/2020	25/05/2023
PAS 3	15/07/2020	26/05/2023
SH 7	15/04/2020	15/06/2020
AOC-4	28/10/2022	02/11/2022
MGT-7	29/11/2022	30/11/2022
ADT-3	28/10/2023	01/12/2023
CHG-4	30/10/2023	14/12/2023

No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

**20. Our lenders have charge over our movable and immovable properties including the property where our Company proposes to set up its new manufacturing unit in respect of finance availed by us.**

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information, kindly refer the chapter titled “Financial Indebtedness” beginning on page 241 of this Prospectus.

**21. Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.**

We are subject to a broad range of safety, health, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, noise emissions, air and water discharges; on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. For example, laws in India limit the amount of hazardous and pollutant discharge that our manufacturing facilities may release into the air and water. The discharge of substances that are chemical in nature or of other hazardous substances into the air, soil or water beyond such limits may cause us to be liable to regulatory bodies and incur costs to remedy the damage caused by such discharges. Further, any accidents at our facilities may result in personal injury or loss of life of our employees, contract labourers or other people, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable, and could adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers. The adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain

our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition. We are also subject to the laws and regulations governing relationships with employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. There is a risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay or non-renewal in receipt of regulatory approvals for our products. We cannot assure you that we will not be involved in future litigation or other proceedings, or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant.

**22. *We may face difficulties in implementing our strategies including our expansion and diversification plans of entering new geographical areas, development and commercialization of new products.***

We may face difficulties in implementing our strategies including our expansion and diversification plans of entering into new industry segments and development and setting up of new manufacturing unit due to various factors such as entry barriers, stringent rules and regulations, fierce competition in the new markets, inadequacy of funds for expansion, high cost of debt that may be required for expansion and diversification. Implementation of our strategies may pose significant challenges to our administrative, financial and operational resources and additional risks that our Company may not be able to foresee. Failure to successfully implement some or all of our key strategic initiatives in an effective and timely manner may adversely affect our future business prospects. For further details on our business strategies, kindly see the chapter titled “*Our Business*” beginning on page 115 of this Prospectus.

**23. *We face significant competition in our business from Indian sugar manufacturers, which may adversely affect our profitability.***

The sugar industry is highly competitive. Domestically, we compete with numerous small to medium size producers. Despite increased consolidation, the Indian sugar industry remains highly fragmented. Our major competitors in India are sugar mills based in the Maharashtra and nearby states. Further, excess sugar stocks may be dumped by competitors from other states into the northern India region markets, leading to excess supply and price drop. We also face substantial competition from potential competitors who may seek to manufacture the same or similar products as us in the particular area or competitors who are already manufacturing, distributing and selling products which we deal in. None of our registrations are granted exclusively to us and our competitors are free to seek registration for the products for which we hold registrations. Additionally, we compete with existing sugar manufacturing units on the basis of portfolio of our by-product offerings, product traits, including quality consistency, lower rejection ratio, as well as based on price, reputation, customer service and customer convenience. Some of our competitors may be large multinational companies that have significantly greater resources and access than those available to us. If we are unable to compete effectively, including in terms of pricing or providing quality products, our market share may decline, which could have a material adverse effect on our results of operations and cash flows.

**24. *We are susceptible to product liability claims that may not be covered by insurance and may subject us to substantial expenditure thereby adversely affecting our reputation and if the claim is successful, could require us to pay substantial amounts.***

We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. We may be subject to claims resulting from our manufacturing defects or negligence in storage, packaging or handling which may lead to the deterioration of our products including sugar and other by-products. Even unsuccessful product liability claims would likely require us to incur substantial expenses on litigation, divert management’s time, adversely affect our goodwill and impair the marketability of our products.

We are liable for the quality of the products we manufacture, for the duration of their shelf life. Disputes over non-conformity of the products with prescribed quality standards or specifications including storage specifications are generally referred to independent testing laboratories. If any independent laboratory confirms that the products do not conform to the prescribed or agreed standards and specifications, we may be required to bear the expenses of replacing and testing such products, which could adversely affect our business, results of operations, cash flows and financial condition. Any proved defect in our products could also result in withdrawal of our license for manufacturing, storing and selling the products. Further, our business is dependent on the trust

our customers have in the quality of our products. Any negative publicity regarding our Company, brand, or products or mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations. Further, we do not have any insurance coverage for product liability and if we are to take the same, it may result in additional expense. From time to time, the sugar industry has experienced difficulty in obtaining desired product liability insurance coverage. If any product liability claim not covered by insurance were sustained against us, it could adversely affect our business, financial condition, results of operations and cash flows.

**25. Our Company and our Subsidiary have availed a significant amount of loans from our lenders. Any default in repayment of these loans, could significantly impact our business operations, results of operation and financial condition.**

We and our Subsidiary have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. The borrowings of our Company on a consolidated basis have been presented through the following ratios:

Particulars	For the six month period ended September 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Debt Equity ratio	3.55	6.84	6.25	11.71

We cannot assure you that our Company or any of our Subsidiaries would be able to repay their debts, in part of full, or at all. Any failure by our Company or our Subsidiaries to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For further information, kindly refer the chapter titled “Financial Indebtedness” beginning on page 241 of this Prospectus.

**26. There have been instances of delays in payment of statutory dues, i.e. GST and EPF by the Company. In case of any delay in payment of statutory due in future by our Company, the Regulatory Authorities may impose monetary penalties on us or take certain punitive actions against our Company in relation to the same which may have adverse impact on our business, financial condition and results of operations.**

In the past, there have been certain instances of delays in payment of statutory dues, i.e. GST and EPF, by the Company. The details of the delay caused in payment of statutory dues have been provided below:

**GST:**

Month	Due Date	Return Filing Date	Delay in Return	Remark
Apr-21	20-05-2021	19-06-2021	30	Lockdown (Covid 19) 2nd
May-21	20-06-2021	20-07-2021	30	Lockdown (Covid 19) 2nd
Jan-22	20-02-2022	11-03-2022	19	Due to Technical Reason
Feb-22	20-03-2022	08-04-2022	19	Due to Technical Reason
Mar-22	20-04-2022	14-06-2022	55	Due to Technical Reason
Apr-22	20-05-2022	23-06-2022	34	Due to Technical Reason
May-22	20-06-2022	07-07-2022	17	Due to Technical Reason
Jul-22	20-08-2022	29-08-2022	9	Due to Technical Reason
Nov-22	20-12-2022	28-12-2022	8	Due to Technical Reason

**EPF:**

Wage Month	Amount	Due date	Date of Payment	Reason for Delay	Period of delay (in days)
October, 2020	1,88,766	November 15, 2020	April 17, 2021	Procedural Delay for Registration after acquisition of new unit	153
November, 2020	2,03,146	December 15, 2020	April 17, 2021	Procedural Delay for Registration after acquisition of new unit	123
December, 2020	3,32,523	October 15, 2021	April 17, 2021	Procedural Delay for Registration after acquisition of new unit	92

January, 2021	3,31,123	February 15, 2021	April 17, 2021	Procedural Delay for Registration after acquisition of new unit	61
February, 2021	2,46,360	March 15, 2021	April 17, 2021	Procedural Delay for Registration after acquisition of new unit	33
March, 2021	2,43,352	April 15, 2021	May 6, 2021	Procedural Delay for Registration after acquisition of new unit	21
October, 2021	2,69,316	November 15, 2021	November 16, 2021	Holiday	1
October, 2022	3,30,355	November 15, 2022	November 19, 2022	Diwali vacations	4

Our Company has already made provisions in the financials of the Company for such delay payments. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to payment of statutory dues. The happening of such event may cause imposition of fine / penalty which may have adverse effect on the results of our operations and financial position.

**27. *Our inability to effectively manage or expand our distribution network may have an adverse effect on our business, results of operations and financial condition.***

Our ability to expand and grow our sales significantly depends on the reach and effective management of our distribution network and the continued cooperation of third parties such as domestic brokers and export-oriented commodity traders. We cannot assure you that we will continue to be able to effectively manage our distribution network and maintain good relationships with such third parties. Certain distribution intermediaries may have exclusivity arrangements with our competitors and may be unable to, or decline to, stock and distribute our products, which in turn may limit our ability to expand our distribution network. Our inability to strategically expand our distribution network may lead to revenue loss and impede the full utilisation of our production capacity. Due to our limited experience in the markets in which we propose to venture, we may face difficulties in creating and maintaining a distribution network, identifying our competitors or keeping up with the expectation and the requirement of the intermediaries and end use customers. While the aforementioned events have not materially occurred in the past, future occurrence of any of these events could affect our financial condition, results of operations and prospects. We cannot assure you that we will be able to expand our sale and distribution network in accordance with our business plans, or at all, which may adversely affect our business, results of operations and financial condition.

**28. *Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.***

Our business requires a significant amount of working capital. As per our settled business terms, we majorly require our intermediaries to pay the full amount of the consideration only after they receive the order, as a result, significant amounts of our working capital are often required to finance the purchase of raw material and execution of manufacturing processes before payment is received from our customers/ intermediaries. Further, we are also required to meet the increasing demand and for achieving the same, adequate stocks have to be maintained which requires sufficient working capital. In the event, we are unable to source the required amount of working capital for addressing such increased demand of our products, we might not be able to efficiently satisfy the demand of our customers/ intermediaries. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our products.

Any delay in processing our payments by our intermediaries may increase our working capital requirement. Further, if an intermediary defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we incurred pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. In general, we take provisions for bad debts, including those arising from such defaults based primarily on ageing and other factors such as special circumstances relating to special customers/ intermediaries. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have large cash

outflows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims.

All of these factors may result in increase in the amount of receivables and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

- 29. *We are dependent on information technology systems in carrying out our business activities and it forms an integral part of our business. Further, if we are unable to adapt to technological changes and successfully implement new technologies or if we face failure of our information technology systems, we may not be able to compete effectively which may result in higher costs and would adversely affect our business and results of operations.***

We are dependent on information technology system in connection with carrying out our business activities and such systems form an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers/ intermediaries, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition and results of operations. Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, piracy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our business activities, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorised access to our networks. In the event, any breach of our systems or software leads to the leaking of our trade secrets or any inventive techniques devised by our Company, it might lead to loss of our originality in the market and increase the chance of our products being substituted by the products of our competitors.

Our future success depends in part of our ability to respond to technological advancements and emerging standards and practices on a cost-effective and a timely basis. Our failure to successfully adopt such technologies in a cost-effective manner could increase our costs thereby compelling us to bid at lower margins which might lead to loss of bidding opportunities vis-à-vis such competitors. Additionally, the government authorities may require adherence with certain technologies and we cannot assure you that we would be able to implement such technologies in a timely manner or at all. The cost of upgrading or implementing new technologies or upgrading our existing equipment or expanding our capacity could be significant, less cost effective and therefore could negatively impact our profitability, results of operations, financial condition as well as our future prospects.

- 30. *Our Company has availed certain unsecured loans which may be recalled at any time.***

Our Company has availed certain unsecured loans, which may be recalled at any time. In the event, any of such unsecured lenders seek a repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to undertake new projects or complete our ongoing projects. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see “*Financial Indebtedness*” on page 241 of this Prospectus.

- 31. *If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.***

Our current name and logo, is not owned or registered as a trade name or trademark by our Company under the provisions of the Trademarks Act, 1999 and therefore may be subject to counterfeiting or imitation which would adversely impact our reputation and lead to loss of customer confidence, reduced sales and higher administrative costs. Further, our Company does not enjoy the statutory protections accorded to a registered trademark. There can be no assurance that we will be able to register the trademark and the logo or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. If any of our unregistered trademarks or proprietary rights are registered by a third party, we may not be able to make use



of such trademark or proprietary rights in connection with our business and consequently, we may be unable to capitalize on the brand recognition associated with our Company. We can neither assure you that we will be successful in such a challenge nor guarantee that eventually our name and logo will be registered in our name under the provisions of the Trademarks Act, 1999. As a result, we may not be able to prevent acts of counterfeiting or imitation of our name and logo and a passing off action may not provide sufficient protection until such time that registration is granted.

We are also exposed to the risk that other entities may pass off their products as ours by imitating our brand name and attempting to create counterfeit products. We believe that there may be other companies or vendors which operate in the unorganized segment using our brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized 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.

Furthermore, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming, continuous supply of raw materials or to deliver our costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which might adversely affect our business, results of operations and financial condition.

**32. *Our Promoters, Directors, Key Managerial Personnel and Senior Management have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.***

Our Promoters, Directors, Key Managerial Personnel and Senior Management, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Directors, Key Managerial Personnel and Senior Management may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to the paragraphs titled — “*Interest of our Directors*” in the chapter titled — “*Our Management*”, the paragraphs titled — “*Interest of our Promoters and Other Interests and Disclosures*” in the chapter titled — “*Our Promoters and Promoter Group*”, “*Financial Indebtedness*” and “*Restated Financial Information*” on pages 159, 171, 241 and 179, respectively of this Prospectus.

There can be no assurance that our Promoters, Directors, Key Managerial Personnel and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors, Key Managerial Personnel and Senior Management may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

**33. *Our Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

Upon completion of this Issue, our Promoters and members of our Promoter Group will collectively hold 64.56 % of the Equity share capital of our Company. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Accordingly, our Promoters will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company’s best interest. The

interests of our Promoters could conflict with the interests of our other equity shareholders, and our Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

**34. *The average cost of acquisition of Equity Shares held by our Promoters could be lower than the Issue Price.***

Our Promoter's average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price which is proposed to be determined through fixed price mechanism. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled "*Capital Structure*" on page 67 of this Prospectus.

**35. *Our future fund requirements, in the form of further 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 further issue of Equity 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 favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

**36. *We have in past entered into related party transactions and we may continue to do so in the future.***

As of September 30, 2023, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please refer to the chapter titled — "*Restated Financial Information*" at page 179.

While we believe that all our related party transactions have been conducted on an arm's length basis, and we confirm that the related party transactions entered into by the company are in compliance with the relevant provisions of Companies Act and other applicable laws, we cannot assure you that we may not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

**37. *Our Subsidiary has extended corporate guarantee with respect to loan facilities availed by our Group Company, Dr Shankarrao Chavan Jaggery and Agro Product Private Limited. Any defaults committed by our Group Company or invocation of the guarantee extended by our Subsidiary may adversely affect our business operations and financial condition.***

Our Subsidiary has extended corporate guarantee in favour of Union Bank of India with respect to the loan facilities availed by our Group Company, Dr Shankarrao Chavan Jaggery and Agro Product Private Limited. In the event the business and operations of our Group Company deteriorates and if it commits a default in payment of principal or interest due to the bank, the corporate guarantee extended by our Subsidiary may get invoked.

On the occurrence of any of the above-mentioned situations, the Bank might demand repayment of the outstanding amounts under the said facilities sanctioned to our Group Company. In the event, our Subsidiary is unable to repay the outstanding amount in a timely manner or at all, the Bank may enforce the restrictive covenants or consequences of defaults which in turn may affect our further borrowing abilities thereby adversely affecting our business and operations. For further details, please refer to the chapter titled — "*Financial Indebtedness*" on page 241 of this Prospectus.

**38. *The agreements executed by our Company and our Subsidiary with lenders for financial arrangements contain restrictive covenants for certain activities and if we or our Subsidiary are unable to get their approval, it might restrict our scope of activities and impede our growth plans.***

We and our Subsidiary have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans/inter corporate deposits availed from Promoters and third parties, undertake guarantee obligations on behalf of any other borrower including Subsidiary, which require our Company and our Subsidiary to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us or our Subsidiary with these approvals in the future. For details of these restrictive covenants, please refer to chapter titled — “*Financial Indebtedness*” on page 241 of this Prospectus.

Further, some of the financing arrangements include covenants which mandate us and our Subsidiary to maintain total outside liabilities and total net worth up to a certain limit and certain other liquidity ratios. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. This might have an adverse effect on our cash flows, business, results of operations and financial condition. For details of the events of default and the actions which can be taken by the banks on occurrence of such events, please refer to “*Events of Default*” and “*Consequences of default*” in the chapter titled “*Financial Indebtedness*” on page 241 of this Prospectus.

**39. *In addition to the existing indebtedness our Company or our Subsidiary, may incur further indebtedness during the course of business. We cannot assure that our Company or our Subsidiary would be able to service the existing and/ or additional indebtedness.***

In addition to the indebtedness for the existing operations of our Company or our Subsidiary, may incur further indebtedness during the course of their business. We cannot assure you that our Company or our Subsidiary will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service the indebtedness of our Company or our Subsidiary or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company or our Subsidiary, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — “*Financial Indebtedness*” on page 241 of this Prospectus.

**40. *Our Company is highly dependent on skilled and unskilled labour for manufacturing of our products. Our manufacturing processes are labour intensive, therefore our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees. If we are unable to continue to hire skilled and unskilled labour, in sufficient numbers and the quality and quantity of our products being manufactured in our units can get affected.***

Our operations are significantly dependent on access to a large pool of laborers for operation of our manufacturing unit. Our dependence on skilled and unskilled labour may result in significant risks for our operations, relating to the availability and skill of such labourers, as well as contingencies affecting availability of such laborers during peak periods. Further, our manufacturing units are surrounded by a number of industries, which may create a demand-supply gap in the labour industry which may impact our business operations. There can be no assurance that we will have adequate access to skilled and unskilled workmen at reasonable rates. As a result, we may be required to incur additional costs to ensure timely execution of our orders. In the event, we are unable to deploy the required number of labours to run our manufacturing unit for addressing such increased demand of our products, we might not be able to efficiently and timely satisfy the demand of our customers. We believe our employees and labour employed in our manufacturing unit are critical to maintain our competitive position. Although we have not experienced any material labour unrest, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations and could adversely affect our results of operations and financial position.

- 41. Our operations can be adversely affected in case of industrial accidents at our manufacturing unit. Any fire or mishap or accidents of such nature at the Company's facilities could lead to accident claims and damage and loss of property, inventory, raw materials, etc. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.**

Our manufacturing process requires the use of machines, which makes the labour employed at our manufacturing unit prone to accidents that occur during the course of our operations resulting in personal injuries causing permanent disability or even death. With the use of chemicals, boilers, large volume of air for material handling, etc. the risk of fire hazard increases exponentially. The stocks of finished goods, raw materials, godowns and the main manufacturing area are more prone to such accidents, which could cause substantial loss to our machinery, thus hampering our business operations. If there occurs an accident or mishap due to fire, it could adversely affect our results of operations and financial position. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. We have adopted adequate safety measures; however, we cannot assure you that, in the future no such cases will be instituted against our Company, alleging that we were negligent or we did not provide adequate supervision therefore, holding us liable for injuries that were suffered during the manufacture of our products. In the event any such accidents take place in the manufacturing unit of our Company, we may get involved in litigation or other proceedings, or be held liable in any litigation or proceedings, incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it may adversely affect our results of operations and financial position.

- 42. Stringent food safety, consumer goods, health and safety laws and regulations may result in increased liabilities and increased capital expenditures.**

Our operations are subject to stringent health and safety laws as our products are for human consumption and are therefore subject to various industry specific regulations. We may also be subject to additional regulatory requirements due to changes in governmental policies. Further, we may also incur additional costs and liabilities related to compliance with these laws and regulations that are an inherent part of our business. We are subject to various central, state and local food safety, consumer goods, health and safety and other laws and regulations. These laws and regulations are increasingly becoming stringent and may in the future create substantial compliance or remediation liabilities and costs. These laws may impose liability for non-compliance, regardless of fault. Other laws may require us to investigate and remediate contamination at our facilities and production processes. While we intend to comply with applicable regulatory requirements, it is possible that such compliance may prove restrictive, costly and onerous and an inability to comply with such regulatory requirement may attract penalty. For details see, "Government and Other Approvals" beginning on page 253.

- 43. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.**

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 79 of this Prospectus.

- 44. Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and our Senior Management. Loss of any of our Directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.**

The growth and success of our Company's future significantly depends upon the experience of our Promoters and continued services and the management skills of our Directors, our Key Managerial Personnel and our Senior Management and the guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and our Senior Management and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel and our Senior Management in the past, however, any attrition of our experienced Key Managerial Personnel and our Senior Management, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel and our Senior Management who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel and our Senior Management may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel and our Senior Management, please refer to the chapter titled — “Our Management” on page 154 of this Prospectus.

**45. There are outstanding litigations involving our Company, Directors, Promoters, Subsidiary and Group Companies which, if determined adversely, may affect our business and financial condition.**

As on the date of this Prospectus, our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and/or severally from us and/or other parties, as the case may be. We cannot assure you that these legal proceedings will be decided in favour of our Company or that no further liability will arise out of these proceedings. We may incur significant expenses in such legal proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. Any adverse decision may adversely affect our business, results of operations and financial condition.

A summary of the pending tax proceedings and other material litigations involving our Company, our Subsidiary, our Promoters, our Directors and Group Companies is provided below:

**a) Litigations involving our Company**

*i) Cases filed against our Company:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	6	14.52
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

*ii) Cases filed by our Company:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

**b) Litigations involving our Directors**

*i) Cases filed against our Directors:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters*	4	3.41
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Material civil litigations	Nil	Nil

*\*Includes litigation filed against the Promoters*

ii) *Cases filed by our Directors:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

**c) Litigations involving our Promoters**

i) *Cases filed against our Promoters:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	1	1.70
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

ii) *Cases filed by our Promoters:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

**d) Litigations involving our Subsidiary**

i) *Cases filed against our Subsidiary:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	4	3.52
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

ii) *Cases filed by our Subsidiary:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

**e) Litigations involving our Group Companies**

i) *Cases filed against our Group Companies :*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	5	37.03
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

ii) *Cases filed by our Group Companies :*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

For further details, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 246 of this Prospectus.

**46. We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.**

The details of our contingent liabilities are as follows:

Particulars		Six month period ended September 30, 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
A.	Income tax demand	12.33	4.65	-	-
B.	TDS Demand	2.20	1.67	1.26	0.19
C.	Corporate Guarantee	1,280.00	-	-	-
	<b>Total</b>	<b>1,294.53</b>	<b>6.32</b>	<b>1.26</b>	<b>0.19</b>

(₹ in lakhs)

If any of these contingent liabilities materialize, our results of operations and financial condition may be adversely affected. For further details of our contingent liabilities, see the chapter titled “*Financial Statements*” beginning on page 179 of this Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

**47. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

Our Company has experienced negative net cash flow in operating, investing and financing activities in the past, the details of which are provided below:

Particulars	For the six months period ended September 30, 2023	For the year ended March 31,		
		2023	2022	2021
Net Cash from Operating Activities	3,909.58	(1,395.89)	2,873.84	(1,926.79)
Net Cash from Investing Activities	(370.38)	(720.95)	(846.89)	(5,477.62)
Net Cash used in Financing Activities	(3,468.68)	2,212.20	(2,100.02)	7,542.09

(₹ in lakhs)

**48. Our lenders have charge over our movable and immovable properties including the property where our Company proposes to set up its new manufacturing unit in respect of finance availed by us.**

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information, kindly refer the chapter titled “*Financial Indebtedness*” beginning on page 241 of this Prospectus.

**49. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company .**

Since the Issue size is less than ₹ 10,000 lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. However, the deployment of funds raised through the issue shall be monitored by the Audit Committee. Any inability on our

part to effectively utilize the Issue proceeds could adversely affect our financials.

**50. Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.**

Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and generation of Bio-CNG and Fertilizer. Our Company proposes to utilise an amount of ₹ 3,488.17 lakhs and ₹ 1,750.00 lakhs from the Net Proceeds of this Issue towards setting up the aforementioned manufacturing unit for Ethanol and Bio-CNG and Fertilizer, respectively, and expanding our product portfolio. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 79 of this Prospectus. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its inter se allocation across various heads under the setting up of the proposed manufacturing unit and purchase of machinery for our existing manufacturing unit, as disclosed in the section titled “*Objects of the Issue*” on page 79.

In case of any exigencies arising out of business conditions, economic conditions, competition or other factors beyond our control which adversely affect our business, we may require to use the Net Proceeds to meet any other expenditure or fund which expenditure cannot be determined with certainty as on the date of this Prospectus. In terms of Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances requiring us to undertake variation in the utilisation of the Net Proceeds disclosed in the Prospectus, we cannot assure that we will be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in the Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

**51. Relevant copies of documents in relation to the experience of our Promoters, Directors, Key Managerial Personnel and Senior Management are not traceable.**

Relevant copies of documents in relation to the experience of our Promoters, Directors, Key Managerial Personnel and Senior Management are not traceable. The information included in the section are based on the affidavits obtained from the Promoters, Directors, Key Managerial Personnel and Senior Management. Consequently, we or the Lead Manager cannot assure you that such information in relation to the particular Promoters and Directors are true and correct and you should not place undue reliance on the experience and qualification of our management included in this Prospectus.

**52. Information relating to the historical capacity of our production facilities included in this Prospectus is based on various assumptions and estimates and future production and capacity may vary.**

Information relating to the historical capacity of our production facilities included in this Prospectus is based on various assumptions including those relating to availability of raw materials and operational efficiencies. Actual production levels and rates may differ significantly from the production capacities. Undue reliance should therefore not be placed on our historical capacity information for our existing facilities included in this Prospectus.

**53. The requirement of funds in relation to the objects of the Issue has not been appraised.**

We intend to use the proceeds of the Issue for the purposes described in the section titled “*Objects of the Issue*” on page 79. The objects of the Issue have not been appraised by any bank or financial institution. These are based



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

**54. *Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as breakdown, malfunctions, sub-standard performance or failures of manufacturing equipment, fire, riots, third party liability claims, loss-in-transit for our products, accidents and natural disasters. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “*Dividend Policy*” on page 178 of this Prospectus.

**56. *Increased losses due to fraud, employee negligence, theft or similar incidents may have an adverse impact on us.***

Our business and the industry in which we operate are vulnerable to the problem of pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. An increase in product losses due to such factors at our place of operation may require us to install additional security and surveillance equipment and incur additional expenses towards inventory management and handling. We cannot assure you whether these measures will successfully prevent such losses. Further, there are inherent risks in cash management as part of our operations, which include theft and robbery, employee fraud and the risks involved in transferring cash to banks. Additionally, in case of losses due to theft, financial misappropriation, fire, breakage or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

**57. *We have not independently verified certain data in this Prospectus.***

We have not independently verified data from the industry and related data contained in this Prospectus. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect 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, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

We are not a listed Company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI (LODR) Regulations which will require us to file audited annual and unaudited half yearly results and limited review reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies which may adversely affect the financial position of the Company.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

***59. The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Although we currently intend that the Equity Shares will remain listed on the Stock Exchanges, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the Stock Exchanges or other securities markets could adversely affect the market value of the Equity Shares.

The Issue Price of the Equity Shares is proposed to be determined through a fixed price process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. You may not be able to resell your Equity Shares at a price that is attractive to you.

***60. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of National Stock Exchange of India Limited in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of National Stock Exchange of India Limited due to delay in submission of required documents/ completion of formalities/compliance with required laws by the issuer. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

***61. There is no existing market for our Equity Shares, and we do not know if one will develop to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.***

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the lead manager, will determine the Issue Price. The Issue Price may be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors

such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the securities markets elsewhere in the world.

**62. *The price of the Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including, volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the our industry; adverse media reports on us or the industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

**63. *You will not be able to sell immediately on the Stock Exchanges any of the Equity Shares you purchase in the Issue.***

The Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchanges, trading in the Equity Shares is to commence within six (6) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI. However, SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall list and commence trading of the Equity Shares within three (03) working days, in accordance with the timeline provided under the aforementioned circular.

We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further, there can be no assurance that the Equity Shares to be Allotted pursuant to this Issue will be listed on the Stock Exchanges in a timely manner or at all.

**64. *There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.***

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

**65. *The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Issue.***

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- changes in financial analysts' estimates of our performance or recommendations;

- perceptions about our future performance or the performance of Indian companies in general;
- performance of our competitors and the perception in the market about investments in the agro-commodity sector;
- adverse media reports about us or the Indian agro-commodity sector;
- significant developments in India's economic liberalisation and deregulation policies;
- significant developments in India's fiscal and environmental regulations;
- economic developments in India and in other countries; and
- any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks.

Indian stock exchanges, including the Stock Exchanges, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

***66. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through further issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

***67. 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 sale of Equity Shares might occur.

***68. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

## **EXTERNAL RISK FACTORS**

***69. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax (“**GST**”) regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the amendment of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2024 and the Ministry of Finance has notified the Finance Act, 2023 (“**Finance Act**”). There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, the Personal Data Protection Bill, 2019 (“**PDP Bill**”) was introduced to propose a legal framework governing the processing of personal data. However, the PDP Bill has been withdrawn on August 3, 2022 and the Ministry of Electronics and Information Technology, Government of India (“**MoEIT**”) has submitted a new Digital Personal Data Protection Bill, 2022 before the Parliament.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

**70. *Our business is substantially affected by prevailing economic conditions in India.***

We perform all of our activities in India, our business activities and manufacturing unit is located in Maharashtra, and the predominant portions of our customers are Indian nationals. As a result, we are highly dependent on prevailing economic conditions in India and our results of operation are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, include:

- any increase in Indian interest rates or inflation;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India’s present tax, trade, fiscal or monetary policies;
- natural disasters, political instability, communal disturbances, riots, civil unrest, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighboring countries; and
- prevailing national, regional or global economic conditions, including in India’s principal export markets.

In addition to the factors set forth above, our business may be affected by adverse changes specific to the agro-commodity markets.

**71. *Foreign investors are subject to foreign investment restrictions under Indian law.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions, 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 or a tax clearance

certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

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

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

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

**74. *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 of our business. 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 and spending. 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.

**75. *Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

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

**76. *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, 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 as 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.

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## SECTION III – INTRODUCTION

### THE ISSUE

Following table summarizes the present Issue in terms of this Prospectus:

Particulars	Details of Equity Shares
Issue of Equity Shares <sup>1) 2)</sup>	Upto 54,90,000 Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ 120/- per Equity Share aggregating to ₹ 6,588lacs. <sup>2)</sup>
<i>of which:</i>	
Market Maker Reservation Portion	Issue of 2,74,800 Equity Shares having face value of ₹10 each at a price of ₹ 120 per Equity Share aggregating ₹ 329.76 lakhs
Net Issue to Public <sup>3)</sup>	Issue of 52,15,200 Equity Shares having face value of ₹10 each at a price of ₹ 120/- per Equity Share aggregating ₹ 6,258.24 lakhs
<i>of which:</i>	
	26,07,600 Equity Shares having face value of ₹10 each at a price of ₹ 120/- per Equity Share aggregating ₹ 3,129.12 lakhs will be available for allocation to Retail Individual Investors
	26,07,600 Equity Shares having face value of ₹10 each at a price of ₹ 120/- per Equity Share aggregating ₹ 3,129.12 lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
<b>Pre and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	1,00,00,000 Equity Shares
Equity Shares outstanding after the Issue	1,54,90,000 Equity Shares
Use of Net proceeds of this Issue	Please refer the chapter titled “ <i>Objects of the Issue</i> ” on page 79 of this Prospectus.

<sup>1)</sup> This Issue is being made in terms of Regulation 253(2) of Chapter IX of the SEBI (ICDR) Regulations. For further details, please refer to section titled “Issue Information” on page 270 of this Prospectus.

<sup>2)</sup> The present Issue has been authorised pursuant to a resolution passed by our Board at its meeting held on December 20, 2023 and by our Shareholders by way of a special resolution passed pursuant to Section 62(1) (c) of the Companies Act, 2013 at the EGM held on December 27, 2023.

<sup>3)</sup> The allocation is the net Issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:

a) Minimum fifty percent to retail individual investors; and

b) Remaining to

(i) individual applicants other than retail individual investors and

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

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

Explanation - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the Issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details please refer to the chapter titled “Issue Structure” beginning on page 276 of this Prospectus.

## SUMMARY OF FINANCIAL INFORMATION

*The following tables provide the summary financial information of our Company derived from the Restated Financial Information as at and for the six months period ended September 30, 2023 and as at and for the Financial Years ended on March 31, 2023, 2022 and 2021. The Restated Financial Information referred to above is presented under the section titled “Financial Information” on page 179. The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections titled “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 179 and 226, respectively.*

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**MVK AGRO FOOD PRODUCT LIMITED**

**CIN:U15316MH2018PLC304795**

**Restated Statement of Assets and Liabilities**

**Annexure I**

*(Amount in INR lakhs, unless otherwise stated)*

PARTICULARS	Note Nos.	As at			
		Consolidated	Standalone		
		30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>A) EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' Funds</b>					
(a) Share capital	7	500.00	500.00	500.00	500.00
(b) Reserves and surplus	8	1,267.74	837.67	460.22	140.41
<b>Total (A)</b>		<b>1,767.74</b>	<b>1,337.67</b>	<b>960.22</b>	<b>640.41</b>
<b>2. Non Current Liabilities</b>					
(a) Long-term borrowings	9	4,633.71	4,561.20	3,926.96	3,636.54
(b) Deferred tax liabilities (Net)	10	179.36	158.78	91.83	29.53
(c) Other long-term liabilities					
(d) Long-term provisions	11	16.84	12.87	6.76	1.85
<b>Total (B)</b>		<b>4,829.91</b>	<b>4,732.86</b>	<b>4,025.55</b>	<b>3,667.92</b>
<b>3. Current Liabilities</b>					
(a) Short-term borrowings	9A	1,647.53	4,594.90	2,074.36	3,859.78
(b) Trade payables	12				
(i) total outstanding dues of micro enterprises and small enterprises; and		262.94	437.20	667.02	162.42
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		782.70	953.66	1,690.33	2,147.09
(c) Other current liabilities	13	5,320.92	3,333.79	2,131.46	943.91
(d) Short term provisions	14	192.31	81.84	53.13	24.17
<b>Total (C)</b>		<b>8,206.40</b>	<b>9,401.39</b>	<b>6,616.29</b>	<b>7,137.37</b>
<b>Total Equity and Liabilities (A+B+C)</b>		<b>14,804.05</b>	<b>15,471.93</b>	<b>11,602.06</b>	<b>11,445.70</b>
<b>B) ASSETS</b>					
<b>1. Non Current Assets</b>					
(a) Property, plant and equipment and Intangible assets					
(i) Property, plant and equipment	15	6,837.42	6,647.04	6,112.66	5,432.56
(ii) Intangible assets		45.80	-	-	-
<b>Total (A)</b>		<b>6,883.22</b>	<b>6,647.04</b>	<b>6,112.66</b>	<b>5,432.56</b>
(b) Non-current investments	16	1,017.18	614.93	144.51	98.00
(c) Long term loans and advances	17	163.33	163.33	-	-
<b>Total (A)</b>		<b>8,063.72</b>	<b>7,425.29</b>	<b>6,257.17</b>	<b>5,530.56</b>
<b>2. Current Assets</b>					
(a) Inventories	18	4,469.90	7,258.12	4,619.24	5,717.74
(b) Trade receivables	19	53.84	1.18	2.22	0.70
(c) Cash and bank balances	20	16.67	63.05	14.58	123.26
(d) Short-term loans and advances	21	2,157.33	711.04	701.16	44.75
€ Other current assets	22	42.60	13.25	7.68	28.69
<b>Total (B)</b>		<b>6,740.33</b>	<b>8,046.63</b>	<b>5,344.88</b>	<b>5,915.14</b>
<b>Total Assets (A+B)</b>		<b>14,804.05</b>	<b>15,471.93</b>	<b>11,602.06</b>	<b>11,445.70</b>

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure 4 and Adjustments to Audited Financial Statements appearing in Annexure 5 and Reconciliation of restated Equity/ Networth appearing in Annexure 6.

This is the Restated Statement of Assets and Liabilities referred to in our report of even date.

**For N B T and Co**  
**Chartered Accountants**  
**Firm Registration Number: 140489W**

**For MVK Agro Food Product Limited**

**Ashutosh Biyani**  
**Partner**  
**M. No.: 165017**  
**Place: Nanded**  
**Date: 27/12/2023**

**Marotrao Vyankatrao Kawale**  
**Managing Director**  
**(DIN: 06421662 )**

**Sagarbai Marotrao Kawale**  
**Director**  
**(DIN : 06519464)**

**Swapna Bansode Rajaram**  
**Company Secretary**

**Sandip Marotrao Kawale**  
**Chief Financial Officer**

**MVK AGRO FOOD PRODUCT LIMITED****CIN:U15316MH2018PLC304795****Restated Statement of Profit and Loss****Annexure II***(Amount in INR lakhs, unless otherwise stated)*

PARTICULARS	Note Nos.	Consolidated				Standalone			
		For the period ended		For the year ended		For the year ended		For the year ended	
		30-09-2023		31-03-2023		31-03-2022		31-03-2021	
<b>1 Income</b>									
(a) Revenue from operations	23	6,012.52	9,327.65	13,067.11	2,283.40				
(b) Other income	24	31.84	65.98	196.45	299.70				
<b>2 Total income (1a+1b=2)</b>		<b>6,044.36</b>	<b>9,393.63</b>	<b>13,263.56</b>	<b>2,583.10</b>				
<b>3 Expenditure</b>									
(a) Cost of raw material consumed	25	771.74	8,919.68	8,983.42	6,708.52				
(b) Manufacturing Expense	26	156.98	475.38	513.02	258.69				
(c) Changes in inventories of finished goods, and stock-in-trade	27	3,387.58	(2,667.23)	1,852.15	(5,305.84)				
(d) Employee benefit expenses	28	303.15	648.85	504.99	238.53				
(e) Finance cost	29	593.81	942.59	605.01	303.24				
(f) Depreciation & amortization	30	164.03	227.24	179.09	45.07				
(g) Other expenses	31	99.51	355.82	208.17	149.52				
<b>4 Total expenditure (3a to 3g)</b>		<b>5,476.81</b>	<b>8,902.33</b>	<b>12,845.84</b>	<b>2,397.74</b>				
<b>5 Profit/(Loss) before exceptional and extra ordinary item (2-4=5)</b>		<b>567.55</b>	<b>491.30</b>	<b>417.72</b>	<b>185.35</b>				
6 Exceptional items		-	-	-	-				
<b>7 Profit/(Loss) before tax (5-6=7)</b>		<b>567.55</b>	<b>491.30</b>	<b>417.72</b>	<b>185.35</b>				
<b>8 Tax expense:</b>									
(a) Tax expense for current year		116.89	46.89	35.61	15.41				
(b) Short/(Excess) provision of earlier year		-	-	-	-				
(c) Deferred tax		20.59	66.95	62.30	29.53				
<b>Net current tax expenses</b>		<b>137.48</b>	<b>113.84</b>	<b>97.91</b>	<b>44.94</b>				
<b>9 Profit/(Loss) for the period from continuing operations (7-8=9)</b>		<b>430.07</b>	<b>377.45</b>	<b>319.81</b>	<b>140.41</b>				
<b>10 Profit allocated to:</b>									
Owners of Parents		430.07	377.45	319.81	140.41				
Minority Interest		-	-	-	-				
<b>11 Earnings per share</b>									
Basic	Rs.	8.60	7.55	6.40	3.35				
Diluted	Rs.	8.60	7.55	6.40	3.35				

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure 4 and Adjustments to Audited Financial Statements appearing in Annexure 5 and Reconciliation of restated Equity/ Networth appearing in Annexure 6.

This is the Restated Statement of Profit and Loss referred to in our report of even date.

**For N B T and Co**  
Chartered Accountants  
Firm Registration Number: 140489W

**Ashutosh Biyani**  
Partner  
M. No.: 165017  
Place: Nanded  
Date: 27/12/2023

**For MVK Agro Food Product Limited**

**Marotrao Vyankatrao Kawale**      **Sagarbai Marotrao Kawale**  
Managing Director      Director  
(DIN: 06421662 )      (DIN : 06519464)

**Swapna Bansode Rajaram**  
Company Secretary

**Sandip Marotrao Kawale**  
Chief Financial Officer

**MVK AGRO FOOD PRODUCT LIMITED****CIN:U15316MH2018PLC304795****Restated Statement of Cash Flows****Annexure III***(Amount in INR lakhs, unless otherwise stated)*

PARTICULARS	Consolidated	Standalone		
	For the period ended	For the year ended		
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>A) Cash Flow From Operating Activities :</b>				
Net Profit before tax	567.55	491.30	417.72	185.35
Adjustment for :				
Depreciation	164.03	227.24	179.09	45.07
Interest Paid	593.81	942.59	605.01	303.24
Interest Income	(29.80)	(31.07)	(8.52)	-
Dividend	(0.03)	(9.60)	(3.78)	-
Provision of gratuity	3.98	6.13	4.93	1.85
Operating profit before working capital changes	1,299.54	1,626.59	1,194.45	535.51
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Inventories	2,788.22	(2,638.88)	1,098.50	(5,717.74)
(Increase)/Decrease in Trade Receivables	(52.66)	1.04	(1.52)	(0.70)
(Increase)/Decrease in Short Term Loans & Advances	(1,446.29)	(9.88)	(656.41)	105.25
(Increase)/Decrease in Other Current Assets	(29.35)	(5.57)	21.01	(28.69)
(Increase)/Decrease in Non Current Investment	(402.25)	(470.42)	(46.51)	(98.00)
(Increase)/Decrease in Long term loans and advances	-	(163.33)	-	-
Increase/(Decrease) in Trade Payables	(345.22)	(966.49)	47.84	2,309.51
Increase/(Decrease) in Other Current Liabilities	1,987.12	1,202.34	1,187.55	943.91
Increase/(Decrease) in Short Term Provisions	110.45	28.70	28.94	24.16
<b>Cash generated from operations</b>	3,909.58	(1,395.89)	2,873.84	(1,926.79)
Direct Tax Paid	(116.89)	(46.89)	(35.61)	(15.41)
<b>Cash Flow Before Extraordinary Item</b>	3,792.69	(1,442.78)	2,838.23	(1,942.20)
Extraordinary Items	-	-	-	-
Net cash flow from operating activities	3,792.69	(1,442.78)	2,838.23	(1,942.20)
<b>B) Cash Flow From Investing Activities :</b>				
Purchase/Sale of Property, Plant and Equipment	(400.21)	(761.62)	(859.19)	(5,477.62)
Interest Income	29.80	31.07	8.52	-
Dividend	0.03	9.60	3.78	-
<b>Net cash flow from investing activities</b>	(370.38)	(720.95)	(846.89)	(5,477.62)
<b>C) Cash Flow From Financing Activities :</b>				
Issue of Shares	-	-	-	-
Increase/(Decrease) in Long Term Borrowings	72.50	634.24	290.42	3,636.54
Increase/(Decrease) in Short Term Borrowings	(2,947.37)	2,520.54	(1,785.42)	3,859.78
Interest Paid	(593.81)	(942.59)	(605.01)	(303.24)
<b>Net cash flow from financing activities</b>	(3,468.68)	2,212.20	(2,100.02)	7,542.09
Net Increase/(Decrease) In Cash & Cash Equivalents	(46.37)	48.47	(108.68)	122.26
Cash equivalents at the beginning of the year	63.05	14.58	123.26	1.00
Cash equivalents at the end of the year	16.67	63.05	14.58	123.26
Notes :-				

	For the period ended		For the year ended		
	30-Sep-23	31-Mar-23	31-Mar-22	31-Mar-21	
1	Component of Cash and Cash equivalents				
	Cash on hand	0.51	0.20	1.32	1.93
	Balance With banks	16.16	62.84	13.27	121.32
		16.67	63.05	14.58	123.26

- 2.1 The Restated Statement of Cash Flows has been prepared under the indirect method as set out in AS 3, Statement of Cash Flows.
- 2.2 The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure 4 and Adjustments to Audited Financial Statements appearing in Annexure 5 and Reconciliation of restated Equity/ Networth appearing in Annexure 6.
- 2.3 This is the Restated Statement of Cash Flows referred to in our report of even date.

**For N B T and Co**  
**Chartered Accountants**  
**Firm Registration Number: 140489W**

**For MVK Agro Food Product Limited**

**Ashutosh Biyani**  
**Partner**  
**M. No.: 165017**  
**Place: Nanded**  
**Date: 27/12/2023**

**Marotrao Vyankatrao Kawale**  
**Managing Director**  
**(DIN: 06421662 )**

**Sagarbai Marotrao Kawal**  
**Director**  
**(DIN : 06519464)**

**Swapna Bansode Rajaram**  
**Company Secretary**

**Sandip Marotrao Kawale**  
**Chief Financial Officer**

## GENERAL INFORMATION

Our Company was incorporated on February 2, 2018 under the name and style of 'M.V.K. Agro Food Product Limited', a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated February 2, 2018 issued by the Deputy Registrar of Companies, Central Registration Centre.

### Registered Office of our Company

#### M.V.K. Agro Food Product Limited

GUT No. 44 and 46,  
Kusumnagar, At Post Waghalwada,  
Umari, Nanded – 431 807,  
Maharashtra, India.

**Telephone:** +91 862 309 4480

**Facsimile:** NA

**E-mail:** info@mvkagrofood.com

**Investor grievance id:** \_investors@mvkagrofood.com

**Website:** www.mvkagrofood.com

**CIN:** U15316MH2018PLC304795

### Corporate Office of our Company

As on date of this Prospectus, our Company does not have a corporate office.

### Registrar of Companies

Our Company is registered with the Registrar of Companies situated at the following address:

#### Registrar of Companies, Maharashtra at Mumbai

ROC, 100, Everest,  
Marine Drive, Mumbai City,  
Mumbai, Maharashtra - 400 002.  
**Telephone:** +91 022 2281 2627/ 2202 0295/ 2284 6954  
**Facsimile:** 022 2281 1977  
**E-mail:** roc.mumbai@mca.gov.in

### Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Prospectus:

S. No.	Name	Designation	DIN	Address
1.	Marotrao Vyankatrao Kawale	Managing Director	06421662	Sindhi, Tq Umri, Dist. Nanded - 431 807, Maharashtra, India
2.	Sagarbai Marotrao Kawale	Non-Executive Director	06519464	Ward No 02, Near Z P School, Shindhi, Tq Umri, Dist. Nanded - 431 807, Maharashtra, India
3.	Ganeshrao Vyankatrao Kawale	Non-Executive Director	06421666	Word No. 02, Near Mahadev Mandir, At. Post. Sindhi, Umri, Nanded - 431 807, Maharashtra, India.
4.	Kishanrao Vyankatrao Kawale	Non-Executive Director	06421668	Mu post Sindhi, Tq Umri, Sindhi, Nanded- 431 805, Maharashtra, India.
5.	Inayat Khan Azmat Khan	Independent Director	10431270	2-7-109, Khadakpura, Nanded – 431 602, Maharashtra, India.
6.	Brijesh Jaynarayan Didvaniya	Independent Director	10192519	Near Naroba Mandir, Basweshwar Nagar, Old Kautha, Nanded CIDCO, Nanded – 431 603, Maharashtra, India.
7.	Shubham Govindprasad Jakhotiya	Independent Director	10192492	Flat No. 103, Lotus Apartment, Opp. Shiv Hanuman Temple, Basweshwar Nagar, Old Kautha, Vasarni, Nanded – 431 603, Maharashtra, India.

For detailed profile of our Directors, please refer to the chapter titled "Our Management" on page 154 of the Prospectus.

### **Chief Financial Officer**

Sandip Marotrao Kawale, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

GUT No. 44 and 46,  
Kusumnagar, At Post Waghawada,  
Umari, Nanded – 431 807,  
Maharashtra, India.  
**Telephone:** +91 862 309 4480  
**Facsimile:** NA  
**E-mail:** cfo@mvkagrofood.com

### **Company Secretary and Compliance Officer**

Swapna Rajaram Bansode, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

GUT No. 44 and 46,  
Kusumnagar, At Post Waghawada,  
Umari, Nanded – 431 807,  
Maharashtra, India.  
**Telephone:** +91 862 309 4480  
**Facsimile:** NA  
**E-mail:** cs@mvkagrofood.com

### **Investor grievances**

**Applicants can contact the Compliance Officer or the Lead Manager or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the Lead Manager, who shall respond to the same.**

Applicants may contact the Lead Manager for complaints, information or clarifications pertaining to the Issue.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

### **Details of Key Intermediaries pertaining to this Issue of our Company:**

#### **Lead Manager**

##### **Horizon Management Private Limited**

19 R N Mukherjee Road,  
Main Building, 2<sup>nd</sup> Floor,  
Kolkata- 700 001,  
West Bengal, India.  
**Telephone:** +91 33 4600 0607  
**Facsimile:** +91 33 4600 0607  
**E-mail:** smeipo@horizon.net.co  
**Website:** www.horizonmanagement.in  
**Investor grievance:** investor.relations@horizon.net.co  
**Contact Person:** Manav Goenka  
**SEBI Registration Number:** INM000012926

### **Registrar to the Issue**

#### **MAS Services Limited**

T-34, 2nd Floor, Okhla Industrial Area,  
Phase-II New Delhi- 110 020  
**Telephone:** +91 112 638 7281/83, 114 132 0335  
**Facsimile:** +91 112 638 7384  
**E-mail:** ipo@masserv.com  
**Website:** www.masserv.com  
**Investor grievance:** investor@masserv.com  
**Contact Person:** N. C. Pal  
**SEBI Registration No.:** INR000000049

### **Legal Advisor to the Issue**

#### **T&S Law**

Near VVIP Mall, Raj Nagar Extension,  
Ghaziabad – 201 017,  
Uttar Pradesh, India  
**Telephone:** +91 931 022 0585  
**Contact Person:** Sagarika Kapoor  
**Email:** info@tandslaw.in

### **Statutory and Peer Review Auditor of our Company**

#### **N B T and Co,**

Chartered Accountants,  
201, 2<sup>nd</sup> Floor, Mahindra M-Space,  
Off Aarey Road, Next to Meenatai Thackeray Blood Bank,  
Goregaon (W), Mumbai- 400 104,  
Maharashtra, India.  
**Telephone:** +91 897 660 0300  
**Email:** nbtco@gmail.com  
**Website:** www.nbtco.in  
**Contact Person:** Ashutosh Biyani  
**Membership No.:** 165017  
**Firm Registration No.:** 140489W  
**Peer Review Certificate No.:** 013928

### **Bankers to our Company**

#### **HDFC Bank Limited**

Barara Tower, Near Kalamandir,  
Nanded – 431 601,  
Maharashtra, India.  
**Telephone:** +91 992 298 5970  
**Facsimile:** N.A.  
**Email ID:** mayur.sharma@hdfcbank.com  
**Website:** www.hdfcbank.com  
**Contact Person:** Mayur Sharma

### **Banker to the Issue/ Refund Bank/Sponsor Bank**

#### **HDFC Bank Limited**

HDFC Bank Limited, FIG –OPS Department  
Lodha, I Think Techno Campus O-3 Level  
Next To Kanjurmarg Railway Station, Kanjurmarg (East)  
Mumbai- 400042  
Maharashtra, India  
**Telephone:** +91 22 30752927/28/2914

**E-Mail:** [siddharth.jadhav@hdfcbank.com](mailto:siddharth.jadhav@hdfcbank.com), [sachin.gawade@hdfcbank.com](mailto:sachin.gawade@hdfcbank.com), [eric.bacha@hdfcbank.com](mailto:eric.bacha@hdfcbank.com), [tushar.gavankar@hdfcbank.com](mailto:tushar.gavankar@hdfcbank.com), [pravin.teil2@hdfcbank.com](mailto:pravin.teil2@hdfcbank.com)

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

**Contact Person:** Eric Bacha/ Sachin Gawade / Pravin Teli / Siddharth Jadhav / Tushar Gavankar

**SEBI Registration Number:** INBI00000063

### **Market Maker to the Issue**

#### **Nikunj Stock Brokers Limited**

A-92. Ground Floor, Left Portion, Kamla Nagar,  
New Delhi – 110 007, Delhi, India

**Telephone:** +91 114 703 0017-18/ 999 949 2292

**Email:** [complianceofficer@nikunjonline.com](mailto:complianceofficer@nikunjonline.com)

**Website:** <https://www.nikunjonline.com>

**Contact Person:** Mr. Anupam Suman

**SEBI Registration Number:** INZ000169335

**Market Maker Registration Number:** NSE/MEM/278/06913

### **Designated Intermediaries**

#### ***Self-Certified Syndicate Banks***

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

#### ***SCSBs enabled for UPI Mechanism***

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

#### ***Registered Brokers***

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) as updated from time to time.

#### ***Registrar and Share Transfer Agent***

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of National Stock Exchange of India Limited at [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm) as updated from time to time.

#### ***Collecting Depository Participants***

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.



### **IPO Grading**

No credit rating agency registered with SEBI has been appointed for grading the Issue.

### **Credit Rating**

As this is an Issue of Equity Shares, credit rating is not required.

### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

### **Brokers to the Issue**

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

### **Debenture Trustees**

As this is an Issue of Equity Shares, the appointment of Debenture trustees is not required.

### **Monitoring Agency**

As the Net Proceeds of the Issue will be less than ₹10,000 lacs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### **Appraising Entity**

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

### **Expert Opinion**

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

Our Company has received written consent dated December 27, 2023 from the Statutory Auditor to include their name as required under 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 a Statutory Auditor and in respect of its (i) examination report dated December 27, 2023 on our Restated Financial Information; and (ii) its report dated December 27, 2023 on the statement of special tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

### **Inter-se Allocation of Responsibilities**

Horizon Management Private Limited being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

### **Filing**

The Draft Prospectus was not filed with SEBI, nor did SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of this Prospectus is being filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Prospectus, is also being filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of this Prospectus, along with the material contracts, documents is also being filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Changes in Auditors during the last three years**

Except as stated below, there has been no change in the Auditors of our Company during the last three years:

Name of Auditor	Date of Change	Reason for change
<b>Kabra &amp; Maliwal,</b> Chartered Accountant 1 <sup>st</sup> Floor, Mantri Kakani Complex, Near SBI AMPC Branch, New Mondha, Nanded – 431 602, Maharashtra, India. <b>Telephone:</b> +91 246 223 1224 <b>Email:</b> navinkabra.ca@gmail.com <b>Firm Registration No.:</b> 104485W <b>Peer Review Certificate No.:</b> NA	February 2, 2018	Appointment as the Statutory Auditor of our Company
<b>N B T and Co,</b> Chartered Accountant 201, 2 <sup>nd</sup> Floor, Mahindra M-Space, Off Aarey Road, Next to Meenatai Thackeray Blood Bank, Goregaon (W), Mumbai- 400 104, Maharashtra, India. <b>Telephone:</b> +91 897 660 0300 <b>Email:</b> nbtcoca@gmail.com <b>Firm Registration No.:</b> 140489W <b>Peer Review Certificate No.:</b> 013928	October 14, 2023	Casual vacancy caused on account of resignation of the <i>erstwhile</i> auditor, on account of not holding a valid peer review certificate.

### Issue Programme

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

Event	Indicative Date
Issue Opening Date	Thursday, February 29, 2024
Issue Closing Date	Monday, March 4, 2024
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Tuesday, March 5, 2024
Initiation of Allotment / Refunds / Unblocking of Funds <sup>(1)</sup>	On or about Tuesday, March 5, 2024
Credit of Equity Shares to demat accounts of Allottees	On or about Wednesday, March 6, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Thursday, March 7, 2024

<sup>(1)</sup>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 Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager 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 no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall ensure the listing and commencement of trading of Equity Shares, within three Working Days from the closure of the Issue, in accordance with the timeline provided under the aforementioned circular.

Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Issue Closing Date maybe extended in consultation with the LM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise. In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

**SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Prospectus may result in changes to the above mentioned timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.**

On the Issue Closing Date, for uploading the Application Forms:

1. 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors; and
2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by LM to the Stock Exchanges.

For further details, see “*Issue Structure*” and “*Issue Procedure*” beginning on pages 276 and 279, respectively.

Applicants should note the Issue is also subject to (i) obtaining final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment; and (ii) filing of the Prospectus with the RoC.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. 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. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) Working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment.

### Underwriting Agreement

After the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. The Underwriting Agreement is dated February 20, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein:

The Underwriters have indicated their intention to underwrite the following number of Equity Share:

Name, address, telephone number, Facsimile and e-mail addresses of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue size Underwritten
<b>Horizon Management Private Limited</b> 19 R N Mukherjee Road, Main Building, 2 <sup>nd</sup> Floor Kolkata- 700 001, West Bengal, India. <b>Telephone:</b> +91 33 4600 0607 <b>Facsimile:</b> +91 33 4600 0607 <b>Email ID:</b> smeipo@horizon.net.co	52,15,200	6,258.24	94.99%
<b>Nikunj Stock Brokers Limited</b> A-92. Ground Floor, Left Portion, Kamla Nagar, New Delhi – 110 007, Delhi, India. <b>Telephone:</b> +91 114 703 0017-18/ 999 949 2292 <b>Facsimile:</b> N.A. <b>E-mail:</b> complianceofficer@nikunjonline.com	2,74,800	329.76	5.01%

In the opinion of the Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI or registered as brokers with the Stock Exchange(s).

### Details of Market Making Arrangement for the Issue

Our Company has entered into a Market Making Agreement dated February 20, 2024 with the following Market Maker for fulfilling the Market Making obligations under this Issue:

<b>Name</b>	Nikunj Stock Brokers Limited
<b>Address</b>	A-92. Ground Floor, Left Portion, Kamla Nagar, New Delhi – 110 007, Delhi, India.
<b>Telephone Number</b>	+91 114 703 0017-18/ 999 949 2292
<b>Email</b>	complianceofficer@nikunjonline.com
<b>Website</b>	<a href="https://www.nikunjonline.com/">https://www.nikunjonline.com/</a>
<b>Contact Person</b>	Mr. Anupam Suman

<b>CIN</b>	U74899DL19941PLC060413
<b>SEBI Registration Number</b>	INZ000169335
<b>Market Maker Registration Number</b>	NSE/MEM/278/06913

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated February 20, 2024 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

Nikunj Stock Brokers Limited, registered with Emerge Platform of NSE will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock 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 Emerge Platform of NSE 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 in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and Emerge Platform of NSE from time to time.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
6. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
7. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
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.
9. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Managers to arrange for another Market Maker(s) 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. Further the Company and the Lead Managers reserve the right to appoint other Market Maker(s) 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 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

10. **Risk containment measures and monitoring for Market Maker:** 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.

11. **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 Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

12. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
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% of the Issue size)
Upto ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

**All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.**

## CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A.	<b>Authorised Share Capital out of which :</b>		
	1,70,00,000 Equity Shares having face value of ₹ 10/- each	1,700.00	-
B.	<b>Issued, Subscribed and Paid-up Share Capital before the Issue out of which</b>		
	1,00,00,000 Equity Shares having face value of ₹ 10/- each	1,000.00	-
C.	<b>Present Issue in terms of this Prospectus<sup>(1)</sup></b>		
	Issue of upto 54,90,000 Equity Shares of ₹ 10/- each at a price of ₹ 120/- per Equity Share	549.00	6,588.00
	<b>Which comprises:</b>		
	2,74,800 Equity Shares of ₹ 10/- each at a price of ₹ 120/- per Equity Share reserved as Market Maker Portion	27.48	329.76
	Net Issue to Public of 52,15,200 Equity Shares of ₹ 10/- each at a price of ₹ 120/- per Equity Share to the Public	521.52	6,258.24
	<b>Of which<sup>(2)</sup>:</b>		
	Up to 26,07,600 Equity Shares of ₹ 10/- each at a price of ₹ 120/- per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	-260.76	3,129.12
	Up to 26,07,600 Equity Shares of ₹ 10/- each at a price of ₹ 120/- per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	260.76	3,129.12
D.	<b>Paid-up Share Capital after the Issue</b>		
	1,54,90,000 Equity Shares of ₹ 10/- each	1,549.00	
E.	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		6,039.00

<sup>(1)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated December 20, 2023 and pursuant to a special resolution of our Shareholders at an Extra-Ordinary General Meeting dated December 27, 2023 under Section 62(1)(c) of the Companies Act, 2013.

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

### **Classes of Shares**

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

### **Details of changes in Authorized Share Capital of our Company since incorporation**

The initial authorised capital of our Company was ₹ 1,00,000 (Rupees one lakh only) divided into 10,000 Equity Shares of ₹ 10/- each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
March 25, 2020	₹ 1,00,000 divided in to 10,000 Equity Shares of ₹ 10 each	₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each	EGM
December 19, 2023	₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each	₹ 17,00,00,000 divided into 1,70,00,000 Equity Shares of ₹ 10 each	EGM

## NOTES TO THE CAPITAL STRUCTURE

### 1) Share Capital History of our Company:

#### Equity Share Capital

The following table sets forth details of the history of paid-up Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
On Incorporation*	10,000	10	10	Cash	Subscription to Memorandum of Association <sup>(1)</sup>	10,000	1,00,000
March 31, 2020	15,00,000	10	10	Cash	Rights Issue in the ratio of 150:1 to shareholders holding Equity Shares on March 1, 2020 <sup>(2)</sup>	15,10,000	1,51,00,000
June 22, 2020	32,70,000	10	10	Cash	Rights Issue in the ratio of 218:100 to shareholders holding Equity Shares on June 1, 2020 <sup>(3)</sup>	47,80,000	3,27,00,000
July 7, 2020	2,20,000	10	10	Cash	Rights Issue in the ratio of 10:148 to shareholders holding Equity Shares on June 22, 2020 <sup>(4)</sup>	50,00,000	5,00,00,000
December 19, 2023	50,00,000	10	N.A.	Consideration other than cash	Bonus Issue in the ratio of 1 bonus equity shares for every one fully paid up Equity Share held on December 18, 2023 <sup>(5)</sup>	1,00,00,000	10,00,00,000

\*The MoA of our Company was signed on February 1, 2018. However, our Company was incorporated on February 2, 2018.

- <sup>(1)</sup> Subscription of to the MoA by subscribing to a total of 10,000 Equity Shares by Maroti Venkoba Kawale (4,000); Ganesh Venkatrao Kavale (1,000); Kishan Vyankatarao Kawale (1,000); Sagarbai Marotrao Kawale (1,000); Sandeep Maroti Kawale (1,000); Prayagbai Vyankatrao Kawale (1,000); and Prameshwar Kishanrao Kawale (1,000).
- <sup>(2)</sup> Rights Issue of 15,00,000 Equity Shares by Maroti Venkoba Kawale (6,70,000); Kishan Vyankatarao Kawale (1,30,000); and Prayagbai Vyankatrao Kawale (7,00,000).
- <sup>(3)</sup> Rights Issue of 32,70,000 Equity Shares by Maroti Venkoba Kawale (16,00,000); Ganesh Venkatrao Kavale (4,00,000); Kishan Vyankatrao Kawale (4,00,000); Sagarbai Marotrao Kawale (2,00,000); Sandip Maroti Kawale (4,00,000); and Prayagbai Vyankatrao Kawale (2,70,000).
- <sup>(4)</sup> Rights Issue of 2,20,000 Equity Shares by Prayagbai Vyankatrao Kawale (20,000) and Parmeshwar Kishanrao Kawale (2,00,000).
- <sup>(5)</sup> Bonus issue of Equity Shares to Ganeshrao Vyankatrao Kawale (2,01,000); Kishanrao Vyankatrao Kawale (2,01,000); Marotrao Vyankatrao Kawale (41,94,000); Parmeshwar Kishanrao Kawale (2,01,000); Puja Marotrao Kawale (1,000); Sagarbai Marotrao Kawale (1,000); and Sandip Marotrao Kawale (2,01,000).

### 2) Preference Share capital history of our Company

Our Company does not have any preference share capital as on the date of this Prospectus.



3) **Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:**

Except as set out below we have not issued equity shares for consideration other than cash:

Date of allotment	Number of equity shares allotted	Face Value	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
December 19, 2023	50,00,000	10	N.A.	Bonus issue in the ratio of 1 bonus equity shares for every one fully paid up Equity Share held on December 18, 2023, authorised by our Board, pursuant to a resolution passed at its meeting held on November 27, 2023 and by our shareholders pursuant to a resolution passed at the EGM held on December 19, 2023	Nil	Bonus Issued out of profit and loss account

- 4) As of date of this Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.
- 5) Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- 6) Except as disclosed in “*Notes to the Capital Structure - Share Capital History of our Company*”, we have not issued any Equity Shares at a price which may be lower than the Issue Price, during a period of one year preceding the date of this Prospectus.

7) **Shareholding Pattern of our Company**

The table below represents the shareholding pattern of our Company as on the date of this Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying Depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
(A)	Promoters and Promoter Group	7	1,00,00,000	-	-	1,00,00,000	100.00	1,00,00,000	-	100.00	-	-	-	-	-	-	1,00,00,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>7</b>	<b>1,00,00,000</b>	<b>-</b>	<b>-</b>	<b>1,00,00,000</b>	<b>100.00</b>	<b>1,00,00,000</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,00,00,000</b>

*Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares. The Equity Shares held by our Promoters and members of our Promoter Group are in dematerialized form.*

8) **Other details of shareholding of our Company:**

- a) Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 80% or more of the paid-up share capital and the number of shares held by them as on the date of filing of this Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Marottrao Vyankatrao Kawale	83,88,000	83.88
2.	Ganeshrao Vyankatrao Kawale	4,02,000	4.02
3.	Kishanrao Vyankatrao Kawale	4,02,000	4.02
4.	Sandip Marottrao Kawale	4,02,000	4.02
5.	Parmeshwar Kishanrao Kawale	4,02,000	4.02
<b>Total</b>		<b>99,96,000</b>	<b>99.96</b>

- b) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten (10) days prior to the date of filing of this Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Marottrao Vyankatrao Kawale	83,88,000	83.88
2.	Ganeshrao Vyankatrao Kawale	4,02,000	4.02
3.	Kishanrao Vyankatrao Kawale	4,02,000	4.02
4.	Sandip Marottrao Kawale	4,02,000	4.02
5.	Parmeshwar Kishanrao Kawale	4,02,000	4.02
<b>Total</b>		<b>99,96,000</b>	<b>99.96</b>

- c) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year from the date of filing of this Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Marottrao Vyankatrao Kawale	22,74,000	45.48
2.	Prayagbai Vyankatrao Kawale	9,91,000	19.82
3.	Kishanrao Vyankatrao Kawale	5,31,000	10.62
4.	Ganeshrao Vyankatrao Kawale	4,01,000	8.02
5.	Sandip Marottrao Kawale	4,01,000	8.02
6.	Sagarbai Marottrao Kawale	2,01,000	4.02
7.	Prameshwar Kishanrao Kawale	2,01,000	4.02
<b>Total</b>		<b>50,00,000</b>	<b>100.00%</b>

- d) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them two (02) years prior to filing of this Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Marottrao Vyankatrao Kawale	22,74,000	45.48
2.	Prayagbai Vyankatrao Kawale	9,91,000	19.82
3.	Kishanrao Vyankatrao Kawale	5,31,000	10.62
4.	Ganeshrao Vyankatrao Kawale	4,01,000	8.02
5.	Sandip Marottrao Kawale	4,01,000	8.02
6.	Sagarbai Marottrao Kawale	2,01,000	4.02
7.	Prameshwar Kishanrao Kawale	2,01,000	4.02
<b>Total</b>		<b>50,00,000</b>	<b>100.00%</b>

- e) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.
- f) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Prospectus.
- 9) Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
- 10) **Shareholding of our Promoters**

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

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital
<b>Marotrao Vyankatrao Kawale</b>							
Subscription shares	Subscriber to MOA	Cash	4,000	10	10	0.04	0.03
March 31, 2020	Rights Issue in the ratio of 150: 1 to shareholders holding Equity Shares on March 1, 2020	Cash	6,70,000	10	10	6.70	4.33
June 22, 2020	Rights Issue in the ratio of 218:100 to shareholders holding Equity Shares on June 1, 2020	Cash	16,00,000	10	10	16.00	10.33
April 1, 2023	Transfer by way of gift from Prayagbai Vyankatrao Kawale	Consideration other than cash	70,000	10	-	0.70	0.45
	Transfer by way of gift from Prayagbai Vyankatrao Kawale	Consideration other than cash	20,000	10	-	0.20	0.13
	Transfer by way of gift from Prayagbai Vyankatrao Kawale	Consideration other than cash	7,00,000	10	-	7.00	4.52
	Transfer by way of gift from Prayagbai Vyankatrao Kawale	Consideration other than cash	2,00,000	10	-	32.64	1.29
	Transfer by way of gift from Sagarbai Marotrao Kawale	Consideration other than cash	2,00,000	10	-	2.00	1.29

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital
	Transfer by way of gift from Sandip Marotirao Kawale	Consideration other than cash	2,00,000	10	-	2.00	1.29
	Transfer by way of gift from Ganeshrao Vyankatrao Kawale	Consideration other than cash	2,00,000	10	-	2.00	1.29
	Transfer by way of gift from Kishanrao Vyankatrao Kawale	Consideration other than cash	2,00,000	10	-	2.00	1.29
	Transfer by way of gift from Kishanrao Vyankatrao Kawale	Consideration other than cash	1,30,000	10	-	1.30	0.84
December 19, 2023	Bonus Issue in the ratio of 1 bonus equity shares for every one fully paid up Equity Share held on December 18, 2023	Consideration other than cash	41,94,000	10	-	41.94	27.08
<b>Total</b>			<b>83,88,000</b>			<b>83.88</b>	54.15
<b>Ganeshrao Vyankatrao Kawale</b>							
Subscription shares	Subscriber to MOA	Cash	1,000	10	10	0.01	0.01
June 22, 2020	Rights Issue in the ratio of 218:100 to shareholders holding Equity Shares on June 1, 2020	Cash	4,00,000	10	10	4.00	2.58
April 1, 2023	Transfer by way of gift to Maroti Venkoba Kawale	Consideration other than cash	(2,00,000)	10	-	(2.00)	(1.29)
December 19, 2023	Bonus Issue in the ratio of 1 bonus equity shares for every one fully paid up Equity Share held on December 18, 2023	Consideration other than cash	2,01,000	10	-	2.01	1.30
<b>Total</b>			<b>4,02,000</b>			<b>4.02</b>	2.60
<b>Kishan Vyankatrao Kawale</b>							
Subscription shares	Subscriber to MOA	Cash	1,000	10	10	0.01	0.01
March 31, 2020	Rights Issue in the ratio of 150: 1 to shareholders holding Equity Shares on March 1, 2020	Cash	1,30,000	10	10	1.30	0.84
June 22, 2020	Rights Issue in the ratio of 218:100 to shareholders holding Equity Shares on June 1, 2020	Cash	4,00,000	10	10	4.00	2.58
April 1, 2023	Transfer by way of gift to Maroti Venkoba Kawale	Consideration other than cash	(2,00,000)	10	-	(2.00)	(1.29)

	Transfer by way of gift to Maroti Venkoba Kawale	Consideration other than cash	(1,30,000)	10	-	(1.30)	- 0.84
December 19, 2023	Bonus Issue in the ratio of 1 bonus equity shares for every one fully paid up Equity Share held on December 18, 2023	Consideration other than cash	2,01,000	10	-	2.01	1.30
<b>Total</b>			<b>4,02,000</b>			<b>4.02</b>	2.60
<b>Sagarbai Marotrao Kawale</b>							
Subscription shares	Subscriber to MOA	Cash	1,000	10	10	0.01	0.01
June 22, 2020	Rights Issue in the ratio of 218:100 to shareholders holding Equity Shares on June 1, 2020	Cash	2,00,000	10	10	2.00	1.29
April 1, 2023	Transfer by way of gift to Maroti Venkoba Kawale	Consideration other than cash	(2,00,000)	10	-	(2.00)	(1.29)
December 19, 2023	Bonus Issue in the ratio of 1 bonus equity shares for every one fully paid up Equity Share held on December 18, 2023	Consideration other than cash	1,000	10	-	0.01	0.01
<b>Total</b>			<b>2,000</b>			<b>0.02</b>	0.01
<b>Sandip Marotrao Kawale</b>							
Subscription shares	Subscriber to MOA	Cash	1,000	10	10	0.01	0.01
June 22, 2020	Rights Issue in the ratio of 218:100 to shareholders holding Equity Shares on June 1, 2020	Cash	4,00,000	10	10	4.00	2.58
April 1, 2023	Transfer by way of gift to Maroti Venkoba Kawale	Consideration other than cash	(2,00,000)	10	-	(2.00)	(1.29)
December 19, 2023	Bonus Issue in the ratio of 1 bonus equity shares for every one fully paid up Equity Share held on December 18, 2023	Consideration other than cash	2,01,000	10	-	2.01	1.30
<b>Total</b>			<b>4,02,000</b>			<b>4.02</b>	2.60

- 11) As on the date of the Prospectus, the Company has seven (07) members/shareholders.
- 12) The details of the Shareholding of the members of the Promoter Group as on the date of this Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
<i>Promoters</i>					

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Marotrao Vyankatrao Kawale	83,88,000	83.88	83,88,000	54.15%
2.	Ganeshrao Vyankatrao Kawale	4,02,000	4.02	4,02,000	2.60%
3.	Kishanrao Vyankatrao Kawale	4,02,000	4.02	4,02,000	2.60%
4.	Sagarbai Marotrao Kawale	2,000	0.02	2,000	0.01%
5.	Sandip Marotrao Kawale	4,02,000	4.02	4,02,000	2.60%
<b>Promoter Group</b>					
6.	Puja Marotrao Kawale	2,000	0.02	2,000	0.01%
7.	Parmeshwar Kishanrao Kawale	4,02,000	4.02	4,02,000	2.60%
<b>Total</b>		<b>1,00,00,000</b>	<b>100.00</b>	<b>1,00,00,000</b>	<b>64.56%</b>

- 13) Our Promoters, Promoter Group, Directors of our Company and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Prospectus is filed with Stock Exchange.
- 14) There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have 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 period of six (06) months immediately preceding the date of filing of the Prospectus.
- 15) **Promoter's Contribution and other Lock-In details:**

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoters shall be locked in for a period of three years from the date of Allotment (“**Minimum Promoter's Contribution**”), and the Promoter's shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of six months from the date of Allotment.

The lock-in of the Minimum Promoter's Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter's Contribution:

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post- Issue paid-up capital	Period of lock-in
<b>Marotrao Vyankatrao Kawale</b>							
31,50,000	Bonus Issue	December 19, 2023	10	NIL	Other than cash	20.34%	From date of allotment in the Issue till March 15, 2027
<b>TOTAL</b>						<b>20.34%</b>	

\* Subject to finalisation of Basis of Allotment.

(1) For a period of three years from the date of allotment.

(2) All Equity Shares have been fully paid-up at the time of allotment.

(3) All Equity Shares held by our Promoters are in dematerialized form.

For details on the build-up of the Equity Share capital held by our Promoter, see “**Details of the Build-up of our**

**Promoter's shareholding**" on page 72.

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

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoter's Contribution under Regulation 237 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoter's contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to the Promoters upon conversion of a partnership firm, at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management;
- Equity Shares held by the Promoters that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoter's Contribution subject to lock-in.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoters and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoters, Equity Shares forming part of Promoter's Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of this Prospectus till the date of commencement of lock in period as stated in this Prospectus.

Other than the Equity Shares locked-in as Promoter's Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoter's Contribution, as per Regulation 238 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

***Other requirements in respect of 'lock-in'***

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoters or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important



non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

- 16) Our Company, our Promoters, our Directors and the Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
- 17) The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
- 18) There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Prospectus.
- 19) No person connected with the Issue, including, but not limited to, our Company, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
- 20) There neither have been and there will be no further issue of Equity Shares 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 filing of the Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
- 21) Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.
- 22) There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- 23) Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
- 24) All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Prospectus.
- 25) As on the date of this Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
- 26) Our Promoters and the members of our Promoter Group will not participate in the Issue.
- 27) Following are the details of Equity Shares of our Company held by our Directors and our Key Management Personnel:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Marotrao Vyankatrao Kawale	83,88,000	83.88	83,88,000	54.15%
2.	Ganeshrao Vyankatrao Kawale	4,02,000	4.02	4,02,000	2.60%
3.	Kishanrao Vyankatrao Kawale	4,02,000	4.02	4,02,000	2.60%
4.	Sagarbai Marotrao Kawale	2,000	0.02	2,000	0.01%
5.	Sandip Marotrao Kawale	4,02,000	4.02	4,02,000	2.60%
	<b>Total</b>	<b>95,96,000</b>	<b>95.96</b>	<b>95,96,000</b>	<b>61.95%</b>

- 28) Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
- 29) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “**Issue Procedure**” beginning on page 279 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
- 30) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 31) An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 32) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
- 33) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 34) As on date of this Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

## OBJECTS OF THE ISSUE

We intend to utilize the Proceeds of the Issue, after deducting the Issue related expenses, as estimated to be ₹ 5,825.25 lakhs (the “**Net Proceeds**”).

Our Company proposes to utilize the Net Proceeds from the Issue towards the following objects:

1. Setting up a greenfield unit in Nanded, Maharashtra for (i) manufacturing Ethanol and (ii) generation and bottling of Bio-CNG and Fertilizer (hereinafter referred as the “**Project**”); and
2. General Corporate Purposes.

(Collectively, referred to herein as the “**Objects**”)

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange and enhancement of our Company’s visibility and brand image and creation of a public market for our Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects as set out in the Memorandum of Association of our Company enable our Company to undertake its existing activities and the activities proposed to be funded from the Net Proceeds.

### Issue Proceeds

The details of the proceeds of the Issue are set out in the following table:

Particulars	Estimated amount
Gross Proceeds from the Issue	6,588.00
(Less) Issue related expenses	762.75
<b>Net Proceeds</b>	<b>5,825.25</b>

### Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in the manner set out in in the following table:

Sr. No.	Particulars	Estimated amount
1.	Setting up a greenfield unit in Nanded, Maharashtra for (i) manufacturing Ethanol and (ii) generation and bottling of Bio-CNG and Fertilizer	5,238.17
2.	General corporate purposes <sup>(1)</sup>	587.08

<sup>(1)</sup>The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

### Schedule of implementation and Means of Finance

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in lakhs)

Sr. No.	Particulars	Total estimated cost	Amount which will be financed from Net Proceeds <sup>(1)</sup>	Estimated Utilisation of Net Proceeds	
				Financial Year 2023-24	Financial Year 2024-25
1.	Setting up a greenfield unit in Nanded, Maharashtra for (i) manufacturing Ethanol and (ii) generation and bottling of Bio-CNG and Fertilizer	5,238.17 <sup>(2)</sup>	5,238.17	200.00	5,038.17
2.	General corporate purposes <sup>(1)</sup>	587.08	587.08	-	587.08
<b>Total</b>		<b>5,825.25</b>	<b>5,825.25</b>	<b>200.00</b>	<b>5,625.25</b>

<sup>(1)</sup>Total estimated cost of the Project has been certified by our Statutory Auditor pursuant to their letter dated December 27, 2023.

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions competitive environment and interest or exchange rate fluctuations, changes in design and configuration of the Project, increase in input costs of construction materials and labour costs, logistics and transport costs incremental preoperative expenses, taxes and duties, interest and finance charges, engineering procurement and construction costs, working capital margin, regulatory costs, environmental factors and other external factors 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, at the discretion of our management, subject to compliance with applicable law. Moreover, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue in accordance with the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

For further details see “*Risk Factor – Risk Factor 5 - There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution*” on page 26.

The fund requirements mentioned above for purchase of plant and equipment and civil works are based on the internal management estimates of our Company and quotation received from third parties. The fund requirements mentioned above except for purchase of plant and equipment and civil works are based on the internal management estimates of our Company, and have not been verified by the Lead Manager or appraised by any bank, financial institution. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing. For further details see “*Risk Factors – Risk Factor 51 - Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval*” on page 44.

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. In view of above, we confirm that, with respect to the Objects, our Company is not required to make firm arrangement of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations, through verifiable means towards 75% of the stated means of finance for the Project.

### **Details of the Object**

The details of the Objects of the Issue are set out below:

#### **1. *Setting up a greenfield unit in Nanded, Maharashtra for (i) manufacturing Ethanol and (ii) generation and bottling of Bio-CNG and Fertilizer.***

We are an integrated sugar and other allied products manufacturing company operating from Nanded District in the State of Maharashtra. We operate a single location sugar unit having licensed crushing capacity of 2,500 TCD. In

addition to sugar we also commercialise and sell our by-products and waste products, namely, Molasses, Bagasse and Pressmud. We are also engaged in the generation of Power for captive consumption. In the year 2020, we commenced operations of manufacturing of Sugar. In the year 2020, our Company implemented backward integration and began commercial operations of the by-products and waste products of Sugar along with Co-Generation capabilities. Over the years, we have expanded the production / manufacturing capacities of all our products. Our present licensed manufacturing capacity for our various products is given below:

S. No.	Product	Current Approved Capacity
1.	Sugar	2,500 Tones Cane per day (TCD)
2.	Molasses	120 Tones per day
3.	Bagasse	750 Tones per day
4.	Pressmud	90 Tones per day

The manufacturing unit of our Company is situated at GUT No. 44 and 46, Kusumnagar, At Post Waghawada, Umari, Nanded – 431 807 Maharashtra, India.

Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and generation of Bio-CNG and Fertilizer.

#### *Ethanol*

Ethanol is produced after fermentation and distillation of Molasses and can be further purified into Fuel Ethanol, by removing the water content. We intend to create an additional revenue stream using backward integration of our waste material, *i.e.*, Molasses for manufacturing Ethanol and marketing and selling the same for industrial usage.

#### *Bio-gas*

In the proposed manufacturing unit, we propose to set up a separate bio CNG bottling and fertiliser plant for bio-gas generation and bottling. We propose to generate bio-gas by processing Bagasse and Pressmud further marketing and selling the same for industrial usage. The by-product of bio-gas shall be marketed and sold as a fertilizer.

Accordingly, our Company proposes to utilise an amount of ₹ 3,488.17 lakhs and ₹ 1,750.00 lakhs from the Net Proceeds of this Issue towards setting up the aforementioned manufacturing unit for Ethanol and Bio-CNG and Fertilizer, respectively, and expanding our product portfolio.

The proposed manufacturing unit is being set up on the adjacent land to our existing manufacturing unit. Therefore, our proposed manufacturing unit is proposed to be set up at GUT No. 44 and 46, Kusumnagar, At Post Waghawada, Umari, Nanded – 431 807 Maharashtra, India. The said land is owned by our Company.

#### **Estimated Costs**

The total cost for setting up of a separate manufacturing unit has been estimated by our management and is based on the quotations received from third party suppliers, which has been approved by our Board of Directors in their meeting dated December 30, 2023.

The detailed breakdown of such estimated cost is set forth below.

Particulars	(₹ in lakhs)	
	Amount	
Civil Works	788.17	
Plant and Machinery for Ethanol	2,700	
Plant and Machinery for Bio-CNG and Fertilizer	1,750	
<b>Total</b>	<b>5238.17</b>	

\* Please note that the cost mentioned is an estimate based on quotations as obtained from the respective parties and excludes GST, interest rate and inflation cost.

#### a) **Land**

The proposed manufacturing unit is being set up on the adjacent land to our existing manufacturing unit, which is GUT No. 44 and 46, Kusumnagar, At Post Waghalwada, Umari, Nanded – 431 807 Maharashtra, India. The said land is owned by our Company.

**b) Civil Works**

For setting up of the proposed manufacturing unit, our Company has planned a site development with requisite civil structure at an estimated cost ₹ 788.17 lakhs. Our Company has received a quotation dated December 28, 2023 from M/s. D.S. Engineers, Consulting Civil & Structural Engineers for site development and civil structure and is yet to place order for the same, which amounts to ₹ 788.17 lakhs. The detailed bifurcation of cost is as follows:

(In ₹)

Sr. No.	Sections of the Plant	Price	Validity
1.	Administrative Office Building	15,04,050	The quotation is valid for a period of 90 days
2.	MCC, PCC Electrical room Building	9,80,575	
3.	Foundation for Fermentation House	91,29,580	
4.	Distillation Plant & Machinery Foundation	60,03,690	
5.	Evaporation Plant Foundation	50,40,475	
6.	Condensate Polishing Unit (1500m3/day)	1,52,78,749	
7.	Spent wash Storage Tank ( 7 days)	25,82,000	
8.	Biogas Plant 12Cum x 2 nos	95,73,255	
9.	Spent wash Dryer Civil Work	30,81,280	
10.	Godown for Sparay Dryer power /Granules	40,56,980	
11.	Molasses Storage tank foundation (10000 MT 1 nos)	1,24,75,075	
12.	Liquefaction Section	75,32,245	
13.	Decantation Section	15,79,480	
<b>Total</b>		<b>7,88,17,434</b>	

**c) Plant and Machinery**

*Ethanol:*

Our Company has obtained a techno-commercial project report dated December 28, 2023 from M/s. Vaibhav Industries, Latur for setting up the proposed plant for manufacturing Ethanol (“**Ethanol Plant**”). Our Company shall be engaging M/s. Vaibhav Industries, Latur for setting up the Ethanol Plant on a turnkey basis.

In accordance with the techno-commercial project report the capacity of the proposed plant shall be 30 KLPD. A break up of the cost of the plant and machinery has been provided below:

Sr. No.	Sections of the Plant	PRICE	Validity	Terms of payment	Date of quotation/ report
1	Fermentation Section	₹ 27,00,00,000 This cost includes the erection and commissioning expenses.	The validity of the report/ quotation shall be for a period of 90 days from the date of quotation	15% advance shall be required to be paid along with Purchase Order, 15% advance shall be required to be paid after providing drawings and	Date: December 28, 2023 Quote Reference No: VGI/12.12.23/1
2	Distillation Section				
3	MSDH RS To Ethanol Section				
4	Product Storage				
5	Evaporation Section				
6	Condensing Polishing Unit				
7	Spray Dryer				
8	Bio-Methenation				
9	Cooling Tower				
10	Electrical Spec. & Miscellaneous				

Sr. No.	Sections of the Plant	PRICE	Validity	Terms of payment	Date of quotation/ report
				70% advance shall be required to be paid against invoice after inspection before dispatch.	

In accordance the techno-commercial project report, M/s. Vaibhav Industries, Latur shall be undertaking the following activities for setting up the Ethanol Plant:

Sr. No.	Sections of the Plant	Scope of Work
1.	Cane Syrup Handling, Weighing and Transfer Arrangements – upto day tank in fermentation section.	Specification
2.	Fermentation Section.	Specification, Engineering, Supply, Erection Work, Supervision for Erection and Commissioning
3.	Multi Pressure Distillation– RS.	Specification, Engineering, Supply and Erection Work
4.	Dehydration.	Specification, Engineering, Supply and Erection Work
5.	Spent Wash Evaporator.	Specification, Engineering, Supply and Erection Work
6.	Spent Wash Intermediate Tanks & Transfer.	Specification, Engineering, Supply and Erection Work
8.	Utility - Cooling Tower, Pumps, Pipings, Instrumentation, Electrical etc.	Specification, Engineering, Supply and Erection Work
9.	Utility – Chiller with Pipings.	Specification, Engineering, Supply and Erection Work
10.	Utility-Air Blower, Sealing Water & Vacuum Pump Water Recycle Systems.	Specification, Engineering, Supply and Erection Work
11.	Utility - Instrument Air Compressor & Pipings.	Specification, Engineering, Supply and Erection Work
12.	DCS Panel & SCADA.	Specification, Engineering, Supply and Erection Work
13.	MCC Panel & Onward Cabling, Cable Tray etc.	Specification, Engineering, Supply and Erection Work
14.	Alcohol Receiver & Storage Tanks.	Specification, Engineering, Supply and Erection Work
15.	Alcohol Transfer Arrangements.	Specification, Engineering, Supply and Erection Work
16.	Plant Lighting & earthing for scope section.	Specification
17.	Plant Structural for Sections.	Specification, Engineering, Supply, Erection Work, Supervision for Erection and Commissioning
18.	Section Civil Work.	Specification
20.	Condensate Polishing Unit.	Specification, Engineering, Supply, Erection Work, Supervision for Erection and Commissioning

*Bio-CNG and Fertilizer:*

Our Company has obtained a techno commercial offer dated December 29, 2023 bearing reference number UZZ/NND/10172 from M/s. Uzzala Bio Energy Solutions for setting up of 16,000 m<sup>3</sup> volume Bio-CNG Bottling & Fertilizer Plant (“**Bio Gas Plant**”). Our Company shall be engaging M/s. Uzzala Bio Energy Solutions for setting up the Bio Gas Plant on a turnkey basis.

In accordance with the techno commercial offer the volume of the proposed plant shall be 16,000 m<sup>3</sup>. A break up of the cost of the plant and machinery has been provided below:

Sr. No.	Sections of the Plant	PRICE	Validity	Date of quotation/ report
1.	Soil Investigation, Structural Design And Details Report	₹ 17,50,00,000	The validity of the report/ quotation shall be for a period of 90 days from the date of quotation	Date: December 29, 2023  Quote Reference No: UZZ/NND/10172
2.	Civil Work	This cost includes the cost of bio chemical scrubber		
3.	Mixing Tank Equipments & Machinery			
4.	Fertilizer Tank Equipment's & Machineries			
5.	Digester Tank Equipments / Machinery			
6.	Biogas Purification & Bottling			
7.	Electrical & Electronics Requirement			
8.	Fertilizer Unit			
9.	Water Tank Equipments / Machinery			
10.	Shed & Civil Work			
11.	Construction Management, Logistic, Start-Up, Commissioning Of Plant			
12.	Bio Chemical Scrubbing System For H2S Removal For High H2S Up To 1 %			

**d) Government and other Approvals**

Our Company shall apply the following government and other approvals for setting up the new manufacturing unit:

S. No.	Particulars of licenses	Tentative Time Period of application
1.	Industrial Entrepreneurs Memorandum issued by Secretariat of Industrial Assistance, Ministry of Commerce & Industry, Government of India	After Commissioning of manufacturing unit
2.	License to work a factory under Section 6(1) of the Factories Act, 1948	After Commissioning of manufacturing unit
3.	Consent to Establish under section 25 /26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	Before start of civil works
4.	Consent to operate under Section 25 / 26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	Before trial run of manufacturing unit
5.	Certificate of verification of weights and measures issued under the Legal Metrology Act, 2009	After Installation of weights, etc.
6.	Building Plan Approval	After complete plan is ready

**e) Proposed Schedule of Implementation**

The proposed schedule of implementation is as follows:



Particular	Estimated month of	
	Commencement	Completion
Civil Works	March 2024	October 2024
Order of plant, machinery and equipment	March 2024	July 2024
Delivery of machineries	May, 2024	December 2024
Installation and erection of machineries	June, 2024	January, 2025
Trial run	January, 2025	
Commercial production	January, 2025	

## 2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ 587.08 lacs towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds of the Issue, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- a) strategic initiatives;
- b) general procurement;
- c) brand building and strengthening of marketing activities; and
- d) ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “*General Corporate Purposes*” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

### Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ 762.75 lacs. The expenses of this Issue include, among others, underwriting and management fees, marketing and selling commission, printing and distribution expense, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as under:

Expenses	Estimated expenses <sup>(1)</sup> (in ₹ lacs)	As a % of the total estimated Issue expenses <sup>(1)</sup>	As a % of the total Gross Issue Proceeds <sup>(1)</sup>
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.	59.00	7.74%	0.90%
Marketing and Selling Commission and expenses	660.00	86.53%	10.02%
Advertising and marketing expenses	16.00	2.10%	0.24%
Printing and distribution of issue stationery	2.00	0.26%	0.03%
Others		0.00%	0.00%
- Listing fees	0.50	0.07%	0.01%
- SEBI and NSE processing fees	3.75	0.49%	0.06%
- Other regulatory expenses	17.00	2.23%	0.26%
- Miscellaneous	4.50	0.59%	0.07%
<b>Total estimated Issue expenses</b>	<b>762.75</b>	<b>100.00%</b>	<b>11.58%</b>

(1) 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.

Notes:

1. *Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:*

*Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST) Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)*

*^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).*

2. *The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*
3. *Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*
4. *SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*
5. *Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.*
6. *The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.*

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

### **Deployment of Funds and Sources of Funds**

As on date of this Prospectus, our Company has not deployed any funds towards the Objects of the Issue.

### **Interim Use of Funds**

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

### **Bridge Loan**

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

### **Monitoring of Utilisation of Funds**

In accordance with Regulation 262 of the SEBI ICDR Regulations, since the Net Proceeds do not exceed ₹ 10,000.00 lakhs, appointment of monitoring agency is not applicable.

### **Variation in Objects of the Issue**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue unless our Company is authorised to do so by way of a special resolution of its Shareholders through a postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, one in Hindi and

one in Bengali, 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 to vary the objects, at a price and in such manner as may be prescribed by SEBI in Regulation 290 and Schedule XX of the SEBI ICDR Regulations.

**Appraising Entity**

None of the Objects for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution or any other agency.

**Other Confirmations**

No part of the Net Proceeds will be paid to our Promoters, Promoter Group, Directors, our Group Companies or our Key Managerial Personnel, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel, or our Group Companies in relation to the utilisation of the Net Proceeds.

## BASIS FOR ISSUE PRICE

Investors should also refer to “Our Business”, “Risk Factors”, “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Other Financial Information” on pages 115, 24, 179, 226 and 240, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

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

- Wide range of products
- Integrated operations and economies of scale
- Strategic location of our manufacturing unit
- Cordial and strong relationships with sugarcane farmers
- Captive Power plant
- Existing client relationships
- Quality Assurance and Quality Control of our products
- Well experienced management team with proven project management and implementation skills

For further details, see “Our Business –Strengths” on page 115.

### Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see “Restated Financial Statements” on page 179.

Some of the quantitative factors which may forms the basis for calculating the Issue Price are as follows:

#### I. Basic and Diluted Earnings per share (“EPS”)

Fiscal Year ended <sup>^</sup>	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2023	3.77	3.77	3
March 31, 2022	3.20	3.20	2
March 31, 2021	1.67	1.67	1
<b>Weighted Average</b>			<b>3.23</b>
Six months period ended September 30, 2023*			<b>4.30</b>

\*Not Annualised

<sup>^</sup>Considered after the bonus issue undertaken on December 19, 2023.

#### Notes:

- (1) 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
- (2) Basic Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of equity shares outstanding during the period/year, read with note 1 above
- (3) Diluted Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of diluted equity shares outstanding during the period/year, read with note 1 above
- (4) Earnings per Share calculations are in accordance with the notified Accounting Standard 20 ‘Earnings per share’. The face value of equity shares of the Company is ₹ 10/-.
- (5) The figures disclosed above are based on the Restated Financial Statements.

#### II. Price/Earning (“P/E”) ratio in relation to Issue Price of ₹ 120 per Equity Share:

Particulars	P/E at the Issue Price (number of times)*
Based on basic EPS for Fiscal 2023	31.83*
Based on diluted EPS for Fiscal 2023	31.83*

### Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	28.78
Lowest	8.85
Average	<b>18.81</b>

**Notes:**

- (1) The industry high and low has been considered from the industry peer set provided above. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed above
- (2) All the financial information for listed industry peers mentioned above is sourced from the annual reports of the relevant companies for Fiscal 2023, as available on the websites of the BSE Limited.

### III. Return on Networth (“RoNW”)

Fiscal Year ended	RoNW (%)	Weight
March 31, 2023	32.85%	3
March 31, 2022	39.96%	2
March 31, 2021	35.48%	1
<b>Weighted Average</b>	<b>35.66%</b>	
Six months ended September 30, 2023*	<b>27.70%</b>	

\*Not Annualised

**Notes:**

- (1) Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.
- (2) Return on Net Worth (%) = Restated profit for the year divided by Average Net worth at the end of the period/year.
- (3) 'Net worth': Equity Share capital and other equity less capital reserves

### IV. Net asset value per Equity Share (face value of ₹ 10/- each)

Particulars	NAV per equity share (₹)
As on September 30, 2023	35.35
As on March 31, 2023	26.75
<b>After the Completion of the Issue:</b>	
- At Issue Price <sup>(2)</sup>	53.94

**Notes:**

- (1) Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the period/ year divided by number of equity shares outstanding as at the end of period /year as per Restated Financial Statements.
- (2) Issue Price per Equity Share will be determined in consultation with the Lead Manager.

### COMPARISON OF ACCOUNTING RATIOS WITH LISTED INDUSTRY PEERS

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates i.e. Sugar, whose business segment in part or full may

be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Name of the company	Consolidated/ Standalone	Face value (₹ per share)^	Closing price on December 28, 2023 (₹ per share)	Revenue from Operations (₹ in Lakhs)	EPS (₹)		NAV (₹ per share)	P/E Ratio	RoNW (%)	PAT margin (%)	Market cap to Revenue from operation
					Basic	Diluted					
M.V.K. Agro Food Product Limited*	Consolidated	10	NA	9,327.65	7.55	7.55	26.75	15.90#	28.22%	4.02%	1.99
<b>PEER GROUP</b>											
Ugar Sugar Works Ltd.	Consolidated	1.00	81.03	1,94,014.95	9.16	9.16	19.63	8.85	46.14%	5.23%	0.47
Dwarikesh Sugar Industries Ltd	Consolidated	1.00	86.88	2,10,296.00	5.57	5.57	39.29	15.60	14.08%	4.92%	0.78
Balrampur Chini Mills Ltd	Consolidated	1.00	401.20	4,66,586.00	13.94	13.94	143.52	28.78	9.60%	5.88%	1.81
Dhampur Sugar Mill Ltd	Consolidated	10.00	248.65	2,87,402.00	23.72	23.72	15.71	10.48	0.15%	5.44%	0.59

\*Financial information for our Company is derived from the Restated Financial Statements as at and for the Fiscal 2023 without considering the effect of bonus issue undertaken on December 19, 2023.

# PE Ratio is calculated based on EPS of March 31, 2023 without adjustment for bonus shares.

**Source:** All the financial information for listed industry peer mentioned above is sourced from the annual report of the relevant companies for Fiscal 2023, as available on the websites of the NSE and BSE.

**Notes for peer group:**

1. P/E Ratio is computed as the peer company based on the closing price on BSE limited.
2. Return on Net Worth (%) = Profit for the year ended March 31, 2023 divided by Total Equity of the Company as on March 31, 2023.
3. NAV is computed as the Total Equity of the Company as on March 31, 2023 divided by the outstanding number of equity shares as on March 31, 2023.

The trading price of the Equity Shares could decline due to the factors mentioned in the section “Risk Factors” on page 24 and any other factors that may arise in the future and you may lose all or part of your investments.

**KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)**

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Consolidated Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 27, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Prospectus. Further, the KPIs herein have been certified by M/s. N B T and Co, Chartered Accountants, by their certificate dated December 27, 2023.

The KPIs of our Company have been disclosed in the sections “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” starting on pages 115 and 226, respectively. We have described and defined the KPIs, as applicable, in “*Definitions and Abbreviations*” beginning on page 1.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price.

**Some of the key performance indicators which may form the basis for computing the Issue Price are as follows:**

(₹ in lakhs except percentages and ratios)

Key Performance Indicators	Six months period ended September 30, 2023 <sup>#</sup>	March 31, 2023 <sup>#</sup>	March 31, 2022 <sup>#</sup>	March 31, 2021 <sup>#</sup>
Revenue from Operations	6,012.52	9,327.65	13,067.11	2,283.40
EBITDA <sup>(1)</sup>	1,325.39	1,661.13	1,201.82	533.66
EBITDA Margin <sup>(2)(3)</sup>	21.93%	17.68%	9.06%	20.66%
Profit After Tax for the Year / Period	430.07	377.45	320.78	139.43
PAT Margin <sup>(4)</sup>	7.15%	4.05%	2.45%	6.11%
ROE <sup>(5)*</sup>	27.70%	32.85%	39.96%	43.85%
ROCE <sup>(6)*</sup>	14.09%	13.44%	14.49%	5.98%
Net Debt/ EBITDA <sup>(7)</sup>	4.73	5.47	4.98	13.82

\*Not annualised for the three months period ended September 30, 2023

<sup>#</sup>As certified by the Statutory Auditor vide their certificate dated December 27, 2023.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated December 27, 2023.

#### Explanation for the Key Performance Indicators

1. EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back =finance costs, and depreciation & amortisation expenses.
2. EBIT means Earnings before interest and tax, and is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance cost.
3. EBITDA Margin is calculated as EBITDA as a percentage of Revenue from operations.
4. PAT Margin is calculated as profit after tax for the year / period as a percentage of Revenue from operations.
5. Return on Equity (ROE) is calculated as profit after tax for the year/period divided by Total Equity.
6. Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total current liabilities as at the end of the period/year.
7. Net Debt/ EBITDA: Net Debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year divided by EBITDA.

We shall continue to disclose these KPIs, on a half-yearly basis, for a duration that is at least the later of (i) three years after the listing date; and (ii) the utilization of the issue proceeds disclosed in the objects of the issue section of the Prospectus. We confirm that the ongoing KPIs would be certified by the statutory auditor of the Issuer Company.

## Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Net Debt/ EBITDA (In Times)	Net Debt by EBITDA is indicator of the efficiency with which our Company is able to leverage its debt service obligation to EBITDA.

## Comparison of the Key Performance Indicators with our listed peers:

(₹ in lakhs) (As on March 31, 2023)

Key Performance Indicators	Ugar Sugar Works Ltd.	Dwarikesh Sugar Industries Ltd	Dhampur Sugar Mill Ltd	Balrampur Chini Mills Ltd
Revenue from Operations	1,94,015	2,10,296	2,87,400	4,66,586
EBITDA <sup>(1)</sup>	21,482	22,859	31,881	58,646
EBITDA Margin <sup>(3)</sup>	11.08	10.87	11.09%	12.57
Profit After Tax for the Year	10,305	10,481	15,799	28,417
PAT Margin <sup>(4)</sup>	5.23%	4.92%	5.44%	5.88%
ROE <sup>(5)</sup>	60.16%	14.83%	16.39%	10.03%
ROCE <sup>(2)(6)</sup>	37.94%	16.56%	15.78%	9.70%
Net Debt/ EBITDA <sup>(1)(7)</sup>	1.53	1.45	2.23	1.03

**Source:** Annual Reports of the company / [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

# As certified by the Statutory Auditor vide their certificate dated December 27, 2023.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated December 27, 2023.

## Explanation for the Key Performance Indicators

1. EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance costs, and depreciation & amortisation expenses.
2. EBIT means Earnings before interest and tax, and is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance cost.
3. EBITDA Margin is calculated as EBITDA as a percentage of Revenue from operations.



4. *PAT Margin is calculated as profit after tax for the year / period as a percentage of Revenue from operations.*
5. *Return on Equity (ROE) is calculated as profit after tax for the year/period divided by Total Equity.*
6. *Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total current liabilities as at the end of the period/year.*
7. *Net Debt/ EBITDA: Net Debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year divided by EBITDA.*

#### **OPERATIONAL KPIs OF THE COMPANY:**

*(₹ in lacs)*

Particulars	September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%
Top five customers	2,144.27	35.48%	4,767.37	50.75%	6,010.88	45.32%	1,111.34	43.02%
Top ten customers	2,578.23	42.66%	5,416.67	57.66%	7,205.06	54.32%	1,262.1	48.86%

#### **Explanation for KPI metrics**

KPI	Explanations
Contribution to revenue from operations of top 5 / 10 customers	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks.

#### **COMPARISON OF OPERATIONAL KPIs OF OUR COMPANY AND OUR LISTED PEER:**

The operational KPIs of the listed peer are not publicly available.

#### **WEIGHTED AVERAGE COST OF ACQUISITION:**

- a) **The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).**

There have been no issuance of Equity Shares, excluding shares issued as bonus shares, during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days.

- b) **The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities).**

Other than as mentioned below, there have been no secondary sale / acquisitions of Equity Shares or convertible securities, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue Price /Acquisition Price / Transfer price per Equity Share (in Rs.)	Nature of Consideration	Percentage of Pre Issue Equity Share Capital (%)
April 1, 2023	Transfer *	19,20,000	10.00	-	Gift	19.20

\*Transfer by way of gift from immediate family members to Marotrao Vyankatrao Kawale

**c) Price per share based on the last five primary or secondary transactions;**

Since there are no transactions to report to under (a) or (b) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or shareholder(s), not older than 3 years prior to the date of this Prospectus, irrespective of the size of transactions is not required, are not applicable.

**d) Weighted average cost of acquisition and offer price:**

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Shares)	Offer Price (i.e. ₹ 120)
Weighted average cost of acquisition of primary / new issue as per paragraph (a) above.	NA	NA
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph (b) above.	Nil	N.A.

**Explanation for Issue Price being Nil times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) along with our Company's key performance indicators and financial ratios for the period March 2023, 2022 and 2021.**

**- Not Applicable as there was no acquisition of primary issuance price / secondary transaction price of Equity Shares**

**Explanation for Issue Price being 12.00 times price of face value.**

The Issue Price of ₹ 120.00 per share has been determined by our Company, in consultation with the LM, on the basis of market demand from investors for Equity Shares and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" on pages 24, 115, 226 and 179 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" on page 24 and you may lose all or part of your investment.

## STATEMENT OF TAX BENEFITS

### Statement of possible special tax benefits available to the Company and its Shareholders and its Subsidiary

To,

**The Board of Directors**  
**M.V.K. Agro Food Product Limited**  
GUT No. 44 and 46,  
Kusumnagar, At Post Waghawada,  
Umari, Nanded – 431 807,  
Maharashtra, India

Dear Sir(s),

**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”)**

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We hereby report that the enclosed annexure prepared by M.V.K. Agro Food Product Limited, states the possible special tax benefits available to M.V.K. Agro Food Product Limited (the “**Company**”) and the shareholders of the Company and its Subsidiary namely Sai Krupa Dairy & Food Products Private Limited, 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 or its Subsidiary 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 or its Subsidiary, so it does 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 “**Issue**”) by the Company.

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

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

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

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ 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.

Your sincerely,  
**For N B T AND CO**

Chartered Accountants  
ICAI Firm Registration No. 140489W

Ashutosh Biyani  
Membership No: 165017  
UDIN: 23165017BGXFEH9425  
Place: Nanded  
Date: December 27, 2023

**Enclosed as above**

## **ANNEXURE TO THE STATEMENT OF TAX BENEFITS**

The information provided below sets out the possible special tax benefits available to the Company, the Equity Shareholders and its Subsidiary 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.

### **C. SPECIAL TAX BENEFITS TO THE SUBSIDIARY**

The Subsidiary is entitled to 30 % of total income exempt under 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 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 IV – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

#### GLOBAL ECONOMY

More than three years after the global economy suffered the largest shock of the past 75 years, the wounds are still healing, amid widening growth divergences across regions. After a strong initial rebound from the depths of the COVID-19 pandemic, the pace of recovery has moderated. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, Russia's war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events. Despite signs of economic resilience earlier this year and progress in reducing headline inflation, economic activity is still generally falling short of pre-pandemic (January 2020) projections, especially in emerging market and developing economies.

The strongest recovery among major economies has been in the United States, where GDP in 2023 is estimated to exceed its prepandemic path. The euro area has recovered, though less strongly—with output still 2.2 percent below prepandemic projections, reflecting greater exposure to the war in Ukraine and the associated adverse terms-of-trade shock, as well as a spike in imported energy prices. In China, the pandemic-related slowdown in 2022 and the property sector crisis contribute to the larger output losses of about 4.2 percent, compared with prepandemic predictions. Other emerging market and developing economies have seen even weaker recoveries, especially low-income countries, where output losses average more than 6.5 percent. Higher interest rates and depreciated currencies have exacerbated the difficulties of low-income countries, placing more than half either at high risk of distress or already in distress. Overall, global output for 2023 is estimated at 3.4 percent (or about \$3.6 trillion in 2023 prices) below prepandemic projections. Private consumption has also recovered faster in advanced economies than in emerging market and developing economies, owing to an earlier reopening in the former group facilitated by greater availability of effective vaccines, stronger safety nets, more ample policy stimulus, and greater feasibility of remote work. These factors supported livelihoods during the pandemic, and household consumption is now broadly back to prepandemic trends. Among advanced economies, private consumption has been stronger in the United States than in the euro area, with households receiving larger fiscal transfers early in the pandemic and spending the associated savings more quickly; being better insulated from the rise in energy prices resulting from the war in Ukraine; and feeling relatively confident amid historically tight US labor markets, which have supported real disposable incomes.

Among emerging market and developing economies, the consumption shortfall is particularly large in China, reflecting tight restrictions on mobility during the COVID-19 crisis. Divergences in labour market performance across regions broadly mirror those for output and consumption. Employment and labour participation rates are estimated to exceed prepandemic trends in advanced economies but to remain significantly below them in emerging market and developing economies, reflecting more severe output losses and much weaker social protection. Countries that had the most limited fiscal space are also those where employment shortfalls are the largest (ILO 2023). Among advanced economies, the euro area has seen larger employment gains than the United States. This may reflect more extensive use in the former of worker-retention programs modelled on the German Kurzarbeit short-time work scheme (IMF 2020), which protect workers' income and allow businesses to retain firm-specific human capital, reducing the costly process of separation, rehiring, and training. In the euro area, these programs bolstered employment during the most challenging phases of the crisis and accelerated the recovery when economies reopened.

Investment, on the other hand, has uniformly fallen short of prepandemic trends across regions. Businesses have shown less enthusiasm for expansion and risk taking amid rising interest rates, withdrawal of fiscal support, dimmer prospects for product demand, stricter lending conditions, and growing uncertainties regarding geoeconomic fragmentation. Higher leverage has further dampened investment which remains 3 percent to 10 percent lower across regions than had been projected before the pandemic. Moreover, the pandemic, war in Ukraine, and worsening climate shocks have contributed to a reversal in decades-long poverty reduction trends. According to World Bank staff estimates, 75 million to 95 million more people were living in extreme poverty in 2022 compared with prepandemic estimates. Spikes in food prices and related insecurities following Russia's invasion of Ukraine, as well as bouts of extreme

weather, have accentuated these difficulties. The global average temperature in July 2023 was the highest on record for any month, amid reports of catastrophic flooding, heat waves, and wildfires in many regions. Overall, the global prevalence of undernourishment is significantly higher than before the pandemic.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/10/10/world-economic-outlook-october-2023#:~:text=Advanced%20economies%20are%20expected%20to,in%20both%202023%20and%202024.>

## **OVERVIEW OF THE INDIAN ECONOMY**

India continues to show resilience against the backdrop of a challenging global environment, according to World Bank's latest India Development Update (IDU). The IDU, the Bank's flagship half yearly report on the Indian economy, observes that despite significant global challenges, India was one of the fastest-growing major economies in FY22/23 at 7.2%. India's growth rate was the second highest among G20 countries and almost twice the average for emerging market economies. This resilience was underpinned by robust domestic demand, strong public infrastructure investment and a strengthening financial sector. Bank credit growth increased to 15.8% in the first quarter of FY23/24 compared with 13.3% in the first quarter of FY22/23.

The World Bank forecasts India's GDP growth for FY23/24 to be at 6.3%. The expected moderation is mainly due to challenging external conditions and waning pent-up demand. However, service sector activity is expected to remain strong with growth of 7.4% and investment growth is also projected to remain robust at 8.9%.

*"Tapping public spending that crowds in more private investments will create more favourable conditions for India to seize global opportunities in the future and thus achieve higher growth."* - Auguste Tano Kouame, World Bank's Country Director in India.

*"While the spike in headline inflation may temporarily constrain consumption, we project a moderation. Overall conditions will remain conducive for private investment,"* said Dhruv Sharma, Senior Economist, World Bank, and lead author of the report. *"The volume of foreign direct investment is also likely to grow in India as rebalancing of the global value chain continues."*

Source: <https://www.worldbank.org/en/news/press-release/2023/10/03/india-s-growth-to-remain-resilient-despite-global-challenges#:~:text=The%20IDU%2C%20the%20Bank's%20flagship,average%20for%20emerging%20market%20economies.>

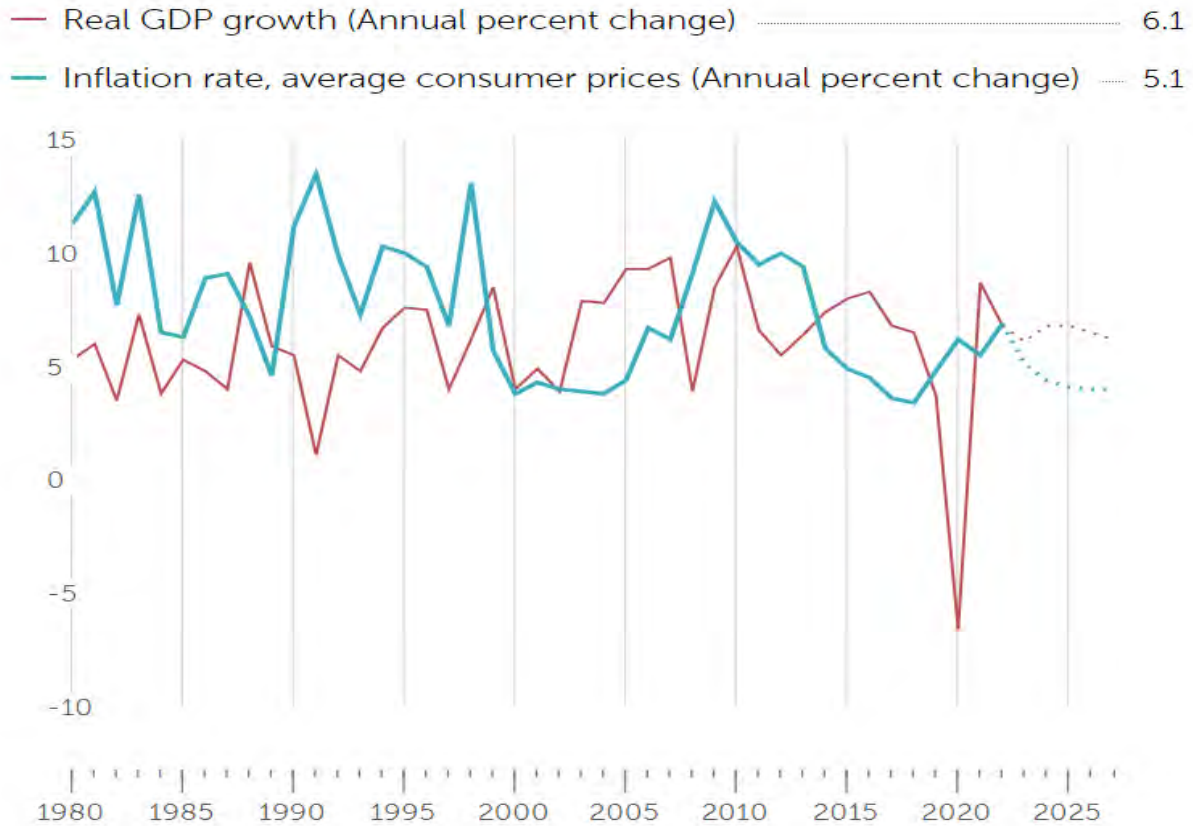


Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of the COVID-19 pandemic shock. Real GDP in the first quarter of 2022-23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022-2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalization of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-September 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

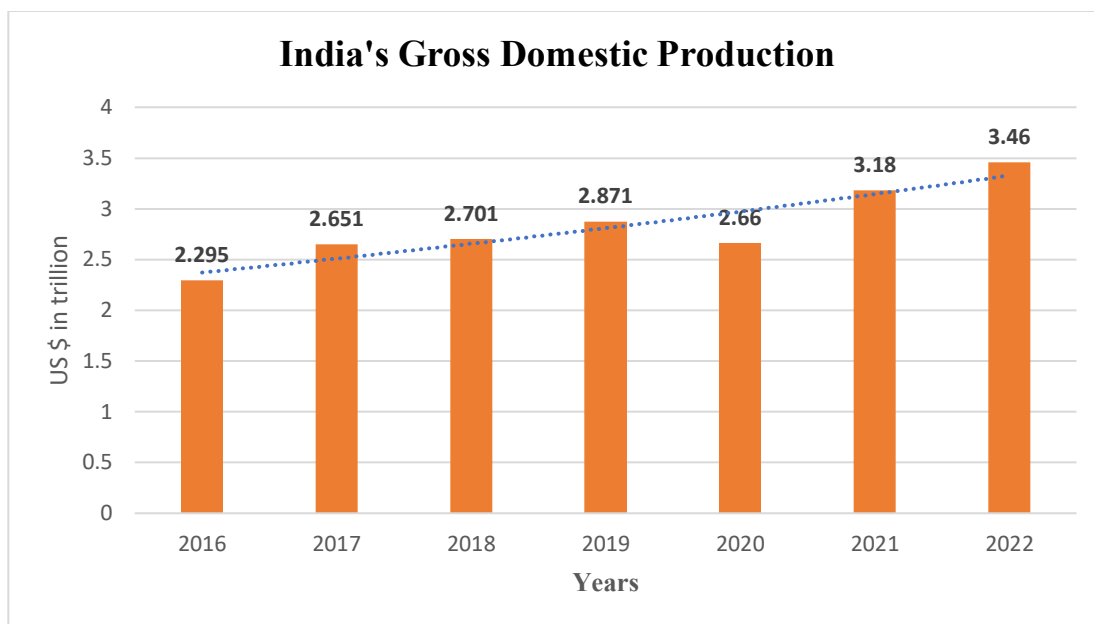
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.





India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 2.1% of GDP in the first quarter of FY 2022-23.



### **Road Ahead**

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

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

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

### **GLOBAL SUGAR INDUSTRY**

Sugar cane is one of the most efficient plants at converting sunlight into energy. It is common in diets around the world and is an important biofuel feedstock (UNICA, n.d.). This ancient agricultural commodity was traded for thousands of years as a product chewed for sweetness. Originally from New Guinea, sugar cane made its way across the world via trade routes to Southeast Asia, the Pacific islands, and India (Daniels & Daniels, 1993). It became a crop of great importance in the 15th century during European colonial expansion (Daniels & Daniels, 1993). A perennial crop grown mainly in tropical climates, sugar cane reaches 2 to 6 metres in height and takes 12 to 18 months to mature. Commercial sugar cane is a hybrid grass species accounting for 86% of global sugar production (Daniels & Daniels, 1993).

Sugar has become so widespread that it is linked to global health challenges, such as rising obesity (World Cancer Research Fund International, n.d.). Harvested sugar cane stalks are refined into cane sugar by extracting their juice, which is then boiled until crystallization and centrifuged to separate raw sugar, cane, and molasses. Most raw sugar cane is further refined into granulated sugar via filtration, crystallization, and drying for wide use in the food and beverage sector. In addition to sugar, processing sugar cane also yields molasses, a sweet, thick liquid used in food and distilled into alcohol (rum and cachaça) and bagasse, a residue burned to produce heat and steam to generate electricity. Cane juice can also be fermented and distilled into anhydrous ethanol, which is typically blended and used as biofuel feedstock (Dotaniya et al., 2016). About 81% of global sugar cane production is converted into cane sugar, while the rest is converted into biofuel (Organisation for Economic Cooperation and Development [OECD] & Food and Agriculture Organization of the United Nations [FAO], 2021). The market value of the sugar cane sector exceeded USD 56 billion in 2022 (OECD & FAO, 2021). Despite market disruptions due to the COVID-19 pandemic and Russia's invasion of Ukraine, sugar cane production is expected to continue growing to meet rising demand, particularly in developing countries (OECD & FAO, 2021). Sugar cane processing must be done quickly to preserve its sucrose. This fact, along with the high costs of transportation to the mill, is why sugar cane mills are located as close as possible to sugar cane fields, which generate considerable economic activity in rural areas. Sugar cane cultivation and processing employ more than 100 million people in around 120 sugar-producing countries (South African Sugar Association, 2022).

The Brazilian sugar cane sector produces 40% of the world's sugar cane and directly employs 773,000 people—down from upwards of 1 million jobs since the country transitioned to mechanized harvesting in 2017—and represents 25% of the rural workforce (ProTerra Foundation, 2020; UNICA, n.d.). The Thai sugar cane sector is supported by 300,000 smallholder sugar cane farmers on plots averaging 2 ha and provides employment for more than 1 million people along the supply chain, as well as seasonal migrant workers (Bonsucro, 2018a; OECD & FAO, 2021). The Indian sugar cane sector is supported by 6 million small holders cultivating 1-ha plots and provides rural livelihoods for about 50 million people (Bonsucro, 2021c). The South African sugar cane sector is supported by more than 20,000 smallholders and provides 85,000 direct and 350,000 indirect jobs (South African Sugar Association, 2022). Sugar cane production grew from around 1.71 billion tonnes in 2008 to 1.87 billion tonnes in 2020 from cultivating 26 million ha, according to the FAO (FAOSTAT, 2022a). Small production increases in that period in Brazil, India, and Pakistan offset decreases in China (FAOSTAT, 2022b). Sugar cane production has slowed over the last decade, as its compound annual growth rate (CAGR) of 1.23% from 2008 to 2019 dropped to 0.73% from 2014 to 2019. Most sugar cane is processed domestically into cane sugar for local consumption and export.

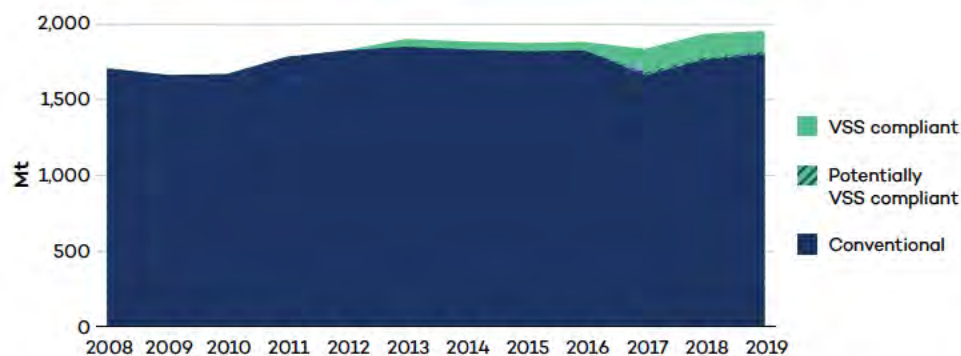
About 40% of production is exported, providing an important source of foreign exchange revenue for exporting countries (Canadian Sugar Institute, 2022). Brazil, Thailand, and Australia have been the top exporting countries of raw sugar cane (HS 170111) since 2016, exporting approximately 25 million tonnes (Mt), 2.8 Mt, and 2.5 Mt, respectively, in 2020. China and Indonesia have mostly been the largest importers, importing around 5.2 Mt and 4.6 Mt in 2020, respectively, followed by Algeria and the United States, both with 2.4 Mt (ResourceTrade.Earth, 2022).

Supply has slowed in many parts of the world due to unpredictable events, such as the COVID-19 pandemic, the war in Ukraine, soaring inflation, and extreme weather conditions, though global supply recovered in the 2021/2022 growing season and is expected to increase moderately going forward due to production rebounds and yield improvements (FAO et al., 2022; Husain, 2022; Mera et al., 2021; United Nations Conference on Trade and Development [UNCTAD], 2022). The global sugar cane supply exceeded demand prior to the pandemic, while in 2020/2021 and 2021/2022 demand was slightly higher than supply (Canadian Sugar Institute, 2022; European Commission, 2023a; International Sugar Organization, 2023). Demand is expected to rise moderately going forward, fuelled by population growth, increasing urbanization, and growing middle-class and young populations in low-income countries, especially in Asia and Africa (OECD & FAO, 2022). However, the OECD and FAO (2022) estimate that supply will outstrip demand in this decade.

In 2020, measures to prevent the spread of the COVID-19 virus disrupted the sugar cane supply chain by boosting production costs to meet sanitization requirements, limiting access to needed labour and agricultural inputs and causing logistical and transportation challenges. Lockdowns restricting the movement of people and products caused significant uncertainties, resulting in soaring food and fertilizer prices across the world (FAO et al., 2022; Jagtap et al., 2022; OECD, 2022; Ustinova, 2022; World Trade Organization [WTO], 2022). Non-essential foods made with

cane sugar (i.e., beverages, desserts, and pastries) were particularly affected, and their demand declined (OECD & FAO, 2021; World Cancer Research Fund International, n.d.). Demand for ethanol-based biofuels also declined as governments urged citizens to stay home and off the roads. While global sugar consumption slightly dropped as a result of the pandemic, the OECD and FAO reported that demand rebounded during two consecutive seasons (from October 2020 to September 2021 and from October 2021 to September 2022) as national lockdowns were lifted, restaurants reopened, supply chain bottlenecks were removed, and economies recovered (OECD & FAO, 2021, 2022).

**Figure 1.** Global sugar cane production from 2008 to 2019: Sugar cane that complies with voluntary sustainability standards (VSSs) reached 7% to 8% of total production



Note: Conventional production volumes do not comply with a VSS, while VSS-compliant production volumes refer to sugar cane produced in compliance with at least one VSS. Production volumes that are defined as potentially VSS compliant cannot be definitively identified as conventional or VSS compliant with the data currently available.

Source: FAO, 2022a; Meier et al., 2021.

Global sugar cane production also declined in the 2019/2020 and 2020/2021 seasons because of the effects of the pandemic, but it rebounded in 2021/2022 and 2022/2023, mainly due to increased production in India and Thailand (European Commission, 2023a; OECD & FAO, 2022). Other factors have influenced the supply and demand of cane sugar post-pandemic. India and Thailand are among several producing countries that continue to regulate domestic cane sugar prices and intervene to address food security and market disruptions that can influence supply and demand dynamics. For example, India limited its cane sugar exports to maintain domestic supplies in March 2022 (Jadhav & Bhardwaj, 2022). Sanctions and trade restrictions due to the Ukraine–Russia conflict have limited fertilizer exports from Russia and Belarus, major global producers of nitrogen, a key nutrient for sugar cane production. This action resulted in soaring fertilizer prices and shortages and caused turmoil and uncertainty in global food and fertilizer markets (FAO et al., 2022; Haddad, 2022). All this may lead to a decrease in global supply in the 2023/2024 growing season as producers are facing higher costs of production and may reduce the use of synthetic fertilizers, which can drop their yields (European Commission, 2023a.). The International Fertilizer Association notes that it is rare for the fertilizer supply chain to face multiple disruptions in such a short period (Cross, 2022). Fertilizer prices have climbed 230% since May 2020 (Acciarino, 2022; Hebebrand & Laborde, 2022, a, 2022b). Soaring production costs have had a huge impact on Brazil—which imports 85% of its fertilizer, a quarter of which comes from Russia (Nti, 2022). The high cost of imported fertilizers has driven farmers in countries like Brazil, India, and South Africa to look for greener alternatives. Although this transition can take time and effort, many sugar cane farmers have already switched to organic fertilizers, experimenting with organic fertilization. This, in turn, can reduce their dependency on imported synthetic fertilizers and lower their production costs and energy use while improving soil health. In India, farmers who have switched to organic farming are experiencing improved soil nutrient levels and sugar cane quality (Jain, 2022). Some farmers in Brazil, South Africa, and Thailand have also combined sugar cane cultivation with livestock rearing or obtained animal manure from neighbouring farms to replace chemical fertilizers and enrich their soils (Teixeira et al., 2022).

(Source: <https://www.iisd.org/system/files/2023-09/2023-global-market-report-sugar-cane.pdf>)

## INDIAN SUGAR INDUSTRY

The sugarcane and sugar sector in India ranks second among the country's agro-based industries, after cotton. India ranks first globally in sugar production. It produced about 37 million metric tons of sugar in 2022. It is not only responsible for the livelihood of sugarcane farmers in rural areas but also provides employment to about 500 thousand workers in the sugar mills. Additionally, the gross value added from the sugar crop was about 806 billion Indian rupees in 2020. Apart from being the leading sugar producer, India was also the third-largest exporter of sugar in the world in 2022.

Sugar production is estimated to be 340 lakh tonnes in SS 2022-23, as compared to the peak of 358 lakh tonnes produced in the previous SS 2021-22; with the highest ever diversion towards ethanol estimated at 45 lakh tonnes (higher by 41% y-o-y), according to the Indian Sugar Mills Association (ISMA). This increasing diversion towards high realisation ethanol is likely to support 8-12% revenue growth for sugar mills this fiscal. By the year 2025, the government is targeting to divert 60 lakhs tonnes of excess sugar towards ethanol annually.

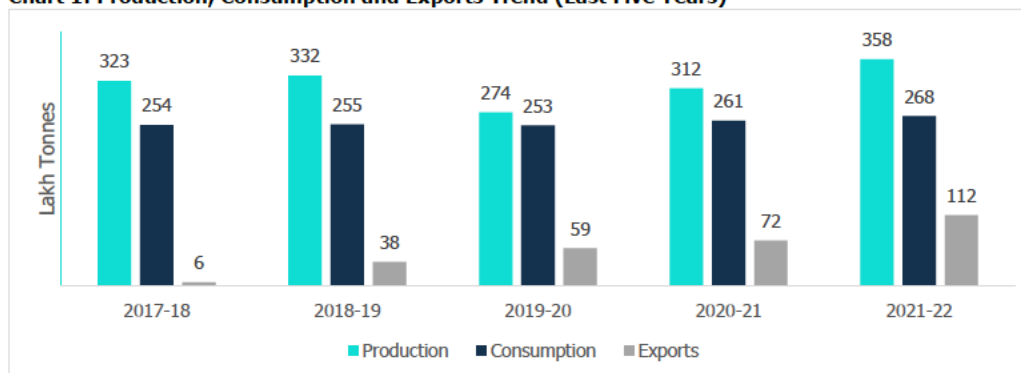
As of February 15, 2023, sugar production increased by ~5.5% on a y-o-y basis, wherein the major output contribution is from Maharashtra, Uttar Pradesh and Karnataka similar to last SS 2021-22. For export sales, the sugar export quota is set at 60 lakh tonnes by the government in the current SS, which is still lower than exports made of 72 lakh tonnes and 112 lakh tonnes in the SS 2020-21 and SS 2021-22, respectively. The additional sugar export quota will be decided after evaluating the current demand-supply scenario. Furthermore, a GST reduction from 18% to 5% coupled with any additional export quota announcement by the government, could support the sugar mills' performance in the near term.

The price of ethanol derived from the C heavy molasses route to be increased by ~6% to Rs. 49.41 per litre. The price of ethanol derived from B heavy molasses route and direct route (sugarcane juice/ sugar/sugar syrup) to be increased by ~3% to Rs. 60.73 per litre and Rs. 65.61 per litre respectively, which in turn will incentivise sugar mills for high margin ethanol production and support its profitability.

“The revenue for sugar mills is estimated to increase by 8-12% in FY23, based on analysis of top players accounting for about 50% of the organised sugar industry. The growth is expected to be supported by addition in installed capacity for sugar production and distilleries along with increase in ethanol blending target and price. With the government's continuous support towards the sugar sector and increasing focus on diversion towards ethanol production to promote Ethanol Blending Program in India, the sugar sector is likely to gain traction going forward,” Tanvi Shah, Director, CareEdge Advisory & Research, said.

The sugar season (SS) (October to September) 2021-22 registered a successful year with record level sugarcane production, sugar exports, cane procured, ethanol production and cane dues clearance.

**Chart 1: Production, Consumption and Exports Trend (Last Five Years)**



Source: CMIE

Wherein the growth has been recorded for production and consumption at a CAGR of 2.6% and 1.4% respectively in past five years. Moreover, the highlight of this season was sugar exports. With a consistent increase in surplus sugar production, the country's sugar exports grew by 105% CAGR to 112 lakh tonnes this season.

The Indian Sugar Mills Association (ISMA) has released its second advanced estimate of sugar production for SS 2022-23 based on the images of harvested and balance area, field visits, the current trend of yields and sugar recoveries achieved till now. For the SS 2022-23, the total sugar production (after diversion towards ethanol) is estimated to moderate by 5% to 340 lakh tonnes as compared to the record high production of about 358 lakh tonnes in the last SS 2021-22.

The total sugar production in Maharashtra is estimated to decline to 121 lakh tonnes in SS 2022-23 from 137 lakh tonnes in the previous season. Karnataka is likely to witness a decline to 56 lakh tonnes, whereas Uttar Pradesh may observe a minor decline to 101 lakh tonnes from 102 lakh tonnes in the previous season.

**Table 1: SS 2021-22 Sugar Production vis-à-vis Estimated Sugar Production for SS 2022-23**

	Unit	SS 2021-22	SS 2022-23 (1 <sup>st</sup> AE)	SS 2022-23 (2 <sup>nd</sup> AE)
Estimated Sugar Production (before Diversion)	Lakh tonnes	390	410	385
Estimated Sugar Diversion	Lakh tonnes	32	45	45
Actual Sugar Production (After Diversion)	Lakh tonnes	358	365	340

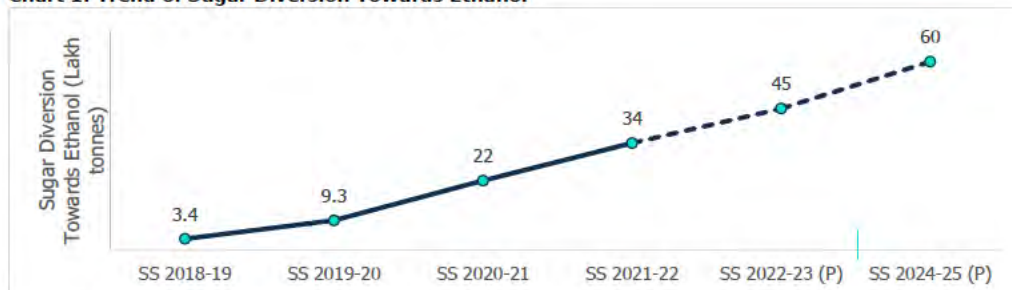
AE – Advanced Estimates; Source: ISMA

The actual production, after sugar diversion towards ethanol, stood at 254.2 lakh tonnes (higher by 5.5%) as on February 15, 2023 as compared to 240.9 lakh tonnes in the same period last year. Maharashtra and Uttar Pradesh continue to be the major contributors with 94.1 lakh tonnes and 69.8 lakh tonnes, respectively. The number of operating factories has also increased to 505 from 504 as on last year's corresponding date.

To prevent uncontrolled export of sugar and to ensure sufficient availability of sugar for domestic consumption and at a reasonable price, the government has decided to allow export up to a certain limit w.e.f. November 01, 2022 till October 31, 2023. For the current SS 2022-23, the government has decided to allocate an export quota of 60 lakh tonnes. The additional sugar export quota will be decided after duly evaluating overall production and prevailing demand scenario. This additional sugar export quota, if any, would help support sugar mills operating performance and remain a key monitorable.

Ethanol In accordance with the Ethanol Blending Programme (EBP) duly launched by the government, Oil Marketing Companies (OMC) sell petrol blended with ethanol up to 10% at present and the government is targeting to double this quantity by 2024-25. The sugar industry is striving to meet this target of 20%. The production of ethanol is a priority area for the country to reduce dependence on fuel imports and move towards green energy.

**Chart 1: Trend of Sugar Diversion Towards Ethanol**



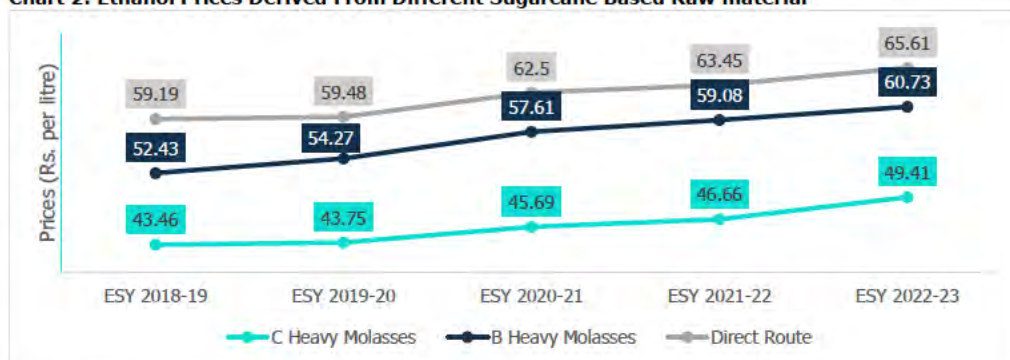
Source: ISMA

The sugar diversion towards ethanol production is estimated to be at a consecutive record high of 45 lakh tonnes in SS 2022-23 against 32 lakh tonnes in SS 2021-22 (y-o-y increase of 41%). By the SS 2024-25, the government is targeting to divert 60 lakh tonnes of excess sugar towards ethanol, 88% higher than the diversion made in SS 2021-22.

As of February 15, 2023, the actual diversion towards ethanol increased by 38% to 25.8 lakh tonnes from 18.7 lakh tonnes of the last corresponding period. The growing focus of the government along with sugar mills to divert excess sugarcane to ethanol will eventually help to utilise the surplus production which led to high inventories of sugar. This bodes well for sugar mills to improve liquidity and to help in making timely payments to the cane farmers. Moreover, higher ethanol prices for producers have been encouraging distilleries to divert more sugar towards ethanol. The distilleries are poised to see healthy business growth, due to higher ethanol prices derived from different sugarcane based raw materials under the EBP programme for the SS 2022-23.

As per the approval of the Cabinet Committee on Economic Affairs (CCEA), a notable change in defining the Ethanol Supply year (ESY) has been made. The ESY has been redefined as 1<sup>st</sup> November of a year to 31<sup>st</sup> October of the following year from 1<sup>st</sup> November 2023 onwards (currently defined as 1<sup>st</sup> December of a year to 30<sup>th</sup> November of the following year).

**Chart 2: Ethanol Prices Derived From Different Sugarcane Based Raw material**



Source: ISMA

In continuation to this, CCEA approved an increase in ethanol pricing for the ESY 2022-23 (December 1, 2022 to October 31, 2023). The price of ethanol derived from the C heavy molasses route to be increased by ~6% to Rs. 49.41 per litre. The price of ethanol derived from B heavy molasses route and direct route (sugarcane juice/ sugar/sugar syrup) to be increased by ~3% to Rs. 60.73 per litre and Rs. 65.61 per litre, respectively. This price hike was done to incentivise ethanol production as well as help government keep a check on sugar production.

Furthermore, looking at the overall profitability of the sugar mills, the distillery segment contributes a comparatively higher profit margin than the sugar segment. Such remunerative prices to ethanol suppliers will help in early payment to cane farmers, and improve the liquidity of Sugar mills.

(Source: [https://www.careratings.com/uploads/newsfiles/22022023010432\\_Sugar\\_Industry\\_Update\\_-\\_CareEdge\\_Research.pdf](https://www.careratings.com/uploads/newsfiles/22022023010432_Sugar_Industry_Update_-_CareEdge_Research.pdf))

### Road Ahead

Sugar mills will show stable operating profitability on higher domestic sugar prices and increasing sales of ethanol which will subsequently help offset the rise in sugarcane cost and lower exports in fiscal 2024, according to a report by CRISIL. Domestic sugar prices have increased by about 5 per cent between March and June this year to ~Rs 34/kg after remaining flat at ~Rs 32/kg for the past two fiscals. The rise in prices is because the total production is estimated

to be lower by nearly 7 per cent for the ongoing sugar season (SS 2023) due to unseasonal rains in key growing areas of Maharashtra and Karnataka.

Further, prices are expected to hold at these levels in the short term as net sugar production is expected to see only a modest increase in the next season (SS 2024) due to higher diversion for ethanol (~5 million tonnes vs 4 million tonnes in the ongoing season), it said.

The entire value chain of sugar – including procurement price of sugarcane, quantum of monthly sugar distribution and its annual export quota – as well as the prices of ethanol is regulated by the government. Not only this, even the quantum of exports is determined considering sugar production (net of diversion for ethanol), domestic consumption, and need to maintain stock for consumption during the lean season. Recently, the cabinet committee on economic affairs announced an increase in the fair and remunerative price (FRP) for sugarcane by ~3.5 per cent to Rs 315 per quintal for the next season. Ethanol prices are also expected to see a modest increase in prices in the times to come.

“Tailwinds from steadily growing ethanol volume and better realisation, supported by the government’s policy, basis which price of ethanol derived from sugarcane has been revised by ~3-4 per cent annually, will offset the impact of higher cane prices. This, together with recent improvement seen in domestic sugar realisations will keep the operating profitability of integrated sugar mills steady at 11-12 per cent in fiscal 2024,” said Poonam Upadhyay, Director, CRISIL Ratings.

Meanwhile, the report said that the operating profitability of millers that depend primarily on sale of sugar and do not have distillery plants, may get impacted as they will lose out on the recent surge in international prices of sugar which are ~55 per cent higher than the domestic prices. “This is because the sugar mills have already exhausted the export quota of 6.1 million tonnes approved for the ongoing season and there is limited possibility of further increase. To be sure, exports have already declined ~46 per cent on-year in the current season compared with SS 2022,” the report stated. This is based on an analysis of 24 sugar mills by CRISIL Ratings.

“We expect credit quality for integrated millers to remain largely ‘stable’. With cash flow generation remaining steady and working capital requirement under control, debt levels will rise only for players augmenting distillery capacity for ethanol production. Here, too, continuing interest subvention schemes to fund such loans, will largely offset the impact of higher overall interest rates, thus limiting the slide in interest cover to 6.4 times in fiscal 2024 from ~7 times last fiscal,” said Anil More, Associate Director, CRISIL Ratings.

The ratings agency said that the domestic sugar price movement, quantum of rainfall and reservoir levels, and average sugarcane yield will bear watching in the road ahead.

(Source: <https://www.financialexpress.com/policy/economy-sugar-mills-to-show-stable-operating-profitability-on-higher-domestic-sugar-prices-rise-in-ethanol-sales-says-crisil-3193605/>)

Lower-than-expected rainfall in key sugarcane producing districts of Maharashtra lowered cane yield in the state in sugar season/SS 2024 (October 2023 to September 2024). In fact, a dry spell in August impacted cane production in Maharashtra and Karnataka, which collectively contribute more than half the country’s sugar production.

Lower cane availability is expected to reduce sugar production by 3-4 per cent, which will trigger a price rise. Sugar prices are likely to rise 2-3 per cent in the backdrop of weak supply and strong demand.

The government has banned sugar exports this season because of low supply. The Directorate General of Foreign Trade issued a notification extending the restriction on sugar exports from October 31 onwards till further notice.

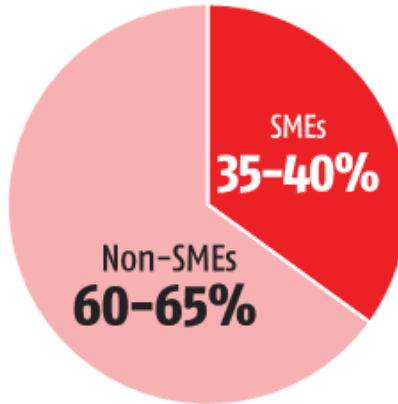
Lower cane availability is expected to result in reduction in cane being diverted for ethanol production from 4.5 million tonne to 4 million tonne.

Despite reduced exports and decline in ethanol production, Ebitda margins of micro, small and medium enterprises (MSMEs) in the sugar industry are projected to increase in the upcoming quarters. This is due to their significant



involvement in the sugar segment and limited exposure to exports and the distillery segment. Robust sugar prices will positively impact their financial performance this financial year.

## SMEs MAKE UP A THIRD OF ALL SUGAR MILLS



Source: Industry, CRISIL MI&A and Research

(Source: [https://www.business-standard.com/industry/sme/increased-sugar-prices-to-lift-msmes-margins-crisil-sme-tracker-123102400980\\_1.html](https://www.business-standard.com/industry/sme/increased-sugar-prices-to-lift-msmes-margins-crisil-sme-tracker-123102400980_1.html))

## INDIAN AGRICULTURE INDUSTRY ANALYSIS

### INTRODUCTION





## Introduction

India has the second-largest arable land resources in the world. With 20 agri-climatic regions, all the 15 major climates in the world exist in India. The country also has 46 of the 60 soil types in the world. India is the largest producer of spices, pulses, milk, tea, cashew, and jute, and the second largest producer of wheat, rice, fruits and vegetables, sugarcane, cotton, and oilseeds. Further, India is second in the global production of fruits and vegetables and is the largest producer of mango and banana. During 2019-20 crop year, food grain production reached a record of 296.65 million tonnes. In 2020-21, Government of India is targeting food grain production of 298 MT. Consumer spending in India will return to growth in 2021 post the pandemic-led contraction, expanding by as much as 6.6%.

Agriculture is the primary source of livelihood for about 58% of India's population. Gross Value Added by agriculture, forestry, and fishing was estimated at Rs. 19.48 lakh crore (US\$ 276.37 billion) in FY20. Share of agriculture and allied sectors in gross value added (GVA) of India at current prices stood at 17.8 % in FY20. Consumer spending in India will return to growth in 2021 post the pandemic-led contraction, expanding by as much as 6.6%.

Total area sown with rabi crops was 34.8 million hectares by November 27, 2020, 4% more than the previous season, and 2% above the average of the last five years. According to the Ministry of Agriculture, 44% of wheat and other rabi crops were harvested out of a total of 97 lakh hectares sown area in the 2020-21 rabi season. As of October 06, 2021, the total kharif area stood at 34.79 lakh hectares. A total of 50.90 lakh hectares of kharif crops will be sown in the kharif season of 2021-22. In the rabi marketing season 2021-22, the government purchased a record 43.33 MT of wheat. In case of pulses and oilseeds, the government through nodal agencies has procured total 1.04 million tonne at MSP value of US\$ 761.63 million (Rs. 5662.82 crores) so far in 2021.

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. Indian food and grocery market is the world's sixth largest, with retail contributing 70% of the sales. The Indian food processing industry accounts for 32% of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth.

The total agricultural and allied products exports stood at US\$ 41.25 billion in FY21.

## Market Size

The Economic Survey of India 2020-21 report stated that in FY20, the total food grain production in the country was recorded at 296.65 million tonnes—up by 11.44 million tonnes compared with 285.21 million tonnes in FY19. The government has set a target to buy 42.74 million tonnes from the central pool in FY21; this is 10% more than the quantity purchased in FY20. For FY22, the government has set a record target for farmers to raise food grain production by 2% with 307.31 million tonnes of food grains. In FY21, production was recorded at 303.34 million tonnes against a target of 301 million tonnes.

Production of horticulture crops in India was estimated at a record 326.6 million metric tonnes (MMT) in FY20 as per third advance estimates, an increase of 5.81 million metric tonnes over FY20. India has the largest livestock population

of around 535.78 million, which translates to around 31% of the world population. Milk production in the country is expected to increase to 208 MT in FY21 from 198 MT in FY20, registering a growth of 10% y-o-y. Area under horticulture is projected to rise by 2.7% in FY21.

Sugar production in India reached 26.46 MT between October 2019 and May 2020 sugar season according to Indian Sugar Mills Association (ISMA).

India is among the 15 leading exporters of agricultural products in the world. Agricultural export from India reached US\$ 38.54 billion in FY19 and US\$ 35.09 billion in FY20.

The Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025.

The private sector's share in seed production increased from 57.28% in 2017 to 64.46% in FY21.

India is the world's second-largest producer of rice, wheat, sugarcane, cotton, groundnuts and fruits & vegetables. It also produced 25% of the world's pulses, as of last decade, until 2019.

The organic food segment in India is expected to grow at a CAGR of 10% during 2015-25 and is estimated to reach Rs. 75,000 crore (US\$ 10.73 billion) by 2025 from Rs. 2,700 crore (US\$ 386.32 million) in 2015.

The processed food market in India is expected to grow to Rs. 3,451,352.5 crore (US\$ 470 billion) by 2025, from Rs. 1,931,288.7 crore (US\$ 263 billion) in FY20 on the back of government initiatives such as planned infrastructure worth US\$ 1 trillion and Pradhan Mantri Kisan Sampada Yojna. The food processing industry employs about 1.77 million people. The sector allows 100% FDI under the automatic route.

Between April 2020 and February 2021, the total value of processed food products exports was Rs. 43,798 crore (US\$ 6.02 billion). India exported key processed food products such as pulses, processed vegetables, processed fruits and juices, groundnuts, guar gum, cereal preparations, milled products, alcoholic beverages and oil meals.

## **Investments**

According to the Department for Promotion of Industry and Internal Trade (DPIIT), the Indian food processing industry has cumulatively attracted Foreign Direct Investment (FDI) equity inflow of about US\$ 10.43 billion between April 2000 and June 2021.

Some major investments and developments in agriculture are as follows:

- From 2017 to 2020, India received ~US\$ 1 billion in agritech funding. With significant interest from the investors, India ranks third in terms of agritech funding and number of agritech start-ups. By 2025, Indian agritech companies are likely to witness investments worth US\$ 30-35 billion.
- In March 2020, F&amp;N, the oldest large-scale fertiliser manufacturer in the country, crossed one million production and sales mark.
- Nestle India will invest Rs. 700 crore (US\$ 100.16 million) in construction of its ninth factory in Gujarat.
- In November 2019, Haldiram entered into an agreement for Amazon's global selling program to E-tail its delicacies in the United States.
- In November 2019, Coca-Cola launched 'Rani Float' fruit juices to step out of its trademark fizzy drinks.
- Two diagnostic kits developed by Indian Council of Agricultural Research (ICAR) - Indian Veterinary Research Institute (IVRI) and the Japanese Encephalitis IgM ELISA were launched in October 2019.
- Investment worth Rs. 8,500 crore (US\$ 1.19 billion) have been announced in India for ethanol production.

## **Government Initiatives**

Some of the recent major Government initiatives in the sector are as follows:

- In October 2021, Agricultural and Processed Food Products Export Development Authority (APEDA) signed a

Memorandum of Understanding (MoU) with ICAR-Central Citrus Research Institute (ICAR-CCRI), Nagpur, for boosting exports of citrus and its value-added products.

- In October 2021, the Union Ministry of Agriculture and Farmers Welfare announced that 820,600 seed mini-kits will be distributed free of cost in 343 identified districts across 15 major producing states under a special programme. This programme is likely to boost production and productivity by speeding up the seed replacement rate and subsequently, help in increasing farmer's income.
- In September 2021, Prime Minister Narendra Modi launched 35 crop varieties with special traits such as climate resilience and higher nutrient content.
- Prime Minister of India launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan) and transferred Rs. 2,021 crore (US\$ 284.48 million) to bank accounts of more than 10 million beneficiaries on February 24, 2019. As per the Union Budget 2021-22, Rs. 65,000 crore (US\$ 8.9 billion) was allocated to Pradhan Mantri Kisan Samman Nidhi (PM-Kisan).
- The Indian government has initiated Digital Agriculture Mission for 2021-25 for agriculture projects based on new technologies such as artificial intelligence, block chain, remote sensing and GIS technology, drones, robots and others.
- In September 2021, the Union Ministry of Agriculture and Farmers' Welfare signed five MoUs with CISCO, Ninjacart, Jio Platforms Limited, ITC Limited and NCDEX e-Markets Limited. This MoU will have five pilot projects, which will help farmers make decisions on the kind of crops to grow, variety of seeds to use and best practices to adopt to maximise yield.
- With a budget of US\$ 1.46 billion, the 'Production-Linked Incentive Scheme for Food Processing Industry (PLISFPI)' has been approved to develop global food manufacturing champions commensurate with India's natural resource endowment and to support Indian food brands in international markets.
- As per Union Budget 2021-22, Rs. 4,000 crore (US\$ 551.08 million) was allocated towards implementing Pradhan Mantri Krishi Sinchayee Yojana (PMKSY-PDMC).
- The Ministry of Food Processing has been allocated Rs. 1,308.66 crore (US\$ 180.26 million) in the Union Budget 2021-22.
- Under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PM FME), an outlay of Rs. 10,000 crore (US\$ 1.34 billion) over a period of five years from FY21 to FY25 has been sanctioned.
- To boost farmer incomes and growth of the agricultural economy, the Indian government released funds in June 2021 for farm mechanisation such as establishment of custom hiring centres, farm machinery bank and high-tech hubs in different states.
- In April 2021, the Government of India approved a PLI scheme for the food processing sector with an incentive outlay of Rs 10,900 crore (US\$ 1,484 million) over a period of six years starting from FY22.
- The Government of India came out with Transport and Marketing Assistance (TMA) scheme to provide financial assistance for transport and marketing of agriculture products in order to boost agriculture exports.
- The Agriculture Export Policy, 2018 was approved by the Government of India in December 2018. The new policy aimed to increase India's agricultural export to US\$ 60 billion by 2022 and US\$ 100 billion in the next few years with a stable trade policy regime.
- The Government of India is going to provide Rs. 2,000 crore (US\$ 306.29 million) for computerization of Primary Agricultural Credit Society (PACS) to ensure cooperatives are benefitted through digital technology.
- The Government of India launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs. 50,000 crore (US\$ 7.7 billion) aimed at development of irrigation sources for providing a permanent solution from drought.
- Government plans to triple the capacity of food processing sector in India from the current 10% of agriculture produce and has also committed Rs. 6,000 crore (US\$ 936.38 billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India has allowed 100% FDI in marketing of food products and in food product E-commerce under the automatic route.

### **Achievements in the sector**

- As of October 06, 2021, the total kharif area stood at 34.79 lakh hectares.

- As per first advance estimates released by the Ministry of Agriculture and Farmers Welfare, record foodgrain production of 150.50 million tonnes is likely in the 2021-22 kharif season.
- As per first advance estimates released by the Ministry of Agriculture and Farmers Welfare, production of rice was estimated at 102.36 million tonnes (MT), while production of food grains was estimated at 144.52 MT in the crop year 2020-21.
- In July 2021, the first commercial consignment of Kashmir's Mishri cherry was shipped to Dubai, paving the way to boost horticulture crop exports.
- In June 2021, India exported 24 metric tonnes of groundnuts to Nepal from West Bengal, boosting groundnut exports from Eastern India.
- In FY21, India exported 1.91 lakh tonnes of banana worth Rs. 619 crore (US\$ 82.90 million).
- Paddy procurement in Kharif Marketing Season (KMS) 2020-21 until January 10, 2020, reached over 534.44 lakh metric tonnes (LMT), an increase of 26.24% against the last year corresponding purchase of 423.35 LMT.
- In November 2020, the planting of winter crops exceeded by 10% compared with the last year and witnessed 28% increase in area under pulses. The total area acreage under pulses increased to 8.25 million hectares from 6.45 million hectares last year.
- Out of the total 37 mega food parks that were sanctioned, 22 mega food parks are operational, as of January 2021.
- In November 2020, Minister of Consumer Affairs, Food and Public Distribution, Mr. Piyush Goyal announced that the Food Cooperation of India and state agencies are set to procure a record quantity of 742 LMT (lakh metric tonnes) paddy during the ongoing Kharif crop season as against 627 LMT paddy last year.
- The Electronic National Agriculture Market (e-NAM) was launched in April 2016 to create a unified national market for agricultural commodities by networking existing APMCs. It had 16.9 million farmers and 157,778 traders registered on its platform until February 2021. Over 1,000 mandis in India are already linked to e-NAM and 22,000 additional mandis are expected to be linked by 2021-22.
- Sale of tractors in the country stood at 880,048 units in 2020 with the export of 77,378 units.
- The principal commodities that posted significant positive growth in exports between FY20 and FY21 were the following:
  - Wheat and Other Cereals: 727% from Rs. 3,708 crore (US\$ 505 million) to Rs. 5,860 crore (US\$ 799 million)
  - Non-Basmati Rice: 132% from Rs. 13,130 crore (US\$ 1,789) to Rs. 30,277 crore (US\$ 4,126 million)
  - Soya Meal: 132% from Rs. 3,087 crore (US\$ 421 million) to Rs. 7,224 crore (US\$ 984 million)
  - Raw Cotton: 68% from Rs. 6,771 crore (US\$ 923 million) to Rs. 11,373 crore (US\$ 1,550 million)
  - Sugar: 39.6% from Rs. 12,226 crore (US\$ 1,666 million) to Rs. 17,072 crore (US\$ 2,327 million)
  - Spices: 11.5% from Rs. 23,562 crore (US\$ 3,211 million) to Rs. 26,257 crore (US\$ 3,578 million)
  - During FY20 (till February 2020), tea export stood at US\$ 709.28 million.
  - Coffee export stood at US\$ 742.05 million in FY20.

## Road Ahead

India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investment in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to concerted effort of scientists to get early maturing varieties of pulses and the increase in minimum support price.

In the next five years, the central government will aim US\$ 9 billion in investments in the fisheries sector under PM Matsya Sampada Yojana. The government is targeting to raise fish production to 220 lakh tonnes by 2024-25.

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits. The agri export from India is likely to reach the target of US\$ 60 billion by the year 2022.

*References: Agricultural and Processed Food Products Export Development Authority (APEDA), Department of*

*Commerce and Industry, Union Budget 2021-22, Press Information Bureau, Ministry of Statistics and Programme Implementation, Press Releases, Media Reports, Ministry of Agriculture and Farmers Welfare, Crisil*

*\*as per 3rd advance estimates, PE- Provisional Estimates*

*Note: Conversion rate used in October 2021, Rs. 1 = US\$ 0.01324*

*Disclaimer: This information has been collected through secondary research and IBEF is not responsible for any errors in the same.*

## OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read “Forward Looking Statements” on page 15 of this Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company’s strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in “Risk Factors” on page 24. This section should be read in conjunction with such risk factors.*

*Unless otherwise indicated, industry and market data included in this section has been derived from the industry sources. This section should be read in conjunction with the “Industry Overview” on page 98 of this Prospectus. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12-month period ended March 31 of that year.*

*Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “Restated Financial Information”, included in this Prospectus on page 179.*

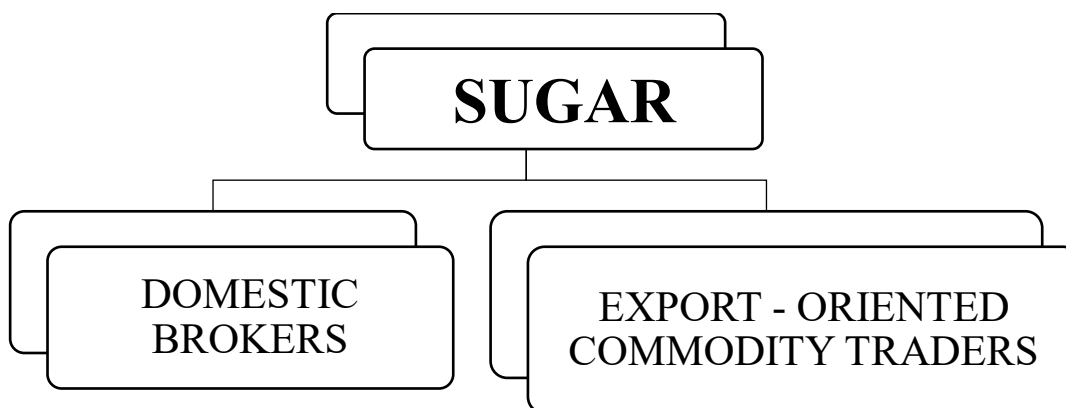
### **OVERVIEW**

We are an integrated sugar and other allied products manufacturing company operating from Nanded District in the State of Maharashtra. We operate a single location sugar unit having licensed crushing capacity of 2,500 TCD. In addition to sugar we also commercialise and sell our by-products and waste products, namely, Molasses, Bagasse and Pressmud. We are also engaged in the generation of Power for captive consumption. Our business can hence be broken up into two segments, namely Sugar and its by-products/waste products. In the year 2020, we commenced operations of manufacturing of Sugar. In the year 2020, our Company implemented backward integration and began commercial operations of the by-products and waste products of Sugar along with Co-Generation capabilities. Our Company has in the Fiscal 2023, completed three crushing seasons, i.e., 2020-21, 2021-22 and 2022-23. Over the years, we have expanded the production / manufacturing capacities of all our products. Our present licensed manufacturing capacity for our various products is given below:

S. No.	Product	Current Approved Capacity
1.	Sugar	2,500 Tones Cane per day (TCD)
2.	Molasses	120 Tones per day
3.	Bagasse	750 Tones per day
4.	Pressmud	90 Tones per day

Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and Bio-CNG and Fertilizer. Ethanol is produced after fermentation and distillation of Molasses and can be further purified into Fuel Ethanol, by removing the water content. We intend to create an additional revenue stream using backward integration of our waste material, i.e., Molasses for manufacturing Ethanol and marketing and selling the same for industrial usage. Further, in the said greenfield unit, we propose to set up a separate bio CNG bottling and fertiliser plant for bio-gas generation and bottling. The by-product generated from the manufacturing of bio-gas is mainly used as a fertiliser, therefore our Company proposes to market and sell such by-product as a fertilizer to third parties. We propose to generate bio-gas by processing Bagasse and Pressmud further marketing and selling the same for industrial usage. Accordingly, our Company proposes to utilise an amount of ₹ 3,488.17 lakhs and ₹ 1,750.00 lakhs from the Net Proceeds of this Issue towards setting up the aforementioned manufacturing unit for Ethanol and Bio-CNG and Fertilizer, respectively, and expanding our product portfolio.

Our Company follows a diversified marketing approach for marketing and selling its products. We market and sell our products through domestic brokers and export-oriented commodity traders.



*Domestic Brokers:* We market and sell our Sugar through brokers, with whom we share long term relationship. Our brokers further market and sell Sugar to institutional confectionary manufactures, such as PepsiCo Holdings India Private Limited, Parle Biscuits Private Limited and Britannia Industries Limited, etc. Our products are used as a raw materials by the institutional manufacturers for manufacturing finished products such as biscuits, rusk and other bakery products. Our brokers also market and sell our products directly to wholesalers and large retailers, all over India. We believe that the marketing initiatives of our brokers have enabled us in creating a brand presence in the domestic market.

*Export-oriented commodity traders:* In addition to our association with brokers, we also sell our products to export oriented commodity traders, such as, Sakuma Exports Limited, Indian Sugar Exim Corporation, Garden Court and HRMM Agro Overseas Private Limited. Our commodity traders have built long-standing relationships with international buyers of various grades of raw sugar, and therefore we sell Sugar in bulk quantities to our commodity traders, who further market and sell it in both bulk and containerised forms in global markets.

We have achieved complete integration by marketing and selling by-products and waste products produced while manufacturing sugar. Our sugar manufacturing unit is an integrated production facility, which first crushes sugarcane to extract juice and processes the juice to produce Sugar. The Sugar manufactured is then graded and packed based on the size of crystals and quality of the sugarcane. After extracting the juice from sugarcane, the residual fibre leftover called Bagasse is used by our Company as raw material for in-house power generation, for captive consumption. During the manufacture of Sugar, bagasse, molasses and pressmud are accumulated as by-products and waste material. We commercialise the said products to third party bio-coal and ethanol manufacturers, thereby achieving complete integration.

We have a successful track record which has enabled us to develop an effective business model with stringent control over processes, including raw material procurement, manufacturing operations, inventory management and management of distribution logistics. We adhere to stringent product quality standards and closely track consumer preferences across segments from cross-section of markets. Our Company runs a zero wastage manufacturing unit, wherein waste material generated from our divisions is either sold or processed in power generation. We further market and sell our by-product, bagasse, molasses and pressmud, and therefore commercialise our by-product as well as waste material. The commercialisation of our waste material makes our manufacturing unit a zero wastage unit or a zero discharge unit. The revenue earned from the sale of our products, including by-products during the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

Particulars	Six month period ended September 30, 2023		Fiscal					
			2023		2022		2021	
	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*
<i>Sugar</i>								



Particulars	Six month period ended September 30, 2023		Fiscal					
			2023		2022		2021	
	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*
Brokers	4186.09	69.62%	2750.46	29.49%	4984.45	38.14%	1281.65	56.13%
Export-oriented commodity traders	-	-	2663.99	28.56%	5176.63	39.61%	-	0.00%
<b>By-Products</b>								
Bagasse	-	0.00%	87.1	0.93%	96.74	0.74%	21.59	0.94%
Cane Seed & others	1008.53	16.77%	2009.8	21.55%	1216.3	9.31%	0.59	0.03%
Molasses	37.03	0.62%	1812.43	19.43%	1588.38	12.16%	974.47	42.68%
Pressmud	1.00	0.02%	3.96	0.04%	4.61	0.04%	5.1	0.22%
<b>Milk products</b>								
Milk Products	779.87	12.97%	-	-	-	-	-	-

\*As a percentage of consolidated turnover.

We believe our complete integration of operations and in-house generation of Power for captive consumption has helped us in achieving sustainability in our business operations. Our manufacturing unit is completely operated through the power generated through waste material collected during the sugar manufacturing process. We do not rely on any third party power sources to run our manufacturing process. Furthermore, our manufacturing operations are seasonal in nature, owing to our dependence on harvesting and cultivation of sugarcane. Therefore we run our manufacturing unit on a 24 hour basis from November until March and manufacture and stock the sugar in adequate quantities to sustain the demands of our customers from April to October. Our cyclical operations are in line with the harvesting season and therefore supplements the natural cycle of production of sugarcane. Our cyclical operations also ensure adequate demand of sugarcane for the farmers and therefore also sustains their livelihood during the harvest period. In addition to the above, our Company has adopted a circular manufacturing process, wherein by-products and waste material are either used in power generation or are commercialised to third parties for manufacturing sustainable products such as, bio-coal and bio-gas. Our integrated operations make us a sustainable 'zero-discharge' unit.

Production of sugar and power requires our Company to adopt stringent Quality Assurance and Quality Control standards (QA/QC). We have formed a quality control and quality assurance division ("Quality Division") set-up an in-house laboratory in our manufacturing unit which ensures that quality of raw material used in the production process and also the finished goods delivered to our customers is subject to various tests. To access and facilitate compliance with applicable requirements, our Quality Division regularly reviews the quality systems to determine their effectiveness and identify areas for improvement. This helps in improving our procurement process thus reducing wastages, returns and other related costs.

Our business model and our products are completely sustainable in nature. We source our raw materials directly from farmers to ensure that we use absolutely natural ingredients in our products. Our business model ensures that the farmers receive complete benefit of their produce without having to share their revenue with market intermediaries. Since, we source our raw materials directly from the farmers, we are able to offer our products at a lower range than our competitors, thereby having a unique pricing model. We source our raw materials from local farmers to ensure that we do not increase the carbon footprint in transporting products from different states in our manufacturing unit. In addition to this, we have also set up a 'Farmer Development Division', wherein agricultural experts from our team train local farmers farming techniques and methods to ensure that their produce is healthy and matches with our quality standards. We also sponsor the education of our Farmers by sending them to farming institutes and colleges, to enable them to obtain technical farming knowledge and expertise.

Our Company is promoted by Marotrao Vyankatrao Kawale, Ganeshrao Vyankatrao Kawale, Kishanrao Vyankatrao Kawale and Sagarbai Marotrao Kawale, who are Directors and by Sandip Marotrao Kawale, who is the Chief Financial Officer of our Company. Marotrao Vyankatrao Kawale started his career as a school teacher and was previously associated with Nutan Vidyalaya Education Society in the capacity of an assistant teacher. He has vast knowledge and experience in the field on management and manufacturing of sugar, jaggery, ethanol, milk product and dairy for over 20 years. He has played a key role in growth and development of our Company. Our Company and our Promoters are

aided by a team of experienced personnel. The team comprises of personnel having technical, operational and business development experience. We believe that our management team's experience and their understanding of the sugar production & derived product manufacturing business will enable us to continue to take advantage of both current and future market opportunities. It is also expected that our management personnel's experience will to help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent agents, and fluctuations in sugar and sugarcane prices. Our team includes senior executives and managers, many of whom are having vast experience in the engineering and sugar industry. We believe our management and executive team has the long-term vision to provide stability and continuity to our businesses.

Our revenues from operations for the six months period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021 were ₹ 6,012.52 lakhs, ₹ 9,327.65 lakhs, ₹ 1,3067.11 lakhs and ₹ 2,283.40 lakhs, respectively. Our EBITDA for the six months period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021 were ₹ 1,325.39 lakhs, ₹ 1,661.13 lakhs, ₹ 1,201.82 lakhs and ₹ 533.66 lakhs, respectively. Our profit after tax for the six months period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021 were ₹ 430.07 lakhs, ₹ 377.45 lakhs, ₹ 319.81 lakhs and ₹ 140.41 lakhs, respectively. For further details, please refer to the section titled "*Financial Information*" on page 179 of this Prospectus.

### **BUSINESS OVERVIEW OF OUR SUBSIDIARY**

During the year 2023, our Company acquired 100% shareholding of Sai Krupa Dairy & Food Products Private Limited, pursuant to which the said company become a wholly owned subsidiary of our Company. Our Subsidiary is an integrated dairy company based in the Nanded district of Maharashtra primarily deriving all of its revenue from the sale of milk and dairy based value added products in the branded consumer market. The operations of our Subsidiary are undertaken under our brand "*K Guru Ji*". Our Subsidiary processes and sells retail milk (full cream, standardised, toned and double toned) and produces dairy based value added products ("**VAPs**") such as paneer, lassi, cream, khoya, amongst others. The integrated business model of our Subsidiary in India consists of procurement, processing, distribution and marketing operations. The procurement operations are spread across Maharashtra. These consist of an average procurement of 15,000 MLPD as of November 30, 2023 from approximately 7,500 farmers through 70 villages and third party suppliers. The raw milk collected from farmers is transported to the processing plant of our Subsidiary. The processing operations of our Subsidiary consists of processing of the collected raw milk into packaged milk and manufacturing of other dairy based VAPs through its processing plant situated in Nanded with an aggregate installed capacity of 30,000 MLPD. The processing plant of our Subsidiary is in close proximity to its milk procurement operations and our target market which enables us to optimise transportation and raw milk handling costs.

The manufacturing unit of our Subsidiary is situated at GUT Number 345, At Post Waghawada, Umari, Nanded – 431 807, Maharashtra, India. Our Company markets and sells its products in Maharashtra using local retailers and traders.



### Wide range of products

The process of production of sugar produces various residual materials and by-products like Bagasse, Molasses and Pressmud. These residual materials are used by us as raw materials for manufacturing further products. The Bagasse, which is a dry residue after the sugar production process is used to generate electricity by burning the same in the Boilers. Our Company commercialises the aforementioned by-products in the following manner:

S. No.	By-Products	Customers	Usage
1.	Bagasse	Local traders	Manufacturing of biomass briquettes or bio-coal or white-coal.  Bio coal is a replacement for oil or coal, fire-wood; and can be used as a solid fuel in boilers, furnace, oven, heaters <i>etc.</i> , in industrial plants.
2.	Molasses	Domestic ethanol manufacturers	Manufacturing of ethanol for industrial purposes.
3.	Pressmud	Local farmers	Organic fertilizers

We market and sell our Sugar through brokers, with whom we share long term relationship. Our brokers further sell our products to a wide range of industrial sectors like renowned FMCG manufacturers such as, PepsiCo Holdings India Private Limited, Parle Biscuits Private Limited and Britannia Industries Limited among others and food industry,

to name a few. The above wide range of products gives us a large market for each product. Our brokers also sell our products to wholesalers and large retailers all over India. We believe that the marketing initiatives of our brokers have enabled us in creating a brand presence in the domestic market. In addition to our association with brokers, we also sell our products to export oriented commodity traders, such as, Sakuma Exports Limited, Indian Sugar Exim Corporation, Garden Court and HRMM Agro Overseas Private Limited. Our commodity traders have built long-standing relationships with international buyers of various grades of raw sugar, and therefore we sell Sugar in bulk quantities to our commodity traders, who further market and sell it in both bulk and containerised forms in global markets. Once the sugar production is started, we are in a position to always provide raw materials to the other products in sufficient quantities for captive consumption and also for external sale.

Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and Bio-CNG and Fertilizer. Ethanol is produced after fermentation and distillation of Molasses and can be further purified into Fuel Ethanol, by removing the water content. We intend to create an additional revenue stream using backward integration of our waste material, *i.e.*, Molasses for manufacturing Ethanol and marketing and selling the same for industrial usage. Further, in the said greenfield unit, we propose to set up a separate bio CNG bottling and fertiliser plant for bio-gas and fertilizer generation and bottling. We propose to generate bio-gas by processing Bagasse and Pressmud further marketing and selling the same for industrial usage. The by-product generated from the manufacturing of bio-gas is mainly used as a fertiliser, therefore our Company proposes to market and sell such by-product as a fertilizer to third parties. Accordingly, our Company proposes to utilise an amount of ₹ 3,488.17 lakhs and ₹ 1,750.00 lakhs from the Net Proceeds of this Issue towards setting up the aforementioned manufacturing unit for Ethanol and Bio-CNG and Fertilizer, respectively, and expanding our product portfolio.

A break up of the product-wise revenues earned by our Company during the six month period ended September 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

Particulars	Six month period ended September 30, 2023		Fiscal					
			2023		2022		2021	
	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*
<b>Sugar</b>								
Brokers	4186.09	69.62%	2750.46	29.49%	4984.45	38.14%	1281.65	56.13%
Export-oriented commodity traders	-	-	2663.99	28.56%	5176.63	39.61%	-	0.00%
<b>By-Products</b>								
Bagasse	-	0.00%	87.1	0.93%	96.74	0.74%	21.59	0.94%
Cane Seed & others	1008.53	16.77%	2009.8	21.55%	1216.3	9.31%	0.59	0.03%
Molasses	37.03	0.62%	1812.43	19.43%	1588.38	12.16%	974.47	42.68%
Pressmud	1.00	0.02%	3.96	0.04%	4.61	0.04%	5.1	0.22%
<b>Milk products</b>								
Milk Products	779.87	12.97%	-	-	-	-	-	-

\*As a percentage of consolidated turnover.

### ***Integrated operations and economies of scale***

We have integrated operations enabling us to meet the time, cost efficiency, quality and quantity requirements. The residual material and by-products generated from the production process of one product is used as a raw material for power generation and are commercialised to third parties for manufacturing sustainable products. Thus our diversified but integrated business model provides most of the necessary raw materials in-house for the power generation and has created additional revenue streams for our Company, thereby adding to our revenue from operations. Our business model and our products are completely sustainable in nature. We source our raw materials directly from farmers to ensure that we use absolutely natural ingredients in our products. Since, we source our raw materials directly from the farmers, we are able to offer our products at a lower range than our competitors, thereby having a unique pricing model. Further, we procure our sugarcane produce from local farmers, uninterruptedly till date, we are also able to achieve economies of scale by bulk buying from the farmers. This provides us seamless flow of raw material and also

enables us to transport the surplus waste materials, if, any, for direct sale. This integration allows us not only to save enormous costs and have less dependence on third party for input materials, but also helps us achieve economies of scale by commercialising our waste thereby, improving our efficiency and margins.

Furthermore, our manufacturing unit is completely operated through power generated through waste material collected during the sugar manufacturing process. We do not rely on any third party power sources to run our manufacturing process. Power generation for captive consumption further reduces our expenses and our dependence on third party power suppliers and therefore helps us achieve economies of scale.

#### ***Fully equipped manufacturing facility***

Our Company operates through its manufacturing facility located in Nanded District of Maharashtra. We operate a single location sugar unit having licensed crushing capacity of 2,500 TCD. Our manufacturing facility is also capable of segregating our by-products and waste products, namely, Molasses, Bagasse and Pressmud and generation of Power for captive consumption. Our manufacturing unit is equipped with processing and milling facilities, for manufacturing sugar from sugarcane. The value chain is capital intensive and follows highest standards of hygiene and automation. We believe that our Company's processing technology gives us a competitive edge over most of our competitors. Our processing technology offers high operational efficiency and provides higher yield to our Company. We believe that our Company's high level of modernization, trained work force and managerial expertise results in a consistent high level of productivity.

#### ***Strategic location of our manufacturing unit***

Sugarcane is the principal raw material used for the production of sugar. Our business depends on the availability of sugarcane and any shortage of sugarcane may adversely affect our results of operations. After de-regulation of the sugar industry, there are no restrictions on the farmers to sell their produce to any particular sugar unit. However, due to our continued relations with the farmers, are regular and advance payments, assistance with high quality seeds and timely aid in harvesting and transportation of the cane, we have ensured continuous supply of sugarcane from a large number of farmers in the nearby villages in our vicinity and other areas. Though, due to poor rainfall the sugarcane production has been affected, in turn impacting our utilisation, we believe that the larger sugarcane area will provide us with ample supply in seasons of good rain. Also, having a large sugarcane supply base ensures that, in times of cane shortage, due to its long standing relationships with farmers, the factory gets a considerable share of the cane available in the vicinity of our factory. Also, a simultaneously large sugarcane crushing capacity also ensures a larger stock of Bagasse for the co-generation of power, as also a substantial increase in the Molasses available third party sale.

#### ***Cordial and strong relationships with sugarcane farmers***

We had approximately 177 villages allotted to us under the cane area allotment order by the Sugarcane Commissioner, in the vicinity of our factory unit and have cordial relations with every farmer in the nearby areas. We have maintained good and cordial relations with large sugarcane growing farmer base so as to ensure un-interrupted supply of sugarcane and within the required time period. Besides making timely payments to sugarcane farmers, our Farmer Development Division trains local farmers and teach them farming techniques and methods to ensure that their produce is healthy and matches with our quality standards. We also sponsor the education of our Farmers by sending them to farming institutes and colleges, to enable them to obtain technical farming knowledge and expertise. This not only helps us in ensuring the supply of sugarcane to us but also ensures quality of the sugarcane so that the recovery from these sugarcanes is good. We have entered into agreements for harvesting and transporting of sugarcane produced by the farmers, for no cost to the farmers. The harvesting and transporting groups are paid by our Company and this cane procurement activity ensures the harvested produce is transported to our factory for crushing. Despite the cyclical nature of the sugar industry, we keep strong ties with the desired sugarcane growing farmers. We believe that these relationships are a competitive advantage as farmers have no obligation to sell their produce to us and they are free to sell to any sugar factory. Also, assisting the farmers with technical training, ensures that the farmers do not switch to other crops that may be more profitable.

### ***Captive Power plant***

Power is an important factor in every manufacturing facility. Considering the integrated nature of our manufacturing unit and its corresponding power requirements, we have installed a power plant with electricity generation capacity of 3 MW from Bagasse. Our entire electricity requirement during the crushing season is met out of the electricity generated by us in-house by use of Bagasse. Also, the captive power generation gives us stable and uninterrupted power supply which is very crucial in manufacturing of our products. It further gives us steady and quality supply of steam for our various processes in the sugar and co-generation units. Uninterrupted power supply helps to avoid any delays in manufacturing process thereby ensuring optimum utilization of our capacities and reducing external electricity costs, especially during the crushing season.

### ***Existing client relationships***

We believe in constantly addressing the customer needs for variety of our products. Our existing relationships with our brokers and commodity traders help us to get repeat business from our customers. This has helped us to maintain a long term working relationship with our brokers and commodity traders and improve our retention strategy. We have strong existing relationships which generates multiple repeat orders. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business. Further being a small and medium size organisation we rely on personal relationships with our customers. We believe that existing relationships will help as a core competitive strength for us.

### ***Quality Assurance and Quality Control of our products.***

We are committed towards quality of our products. Our determination towards quality is demonstrated by well-defined quality and safety procedures at various stages of our manufacturing process from procurement of raw material to distribution of our products. Owing to the expertise of our experienced and trained team forming part of our Quality Division, all our products are manufactured strictly as per the regulatory standards. Our manufacturing facility has a fully equipped Quality Division with experienced and qualified staff to carry out quality checks and inspections at all the stages of our manufacturing process. We have necessary infrastructure to test our raw materials and finished products to match the quality standards as specified by the relevant customers and FSSAI Standards. Our Quality Division and in-house quality laboratories are well-equipped for ensuring the quality and compliance with regulatory standards.

### ***Well experienced management team with proven project management and implementation skills.***

Our Promoter, Marotrao Vyankatrao Kawale has vast knowledge and experience in the field on management and manufacturing of sugar, jaggery, ethanol, milk product and dairy for over 20 years. Under the guidance of Marotrao Vyankatrao Kawale, our Company in the year 2020, purchased the manufacturing unit along with movable and immovable properties situated at Unit No.3, situated at village Waghawada, Tq. Umri, Dist. Nanded -431 807, Maharashtra, India and started commercial production of sugar, in the said unit. Our Company has in the Fiscal 2023, completed three crushing seasons, *i.e.*, 2020-21, 2021-22 and 2022-23. With their business acumen and foresight, our Promoters, in the year 2020, our Company implemented backward integration and began commercial operations of the by-products and waste products of Sugar along with Co-Generation capabilities. Today our Company has an integrated manufacturing unit for products ranging from Sugar to electricity generation, thus utilising technically the entire waste from sugar production. For further details of our Promoter's experience and background, please refer the chapter titled "*Our Promoters and Promoter Group*" on page no. 168 of this Prospectus.

Our Company and our Promoters are aided by a team of experienced personnel. The team comprises of personnel having technical, operational and business development experience. We believe that our management team's experience and their understanding of the sugar production & derived product manufacturing business will enable us to continue to take advantage of both current and future market opportunities. It is also expected that our management personnel's experience will to help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent agents, and fluctuations in sugar and sugarcane prices. Our team includes senior executives and managers, many of whom are having significant experience in the engineering and

sugar industry. We believe our management and executive team has the long-term vision to provide stability and continuity to our businesses.

## **OUR BUSINESS STRATEGIES**

### ***Setting up of a greenfield unit for manufacturing Ethanol and Bio-CNG and Fertilizer***

We have over the years diversified our product portfolio and increased our production capacities through consistent growth and innovation. During the year 2020, our Company purchased our manufacturing unit along with movable and immovable properties situated at Unit No.3, situated at village Waghawada, Tq. Umri, Dist. Nanded -431 807, Maharashtra, India and started commercial production of sugar, in the said unit. Our Company has in the Fiscal 2023, completed three crushing seasons, i.e., 2020-21, 2021-22 and 2022-23. Furthermore, in the year 2020, our Company implemented backward integration and began commercial operations of the by-products and waste products of Sugar along with Co-Generation capabilities. As of date of this Prospectus, our Company is engaged in the business of manufacturing sugar along with generation of Power for captive consumption and commercialisation of its by-products/waste products, namely, Molasses, Bagasse and Pressmud. Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and Bio-CNG and Fertilizer. Ethanol is produced after fermentation and distillation of Molasses and can be further purified into Fuel Ethanol, by removing the water content. We intend to create an additional revenue stream using backward integration of our waste material, i.e., Molasses for manufacturing Ethanol and marketing and selling the same for industrial usage. Further, in the said greenfield unit, we propose to set up a separate bio CNG bottling and fertiliser plant for bio-gas generation and bottling. The by-product generated from the manufacturing of bio-gas is mainly used as a fertiliser, therefore our Company proposes to market and sell such by-product as a fertilizer to third parties. We propose to generate bio-gas by processing Bagasse and Pressmud further marketing and selling the same for industrial usage. Accordingly, our Company proposes to utilise an amount of ₹ 3,488.17 lakhs and ₹ 1,750.00 lakhs from the Net Proceeds of this Issue towards setting up the aforementioned manufacturing unit for Ethanol and Bio-CNG and Fertilizer, respectively, and expanding our product portfolio. We believe that our strong presence in the Indian market positions us well to capitalize on the anticipated growth of Sugar and its by-products. The strategic decision to expand our product portfolio will enable us to create additional revenue streams, diversify our business operations and reduce our dependence on a single product.

### ***Increasing operational efficiency***

Our product portfolio consists of sugar and various other by-products manufactured by processing its residual products. Hence operational efficiency for each product is related to its previous product's efficiency and quality. We continue to invest in increasing our operational efficiency throughout the organisation. We are addressing the increase in operational output through continuous process improvement, increasing recovery rate through timely sugarcane crushing, technology development throughout the products, consistent quality and customer service. We also strive to achieve alignment of our people towards 'process improvement' through change management and upgrading of skills for latest technology and as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is wide spread among all the employees.

### ***Investing in exportable capacity***

We have installed a power plant with electricity generation capacity of 3 MW from Bagasse. Our entire electricity requirement during the crushing season is met out of the electricity generated by us in-house by use of Bagasse. Out of the total bagasse produced as a result of the cane crushing process, we use ~85% in the electricity generation process and the balance is sold to local traders. We intend to commercialise the electricity generated in-house by selling it to third parties through a PPA or an open sale. We also intend to instal various energy saving devices at our production facilities such as planetary gear boxes, variable frequency drives, swing type fibrizor, high efficiency pumps and energy efficient motors which would help us reducing the consumption of energy in our crushing operations. We believe that due to the implementation of the above measures we will be able to reduce our captive consumption leading to higher availability of exportable power.

### ***Strengthen our brand value and create awareness for our new products***

The industry is seeing a shift in market share from the unorganised to the organised sector. We seek to capture a greater market share in this environment and it is important to invest in the brand to strengthen the top of the mind recall and consequently we shall continue to invest in our brands. Since the industry is highly unorganized, a good distribution network is essential in this industry. We are focusing on expanding on our distributorship network by way of appointment of new brokers and commodity traders.

### ***Strengthen our marketing network***

We continue to enhance our business operations by ensuring that our customer base increases through our marketing efforts. Our core competency lies in the thorough understanding of our customers' needs and preferences, our vision to engage in sustainable practices and providing unparalleled quality of our products thereby achieving customer loyalty. We intend to strengthen our existing marketing team by inducting qualified and experienced personnel, who will supplement our existing marketing strategies in the domestic and international markets.

We would aim our business strategies to be dynamic and proactive, given the macro and micro market environments in which we operate or where we may expand in the future. Our Company shall always strive to:

- achieve maximum operational efficiency;
- strengthen and expand our market position and product portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our network of distributors, customers and geographical reach.

### ***Value proposition for consumers***

We plan to grow our business primarily by growing the number of client relationships, as we believe that increased client relationships will add stability to our business. Our brand equity has increased over the years, driven by product innovation and cost efficiencies in our production and distribution operations, and offering superior value proposition for consumers, through a wide range of our products. We believe that the relatively high grammage and consequent value proposition that we offer to the price conscious middle-class Indian consumers who form a large proportion of the consumer market in India, has been an important factor in the growth and acceptance of our brand and our market share, particularly in the urban, semi-urban and rural markets in India. We seek to build on existing relationships and also focus on bringing into our portfolio more clients. Our Company believes that business is a by-product of relationship. Our Company believes that a long-term client relationship with large clients reap fruitful returns. Long-term relations are built on trust and continuous meeting with the requirements of the customers.

## **DETAILS OF OUR BUSINESS**

### **PRODUCTS**

#### **SUGAR**

Our Company is involved in the process of production of sugar, with a total capacity crushing capacity of 2,500 tonnes per day. Sugarcane being a seasonal crop, the sugar manufacturing majorly takes place during the sugarcane period of November to March known as Crushing Season. We use modern technology which enables us to optimally utilize the available resources to ensure maximum crushing capacity and thereby maximize the production of sugar. We have a total licensed sugarcane crushing capacity of 2,500 TCD and installed sugarcane crushing capacity of 2,500 TCD. The sugar produced by us is differentiated on the basis of the size of the sugar crystals. These types are termed as M30, SS30 and S30 which are in descending order of the size of the crystals. Since the de-regularization of Sugar, our Company has developed a robust and long term relationship with brokers and export oriented commodity traders who have liaisons with various major brands. Through our brokers, we have sold our sugar produce to major brands such as PepsiCo Holdings India Private Limited, Parle Biscuits Private Limited and Britannia Industries Limited; among others, who use sugar for manufacture of various biscuits, confectionery and beverages.





## BY-PRODUCTS

**Bagasse:** Bagasse is the fibrous residual material that is left after juice has been extracted from sugarcane. The bio-fuel is used for the boilers which generates steam. This high pressure steam is blown through the turbines which and is responsible for rotation of turbines. The rotation of turbines generates electricity. Out of the total bagasse produced as a result of the cane crushing process, we use ~85% in the electricity generation process and the balance is sold to local traders.

**Press Mud:** Pressmud is used as manure in sugarcane fields to increase the fertility of the soil and ensure improved yields. Press mud is produced from the residue which comes out from the factory after the filtration of sugarcane juice. The clarification process separates the juice into a clear juice that rises to the top and goes for manufacture, and a mud that collects at the bottom. However Press Mud is also sold to farmers who use it as organic fertilizers, etc.

**Molasses:** Molasses is used in the manufacturing of ethanol and spirit. Molasses is produced from the residue which comes out from the factory after the centrifugation of massecuite. We sell this to domestic ethanol manufacturers.

Our Company commercialises the aforementioned by-products in the following manner:

S. No.	By-Products	Customers	Usage
1.	Bagasse	Local traders	Manufacturing of biomass briquettes or bio-coal or white-coal.  Bio coal is a replacement for oil or coal, fire-wood; and can be used as a solid fuel in boilers, furnace, oven, heaters <i>etc.</i> , in industrial plants.
2.	Molasses	Domestic ethanol manufacturers	Manufacturing of ethanol for industrial purposes.
3.	Pressmud	Farmers	Organic fertilizers

## MANUFACTURING PROCESS

### Raw material procurement

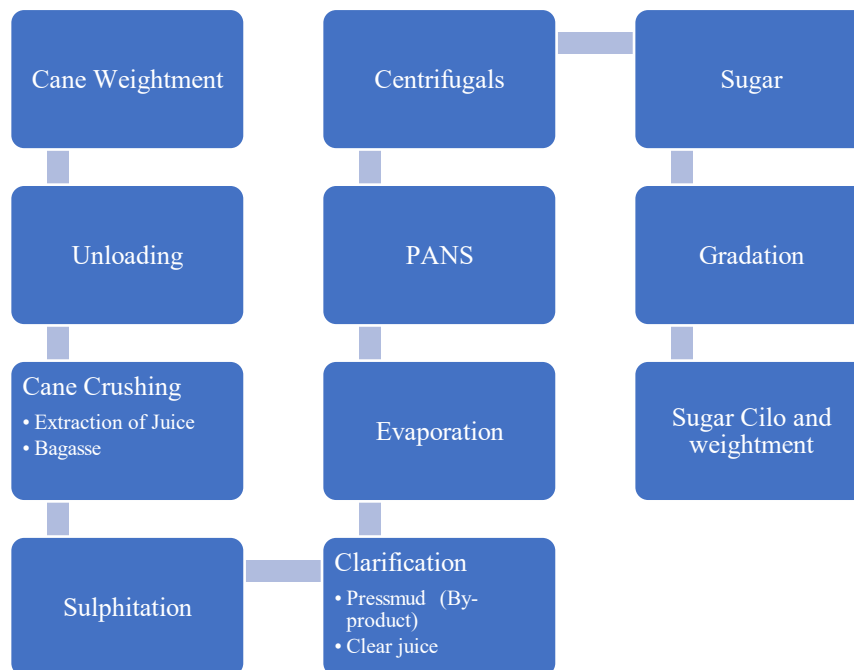
Sugarcane is the only and basic raw material for manufacturing sugar and its by-products. Our Company purchases all our required sugarcane directly from farmers. Currently, we purchase sugarcane from estimated 5,000 to 5,500 farmers who are majorly within and around the area where our manufacturing unit is situated. These Farmers growing sugarcane are based in approximately 177 villages allotted to us around our production facility. Though the farmers are free to sell their produce to any unit, we offer sufficient incentives, infrastructure and assistance in various stages of cultivation, thus ensuring loyalty from these farmers. We also appoint contractors who are responsible for harvesting and transporting the sugarcane from the farms to our factory. Further, our Company has and will continue to maintain good relations with the sugarcane farmers in our vicinity which ensures uninterrupted supply of sugarcane to our factory during the crushing season.

### Sugarcane Cultivation

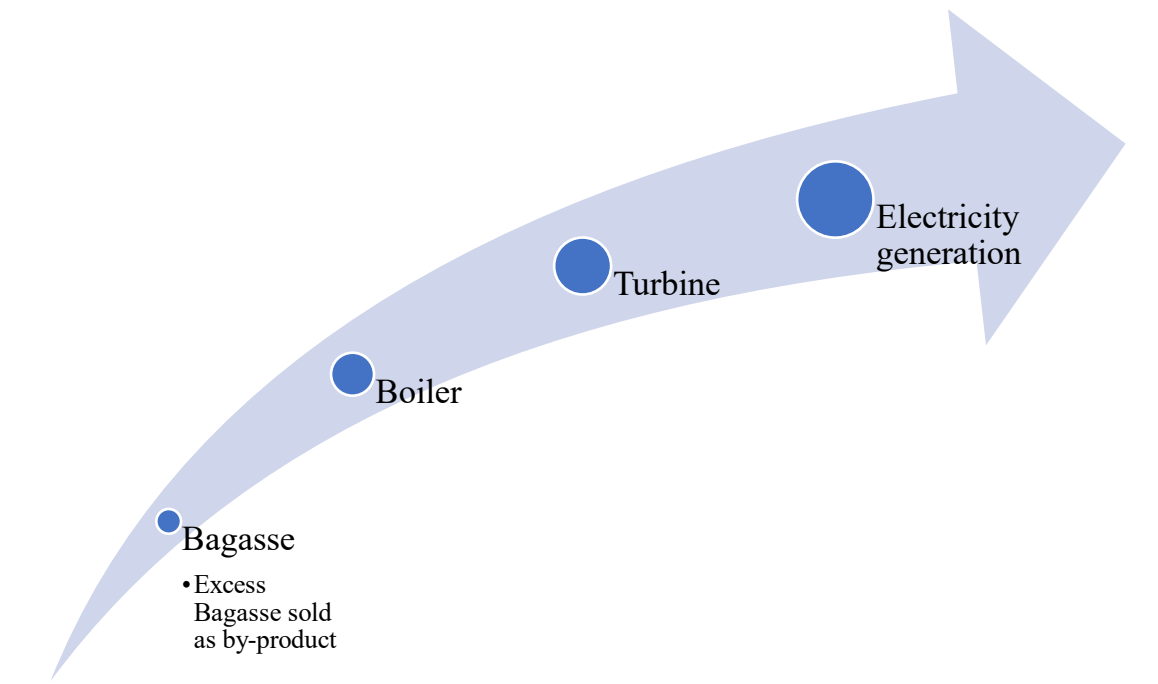
We have undertaken several initiatives to improve sugarcane production in our area, and also on improving cane quality and hence recovery, and at the same time developed good relations with the farming community of the area. Sugarcane development initiatives undertaken by us include providing healthy seeds, fertilizers and farm advise for good cultivation of canes. We also send farmers for training to Vasantdada Sugar Institute, Pune.

## PRODUCTION PROCESS

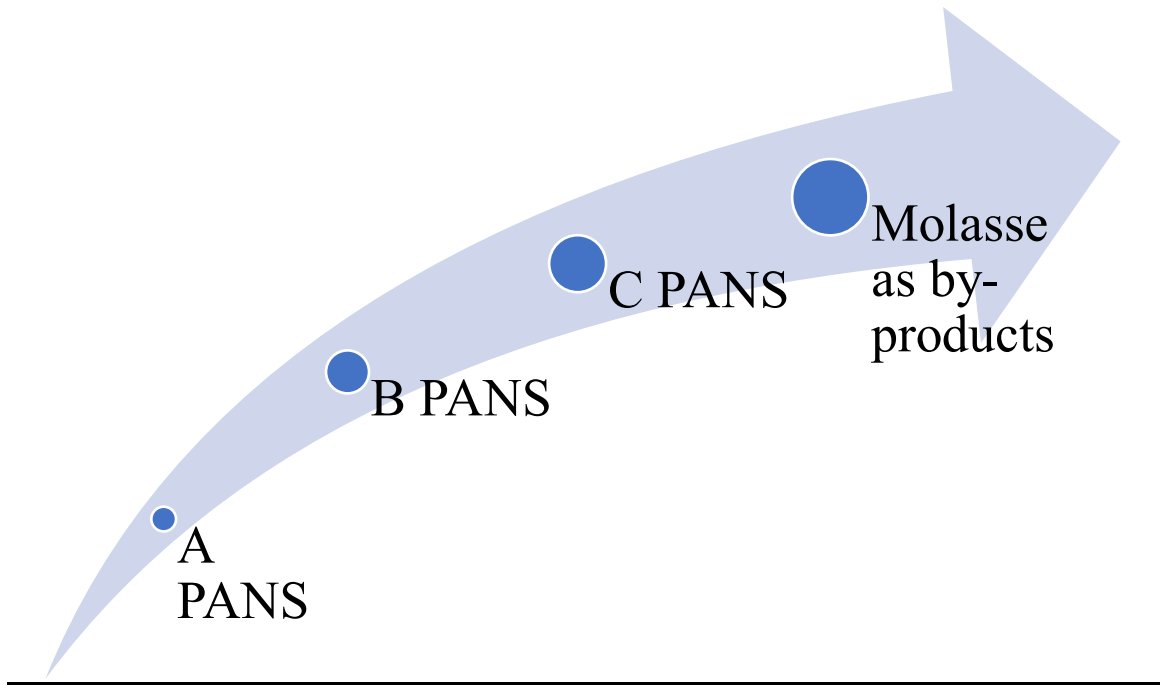
### *Sugar:*



**Captive power generation**



**Molasse**







### **LIST OF MACHINERY**

Following is the list of major machinery installed at our manufacturing unit:

<b>List of machinery</b>		<b>Purpose</b>	<b>Owned/ Leased</b>
1	Weigh Bridge	To weight the canes	Owned
2	Cane Unloading Equipment	Unloading of canes from vehicle	Owned
3	Feeder Table	To feed canes to cane carrier	Owned
4	Cane Carrier	To carry canes to canes chopper	Owned
5	Cane Chopper	To chop canes	Owned
6	Cane Leveler	To level the canes	Owned
7	Fibrizer	To make fibrous canes	Owned
8	Rake carrier	To convey canes from febrilizer to first mill	Owned
9	Mills	Extraction of juice	Owned
10	Bagasse elevator	To convey bagasse from mill section to boilers	Owned
11	Boilers	To produce steam to run turbine and steam for boiling house	Owned
12	Power Plant	To generate electricity to run whole plant	Owned
13	Juice Heater	To heat juice in three stages	Owned
14	Juice Sulphitation tank:	For clarification of juice, milk and SO <sub>2</sub> gas	Owned
15	Clarrifire	To separate clear juice and mud	Owned
16	Filter Press	To extract juice from mud and to produce pressmud	Owned
17	Evaporators	To thicken juice to syrup	Owned
18	Syrup Treatment Plan	To remove coloring matters	Owned
19	Vacuum Pans	To produce sugar crystals	Owned
20	Centrifugal Machine	To produce sugar and molasses	Owned
21	Sugar Grader	To segregate sugar of different sizes	Owned
22	Sugar cilo	To store different size of sugar	Owned
23	Sugar Weighting Machine	To weight sugar bags	Owned
24	Sugar bag stitching machine	To stitching weighted bags	Owned

## **REVENUE BREAK-UP**

- a) A detailed revenue breakup of our Company during the six month period ended September 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

*(₹ in lakhs)*

S. No.	Six month period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Operations	6,012.52	9,327.65	13,067.11	2,283.4
Other Income	31.84	65.98	196.45	299.7
<b>Total</b>	<b>6,044.36</b>	<b>9,393.63</b>	<b>13,263.56</b>	<b>2,583.1</b>

- b) The following is the revenue breakup of the top five and top ten customers of our Company during the six month period ended September 30, 2023 and Fiscals 2023, 2022 and 2021:

*(₹ in lacs)*

Particulars	September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%
Top five customers	2,144.27	35.48%	4,767.37	50.75%	6,010.88	45.32%	1,111.34	43.02%
Top ten customers	2,578.23	42.66%	5,416.67	57.66%	7,205.06	54.32%	1,262.1	48.86%

## **HUMAN RESOURCE**

Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, along with assurance of quality.

Department wise bifurcation of our employees as of September 30, 2023 has been provided below:

Sr. No.	Division / Department	Number of Employee
1.	Top level management	04
2.	Accounts	04
3.	Human Resources and Administration	04
4.	Legal and Compliance	02
5.	Marketing	03
6.	Processing	26
7.	Quality Division	03
8.	Maintenance	70
9.	Farmer Development Division	30
10.	Security	15
	<b>Total</b>	<b>161</b>

We do not use any contract labour.

## **UTILITIES**

### ***Power***

We have set up our own co-generation unit. Other than for off-season period (April to October) our Company is self sufficient in generating the entire power for its need. During the off-season period the company meets its power requirement by procuring electricity from Maharashtra State Electricity Distribution Limited. In addition to the said self generated power, the company has installed DG Sets as standby arrangement in its manufacturing units, which is used in case of need / shortage or requirement of additional power. The DG Set gets its fuel requirement from the petrol pump owned by our Company. The said pump is used for captive consumption of the Company.

## Water

Our processing unit has adequate water supply position. We source water supply from Godavari River.

## Steam

Steam is used for various processes in the production of sugar and power generation. We generate our entire steam requirement on a captive basis wherein we use the bagasse (generated during sugar production) and coal (if required) for burning in the boilers installed thus generating steam.

## Emission and Effluent Treatment Plant

Our Company has installed various effective treatment plants which broadly cover our segment wise operations with adequate capacities to treat the effluent generated from our manufacturing unit as per the consent granted by the Maharashtra Pollution Control Board. Being involved in the business of Sugar, the company also produces liquid effluents.

## Capacity Installed and Capacity Utilisation

Set forth below is the detail of the installed and utilized capacity of our manufacturing unit for the last three years.

Financial Year	Installed Capacity (in MTPA)	Utilized Capacity (in MTPA)	Percentage of utilization (%)
<i>Sugar Unit</i>			
2020-2021	2,500 TCD	1,684 TCD	67.36%
2021-2022	2,500 TCD	1,776 TCD	71.04%
2022-2023	2,500 TCD	2,149 TCD	85.96%
<i>Co-generation Unit</i>			
2020-2021	3 MW	3 MW	100.00%
2021-2022	3 MW	3 MW	100.00%
2022-2023	3 MW	3 MW	100.00%

## COLLABORATIONS

As on date of this Prospectus, we have not entered into any technical or financial collaborations or agreements.

## QUALITY CONTROL & QUALITY ASSURANCE

We place strong emphasis on product and process quality, which we believe is the critical factor contributing to our success. Being in the business of sugar production and generation of power; requires that we adhere and adopt stringent quality control measures. To assess and facilitate compliance with applicable requirements, we regularly review our quality systems to determine their effectiveness and identify areas for improvement. We operate on dedicated Standard Operating Procedures for our product segments, which is critical in quality control. Our Company uses various methods to assess the quality of sugarcane being used for production of sugar along with the quality of bagasse and the sugarcane juice extracted from these sugarcanes. We also monitor the juice clarification process and thereafter syrup and massecuite quality is checked. We have a well equipped laboratory which enables our Company to ensure, monitor and check all the parameters in the various stages of sugar production. The produced sugar undergoes grading for determining the quality and price to be commanded.

## INSURANCE

We generally maintain insurance covering our stocks, machineries and assets at such levels that we believe to be appropriate. We have also insured our employees by availing commercial general liability policy. The policies are as under:



Sr No	Insurer	Type of Policy	Sum Assured (Rs. in Lakhs)	Expiry Date
1	United India Insurance Company Limited	Building Plant & Machinery and stock	1,000.00 1,608.00	27-04-2024
2	ICICI Lombard General Insurance Company Limited	Standard Fire and Special Perils Insurance Policy	6,000.00	23-01-2024

## **MARKETING, BRANDING & ADVERTISING**

Our sales and marketing team has enabled our Company to adopt a focused approach towards creating brand awareness by targeting deeper penetration in small cities and towns for marketing of our products. Our sales and marketing team consists of 3 (three) employees who oversee the sales of our products, manage our intermediaries and adopt marketing activities to spread awareness of our products.

## **COMPETITION**

India is one of the largest sugar producer and consumer in the world. Our Company faces severe competition in the business of Sugar production from sugar mills operating not only in Karnataka and Maharashtra but throughout the country and also from international markets. Though our direct sugar competitors are the sugar mills operating out of North West Karnataka and South West Maharashtra, with the de-regulation of sugar prices, we now have to set sugar prices as per national competition. The competition faced by us is also in the form of sugarcane purchase from farmers from villages in our vicinity and also outside the area of our factory. Further, competition in the sugar industry arises from organised as well as from un-organised sector.

## **INTELLECTUAL PROPERTY RIGHTS**

As on date of this Prospectus, our Company has not registered any trademarks.

## **INFRASTRUCTURE AND FACILITIES**

### **Manufacturing Unit**

GUT No. 44 and 46,  
Kusumnagar, At Post Waghalwada,  
Umari, Nanded – 431 807

Our manufacturing unit houses three warehouses, two stock yards, in-house quality laboratory, Quality Division and Farmer Development Division. Our sales and marketing division functions from the Registered Office of our Company.

## **TRANSPORTATION**

We use local villagers for transportation of sugar canes to our plant. Further, our domestic brokers and export-oriented commodity traders pick up our finished products from our manufacturing unit and therefore, we are not required to engage any third party transport providers.

## **LAND AND PROPERTY**

We carry out our business operations from the following properties:

### **i) Freehold Property**

Sr. No.	Particulars of the Property	Usage
1.	GUT No. 44 and 46, Kusumnagar, At Post Waghawada, Umari, Nanded – 431 807	Registered Office, Factory and vacant land

**ii) Leasehold Property**

We have not taken any property on a leasehold basis.

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## KEY INDUSTRIAL REGULATIONS AND POLICIES

*The following is an indicative summary of certain relevant industry specific laws, regulations and policies which are applicable to our business and operations in India. The information available in this section has been obtained from publications available in the public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law, which are subject to amendments or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions.*

### A. INDUSTRY SPECIFIC LEGISLATIONS

#### ***The Food Safety and Standards Act, 2006***

The Food Safety and Standards Act, 2006 (the “**FSS Act**”) is the primary legislation in India relating to food and the corresponding safety standards. The FSS Act inter-alia mandates that no food business operator shall himself or by any person on his behalf manufacture, store, sell or distribute any article of food

- (i) which is unsafe; or
- (ii) which is misbranded or sub-standard or contains extraneous matter; or
- (iii) for which a licence is required, except in accordance with the conditions of the licence; and
- (iv) which is for the time being prohibited by the Food Authority or the Central Government or the State Government in the interest of public health.

Section 3(j) of the FSS Act defines ‘food’ and inter-alia includes packaged drinking water within the scope of the definition of ‘food’. Further, every person who carries on food business is required to obtain a license under the FSS Act. The Food Safety and Standards Authority of India (“**FSSAI**”) has been established under the FSS Act. The FSSAI has the power to regulate and monitor the manufacture, processing, distribution, sale and import of food so as to ensure safe food. It inter-alia has the power to regulate the quality control of articles of food imported in India, limits on use of additives, metals, drugs and anti-biotics in food, certification of bodies engaged in food safety management systems and food labelling standards. The FSSAI is obliged to provide scientific advice and technical support to the Central Government and the State Governments in framing the policies and rules in areas which have a direct or indirect bearing on food safety and nutrition. The FSS Act also provides power to the Food Safety Officer to enter and inspect any place where articles of food are manufactured, or stored for sale, or stored for the manufacture of any other article of food, or exposed or exhibited for sale and where any adulterant is manufactured or kept, and take samples of such articles of food or adulterant for analysis. Further, any person who whether by himself or by any other person on his behalf manufactures for sale or stores or sells or distributes or imports any article of food for human consumption which is sub-standard, shall be liable to a penalty which may extend to five lakh rupees. The FSSAI has also framed the several rules and regulations relating to food safety and standards with regard to sale, packaging and labelling, analysis, additives and contaminants.

In terms of the Food Safety and Standards (Food Recall Procedure) Regulations, 2017, every FBO engaged in manufacturing of food is required to have a food recall plan. The packaging done by a FBO is required to comply with the Food Safety and Standards (Packaging) Regulations, 2018, while labelling and display of prepackaged food items must comply with the Food Safety and Standards (Labelling and Display) Regulations 2020.

According to the Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations, 2018, an e-commerce FBO (which includes sellers and brand owner who display or offer their food products, through ecommerce, and providers of transportation services for the food products and/or providing last mile delivery transportation to the end consumers), is required to obtain central license from the concerned central licensing authority.

***FSSAI Guidance Note on ‘Food Hygiene and Safety Guidelines for Food Businesses during Coronavirus Disease (COVID- 19) Pandemic’ (“COVID-19 Guidance Note”)***

The COVID-19 Guidance Note was issued with an intent to provide guidance to food businesses, including their personnel involved in handling of food and other employees to prevent spread of COVID-19 in the work environment and any incidental contamination of food/food packages. It also provides guidance in relation to operative mechanism such as establishment of an inhouse emergency response team in large food businesses to deal with suspected infections effectively. It mandates that employers should have a COVID-19 screening protocol in place to screen all personnel entering the premise. All the employees or visitors should be screened at entry point for the symptoms of COVID-19 such as, among others, temperature (using non-contact type thermometer), cough, cold etc. The entrance shall mandatorily have measures installed for hand hygiene. Employees and food handlers should be encouraged to self-declare any symptoms of any respiratory illness before visiting the premises. To spread awareness and contain the spread of the disease, employers should employ and ensure compliance with numerous measures such as, among others, display of posters/standees/audio visuals on preventive measures for COVID-19, frequent usage of alcohol-based sanitizers, avoidance of close contact with symptomatic personnel, usage of face masks, and frequent cleaning and disinfection. Food sectors involved in food services, takeaways and deliveries shall ensure, among others, that the food service area shall be thoroughly cleaned and disinfected after every meal, hand wash facilities should be made available to the workers, employees wear a clean uniform, mask/face cover, gloves and head covers at all time, adoption of contactless delivery. The COVID-19 Guidance Note prescribes guidelines for management of the food establishment to handle a COVID-19 suspect/positive case in accordance with the guidelines issued by Ministry of Health and Family Welfare and clean and disinfect the premises accessed by the suspected case.

The COVID-19 Guidance Note mandates strict adherence to General Hygiene Practices specified under Schedule IV of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 (“Schedule IV”). Schedule IV enumerates multiple compulsory measures to be adopted by FBOs in the interest of human nutrition, safety, and hygiene. Schedule IV mandates that the premises shall be clean, adequately lighted, and ventilated, and sufficient free space for movement shall be made available. In relation to personal hygiene – all employees should wash their hands properly and they should be made aware of measures to avoid cross-contamination. Further, among other things, eating, chewing, smoking, spitting and nose blowing shall be prohibited within the premises especially while handling food, and persons suffering from infectious diseases shall not be permitted to work. Any cuts or wounds shall remain covered at all time and the person should not be allowed to come in direct contact with food.

### ***Food Safety and Standards (Packaging Regulations), 2018 (the “Regulations”)***

The Food Safety and Standards Authority of India had in accordance with the powers conferred upon it under Section 23 of Food Safety and Standards Act, 2006 promulgated the Food Safety and Standards (Packaging and Labelling) Regulations, 2011 for packaging and labelling of food. On January 03, 2019, the Food Safety and Standards Authority of India (“FSSAI”) announced new regulations with respect to food packaging and divided these regulations into two regulations, (i) the Food Safety and Standards (Packaging) Regulations, 2018; and (ii) the Food Safety and Standards (Labelling and Display) Regulations, 2020. The Food Safety and Standards (Packaging) Regulations, 2018 replaced the packaging provisions of the Food Safety and Standards (Packaging and Labelling) Regulations, 2011. The new regulations include both general and specific requirements for packaging materials and in particular, they prescribe an overall migration limit of 60 mg/kg or 10 mg/dm<sup>2</sup> and specific migration limits for certain contaminants in plastic packaging materials. The regulations also specify that food packaging materials must now comply with Indian Standards (“IS”) listed in Schedules I, II, and III for paper and paperboard materials, metal and metal alloys, and plastic materials, respectively. Previously, compliance with the standards was voluntary. They are available for purchase through the Bureau of Indian Standards (“BIS”). Furthermore, the revised regulations ban both the use of recycled plastics in food packaging and the use of newspaper and such other materials for packing or wrapping of food articles. They also reference specific Indian Standards for printing inks for use on food packages. Schedule IV of the regulations is a list of suggested packaging materials for different food product categories.

The Regulations broadly prescribe the general and specific requirements which need to be followed while packaging food and food products. The general requirements to be adhered by a food manufacturer which packing food is that *inter alia* (i) the packaging material complied with the prescribed Indian Standards and wherever the Indian Standards are not available it should comply with the international standards; (ii) any material which comes in direct contact with food or likely to come in contact with food used for packaging, preparation, storing, wrapping, transportation

and sale or service of food shall be of food grade quality; (iii) packaging materials shall be suitable for the type of product, the conditions provided for storage and the equipment for filling, sealing and packaging of food as well as transportation conditions; (iv) packaging materials shall be able to withstand mechanical, chemical or thermal stresses encountered during normal transportation; (v) food products shall be packed in clean, hygienic and tamper-proof package or container; (vi) tin containers once used, shall not be re-used for packaging of food; (vii) plastic containers of capacity 5 liter and above and glass bottles, which are reused for packaging of food, shall be suitably durable, easy to clean or disinfect; (viii) printing inks for use on food packages shall conform to IS: 15495; (ix) printed surface of packaging material shall not come into direct contact with food products; (x) newspaper or any such material shall not be used for storing and wrapping of food; (xi) in case of multilayer packaging the layer which comes in direct contact with food or layers likely to come in contact with food shall meet the requirements of packaging materials specified in Schedule I, II and III of these regulations; (xii) the materials listed in Schedule I, II and III of these regulations shall be compatible with their intended use as a packaging material so as not to alter the quality and safety of the food product; (xiii) every food business operator shall obtain the certificate of conformity issued by National Accreditation Board for Testing and Calibration Laboratories (“NABL”) accredited laboratory against these regulations for the packaging material which comes in direct contact with food or layers likely to come in contact with food to be used.

The specific requirements have been diversified on the basis of the nature of the packaging material. The Regulations prescribe specific packaging requirements for the following packaging materials intended to come in contact with food products (i) paper and board materials; (ii) glass containers; (iii) metal and metal alloys; and (iv) plastic materials. The various standards to be met by the aforementioned packaging material have been prescribed under Schedules I to IV.

#### ***Food Safety and Standards (Labelling and Display), 2020 (the “Regulations”)***

The Food Safety and Standards Authority of India (“FSSAI”) has notified Food Safety and Standards (Labelling and Display) Regulations, 2020, prescribing the labelling requirements of pre-packaged foods and display of essential information on premises where food is manufactured, processed, served and stored. According to the notification, the Food Business Operator (“FBO”) shall comply with all the provisions of these regulations after one year from the date of their publication in the Official Gazette except Chapter 3 (display of information in food service establishments) of these regulations, to which Food Business Operator shall comply by January 1, 2022. The Regulations also introduce the concept of ‘principal display panel’, which refer to the part of the container/package which is intended or likely to be displayed or presented or shown or examined by the customer under normal and customary conditions of display, sale or purchase of the food article contained therein and is typically the first thing a consumer will see when they look at the product. Chapter 1 of the Regulations, prescribes the labelling requirements of pre-packaged foods and display of essential information on premises where food is manufactured, processed, served and stored; Chapter 2 covers the general requirements of labelling of prepackaged foods such as Name of food, Name of food, List of ingredients, Nutritional information, Calculation of Nutrients; Chapter 3 of the regulation contains Display of information in food service establishments; Chapter 4 indicates Labelling Requirements of non-retail container; Chapter 5 of regulation mentions of Labelling of packaged Food Additives for Retail Sale and Schedule II has been set out with mandatory labelling declaration for various food products.

The Regulations prescribe general and specific requirements to be adhered to by a FBO while packaging and labelling a food product, the key requirements have been detailed below:

- Food products sold through e-commerce or any other direct selling means; the Regulation mandates the requirement that the label must be provided to the consumer through appropriate means before sale.
- Where an ingredient is itself the product of two or more ingredients, such a compound ingredient must be declared, by their specific names; in the list of ingredients, or by declaring all of the ingredients of compound ingredient as if they were individual ingredients of the final food. Where a compound ingredient constitutes less than 5 per cent. of the food, the ingredients, other than food additives that serve the technological function in the food products, the same is not required to be declared.
- Every package of food material which is not meant for human consumption shall bear a declaration to this effect by a specified symbol of a black colour cross inside a square with black outline.
- In case of alcoholic beverages, a declaration is required to be provided on the label providing the details of the

manufacturer/ importer, etc. The format of providing the declaration is, “Bottled by” or “Blended and Bottled by” or “Imported and Bottled by”, or “Distilled and Bottled by”.

- The FSSAI logo and license number of the brand owner must be displayed on the label. In addition, the license number of the manufacturer or marketer or packer or bottler, as the case may be, if different from the brand owner, must also be displayed on the label. For imported food products, the importer must display FSSAI logo and license number along with name and address of importer.
- FBOs must display on all their premises, where food is stored, processed, distributed or sold, the Registration/License No. or Food Safety Display Board if specified, along with other information as may be specified by the FSSAI at a prominent place in the premises.
- Provisions are included with regard to declarations to be made on foods and ingredients which are known to cause allergy. Food Service Establishments must mention the following against the food items displayed on the menu cards or boards: information relating to food allergens as prescribed. Allergens may also be depicted by easy-to-understand symbols, logo for veg or non-veg. Under the provisions with regard to Labelling Requirements of non-retail container an additional declaration requirement is introduced- Name and address of the manufacturer or packer (including country of origin for imported packages).

### ***Agricultural Produce Grading and Marking Act, 1937 and General Grading and Marking Rules, 1988***

The Agricultural Produce (Grading and Marking) Act, 1937 (hereinafter referred as the “**Act**”) is an important legislation for grading and marking of agricultural and other allied commodities with the objectives of making available quality agricultural products to consumers. The provisions of the Act cover the horticulture and livestock products also. The Central Government has been authorized to make rules for fixing grade designations to indicate the quality of any article to which the provisions of the Act apply. It can also specify ‘grade designation marks’ to represent particular grade designations. The Act empowers the central government to authorize the interested parties to grade and specify conditions regarding manner of marking and packaging and related matters.

The Central Government under the Act has formulated General Grading and Marking Rules, 1988 (hereinafter referred to as the “**Rules**”) prescribing the procedure of availing, renewing and changing authorization to grade and mark an article under the provisions of the Act. The Rules also prescribe the various grades which can be used under the Act and the manner of using the said grades and the manner of packing and labelling a product on which such grade has to be marked. The Rules also provide the procedure of registering a customer grievance and the manner of disposal of the same by the Agricultural Marketing Adviser, powers of the Agricultural Marketing Adviser, etc.

### ***The Maharashtra Agricultural Produce Marketing (Regulation) Act, 1963 (the “MAPM Act”)***

The MAPM Act was enacted to regulate the marketing of agricultural and certain other produce in market areas and markets established in the state of Maharashtra. The agricultural and other products regulated by the MAPM Act include ghee.

### ***Essential Commodities Act, 1955***

The Essential Commodities Act, 1955 (the “**Essential Act**”) provides for the control of the production, supply, sales, storage, distribution etc. in certain commodities including sugar. Section 3 of the Essential Act empowers the Central Government to issue directions to control production, supply, distribution etc. of the ‘essential commodity’ produced by the manufacturer or stock holders, and also makes specific provision with regard to the amount payable for the levy sugar sold by the producer. The levy sugar price is fixed by the Central Government as per the provisions of Section 3C of the Essential Act. The Central Government is also empowered to direct that no producer, importer or exporter shall sell or otherwise dispose of or deliver any kind of sugar or remove from the bonded godown of the factory in which it is produced, except in accordance with the directions issued by the Government. Further, all kinds of sugar including plantation white sugar, raw sugar and refined sugar, whether indigenously produced or imported, fall within the scope of powers of the Central Government for directions in regard to, inter alia, stock, disposal or delivery.

### ***Prevention of Food Adulteration Act, 1976***

Usually under the Prevention of Food Adulteration Act, 1976, a license is required to be obtained from the Local Health Authority for the production and sale of sugar and Molasses.

#### ***Sugar Control Order, 1966***

The Sugar (Control) Order 1966 provides for power to the Government to regulate production of sugar, restrict sale etc. of sugar by producers, movement of sugar and quality of sugar, call for information from producer or recognised dealer, inspection, entry, search, sampling and seizure of sugar and delegation of powers conferred by the Sugar (Control) Order, 1966 to any officer or authority of the Central or State Government. On the basis of the quarterly free sale quota decided by the Government, month-to-month release orders for sale of sugar in open market are issued under clause 5 of the Sugar (Control) Order, 1966.

#### ***Sugarcane (Control) Order, 1966***

Under the aforesaid Order, the Central Government is empowered to fix the minimum price of sugarcane to be paid by producers of the sugar for sugarcane purchased by them having regard to certain factors as mentioned in Clause 3 of the said Order. Further, a different price may be fixed for different areas or different qualities or varieties of sugarcane. Further, the Central Government or the State Government with the approval of the Central Government, may, subject to such conditions as specified in the Order, allow a suitable rebate in the price so fixed. The said Order also contains various provisions for regulating the 133 supply and distribution of sugarcane. The Central Government is empowered to direct the producers of the sugar to pay additional price for sugarcane in addition to the minimum sugarcane prices fixed in accordance with the provisions of the second schedule to the said Order. The Central Government is empowered to delegate certain powers conferred upon it by this Order subject to such restrictions, exceptions and conditions, if any, as the Central Government may think fit.

#### ***Molasses Control Order, 1966***

The Molasses Control Order, 1961 includes various provisions for regulation of the storage, grading, sale and removal of Molasses. It empowers the Government to fix maximum prices of Molasses.

#### ***Maharashtra Sugar Factories (Reservation of Areas and Regulation of Crushing and Sugarcane Supply) Order, 1984***

The Order was passed by the state government to regulate the supply of sugarcane to sugar mills in India. This order aimed to ensure a regular supply of sugarcane to any sugar mill established in India, and it made various regulations related to the crushing and supply of sugarcane. The order also impacted agriculturists involved in sugarcane cultivation, as they were required to supply sugarcane to specific entities. It essentially outlined the framework for the reservation of areas and the regulation of sugarcane crushing and supply.

The following legislations are also applicable to the Company:

1. Sugar (Packaging and Marketing) Order, 1970;
2. Levy Sugar Supply (Control) Order, 1979 as amended by Levy Sugar (Control) Amendment Order, 2000;
3. Levy Sugar Price Equalization Fund Act, 1976;
4. Sugar Development Fund Act, 1982; and
5. Sugar Development Fund Rules, 1983

#### ***Standards of Weights and Measures Act, 1976***

The Standards of Weights and Measures Act, 1976 (the “*Act*”) was enacted to regulate trade or commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and to provide for such matters as may be connected thereto. The Act enumerates the specific base units to measure goods and products. Any offence under this Act is punishable with imprisonment or fine or with both based on the type of violation.

### ***The Legal Metrology Act, 2009 (“Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011***

The Legal Metrology Act was enacted to establish and enforce standards of weights and measures and to regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. It repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. Making use of any numeration not in accordance with the standards of weights and measures prescribed under the Legal Metrology Act may be punished by a fine which may extend to ₹25,000 and for the second or subsequent offense, with imprisonment for a term not exceeding six months and also with fine. Any transaction, deal or contract in contravention of the standards of weights and measures prescribed by the government may be punished with fine which may extend to ₹ 10,000 and for the second or subsequent offence, with imprisonment for a term which may extend to one year, or with fine, or both. The Legal Metrology Act permits the central government to make rules thereunder to carry out provisions of the Act. Further, states may, after consultation with the central government, frame state specific rules under this Act to provide for the time limits for verification of weights and measures, maintenance of registers and records, manner of notifying government authorities, fees for compounding of offences etc.

The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export of packaged commodities and also provide for registration of manufacturers, packers and importers. Also, the Legal Metrology (Government Approved Test Centre) Rules, 2013 have laid down specifications about verification of weights and measures specified therein by government approved test centre.

### ***Consumer Protection Act, 2019***

The Consumer Protection Act, 2019 (“COPRA”) will repeal the existing Consumer Protection Act, 1986, and shall come into force on such date as the Central Government may, by notification, appoint. The Consumer Protection Act, 1986 provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA will, inter alia, introduce a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The COPRA will bring e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online market place or online auction sites. The COPRA will also provide for mediation cells for early settlement of the disputes between the parties.

### ***Shops and Establishments Legislations***

Establishments are required to be registered under the provisions of local shops and establishments legislations applicable in the states where such establishments are set up. Such legislations regulate the working and employment conditions of workers employed in such shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

### ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws



empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (the “*T.P. Act*”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

### ***Sale of Goods Act, 1930***

The Sale of Goods Act, 1930 (the “*Sale of Goods Act*”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

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

The Registration Act, 1908 (the “*Act*”) was passed to consolidate all the previous legislations which were enacted in relation to the registration of documents. This Act was promulgated to achieve the purpose of maintaining a proper regulatory record of transactional documents with a recognized officer in order to safeguard the original copies. The Act lays down two types of registration of documents, one being mandatory registration, which has been laid down under Section 17 of the Act and relates to documents such as, *inter alia* gift deed or transfer deed for an immovable property, non-testamentary instruments purporting to an interest in any immovable property, leasing or renting an immovable property. The other type of registration has been laid down under Section 18 of the Act which provides for the category of documents, registration of which is optional or discretionary and include, wills, instrument for transfer of shares, adoption deeds, etc. Failure to register a document under Section 17 of the Act can attract severe consequences, including declaration of invalidity of the transfer in question; however, no such consequence is attracted in case of Section 18 of the Act. Sections 28 and 31 of the Act provide the sub-registrars and other officers, the authority to register documents under this Act. Registration of a document, provides authenticity to a document and also acts as a conclusive proof in relation to the execution of such a document in the court of law.

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

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list mentioned in the Seventh Schedule of the Constitution of India, is governed by the provisions of the Indian Stamp Act, 1899 (the “*Act*”), all others instruments are required to be stamped, as per the rates laid down by the State Governments. Stamp duty is required to be paid on such category of transaction documents laid down under the various laws of the states, which denotes that stamp duty was paid before the document became legally binding. The stamp duty has to be paid on such documents or instruments and at such rates which have been specified in the First Schedule of the Act. Instruments as mentioned in the said schedule of the Act, if are not duly stamped are not admissible in the court of law as valid evidence for the transaction contained therein. The Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the relevant authorities and validated by imposing of penalty on the parties. The amount of penalty payable on such instruments may vary from state to state.

### ***The Indian Boiler Act, 1923***

The Indian Boiler Act expressly provided in the Act that no owner of a boiler shall use the boiler or permit it to be used unless it has been registered in accordance with the provisions of this Act. The Act Further provides that any owner of a boiler who, in any case in which a certificate or provisional order is required for the uses of the boiler under this Act, uses the boiler either without any such certificate or order being in force or at a higher pressure than that allowed thereby, shall be punishable with fine which may extend to five hundred rupees, and in the case of a continuing offence, with an additional fine which may extend to one hundred rupees for each day after the first day in regard to which he is convicted of having persisted in the offence.

***The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):***

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

**B. TAX RELATED LAWS**

The tax related laws that are applicable to our Company include the Customs Act, 1962, the Income Tax Act, 1961, the Income Tax Rules, 1962 and GST which includes the Central Goods and Services Tax Act, 2017, various State Goods and Services Tax legislations, and the Integrated Goods and Services Tax Act, 2017.

**C. ENVIRONMENT RELATED LAWS**

***Environment (Protection) Act, 1986 (the “EP Act”), Environment (Protection) Rules, 1986 (the “EP Rules”) and Environmental Impact Assessment Notification, 2006 (“EIA Notification”)***

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of environmental pollutants. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations. Further, the EP Rules specify, *inter alia*, the standards for emission or discharge of environmental pollutants and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

***National Environmental Policy, 2006***

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

***The Water (Prevention and Control of Pollution) Act, 1974***

The Water (Prevention and Control of Pollution) Act, 1974 (“**Water Act**”) aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the

Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using of any new or altered outlet for the discharge of sewage or causing new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

#### ***Air (Prevention and Control of Pollution) Act, 1981***

The Air (Prevention and Control of Pollution) Act, 1981 (“**Air Act**”) provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of 4 months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

#### ***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”), as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022 (“Amendment Rules”)***

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. A list of hazardous wastes and processes that generate hazardous waste have been specified under the Hazardous Waste Rules. We are required to obtain authorizations for, *inter alia*, the generation, processing, treatment, package, storage, transportation, use, collection, destruction or transfer of the hazardous waste from the concerned state pollution control board.

### **D. INTELLECTUAL PROPERTY LAWS**

#### ***Information Technology Act, 2000***

The Information Technology Act, 2000 (the “**IT Act**”) creates a liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing with, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines, and imprisonment for various computer related offences. These include offences relating to unauthorised disclosure of confidential information and committing of fraudulent acts through computers, tampering with source code, unauthorised access, publication or transmission of obscene material etc. The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011 under Section 43A of the IT Act and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act.

#### ***Trade Marks Act, 1999***

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“**Trade Mark Act**”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled, and may be renewed indefinitely upon payment of renewal fees every ten years. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trade Mark (Amendment)

Act, 2010 has been enacted by the Government to amend the Trade Mark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

In March 2017, the Trade Marks Rules, 2017 (“**Trade Mark Rules**”) were notified, in supersession of the Trade Marks Rules, 2002. The Trade Marks Rules brought with them some changes in the application process, in terms of an increase in application fees and common formats for multiple kinds of applications. However, the e-filing process has been incentivized by providing lower application fees.

## **E. FOREIGN TRADE RELATED LAWS**

### ***Foreign Trade (Development and Regulation) Act, 1992, as amended (“Foreign Trade Act”).***

The Foreign Trade Act empowered the Central Government to make provisions for the development and regulation of foreign trade by way of facilitating imports into as well as augmenting exports from the country and in all other matters related to foreign trade. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. It is authorised to periodically formulate the Indian Foreign Trade Policy, 2015-20 (“Foreign Trade Policy”) and amend it thereafter whenever it deems fit. All exports and imports are required to be in compliance with this policy. The Foreign Trade Policy provides for certain schemes for the promotion of export of finished goods and import of inputs. The Foreign Trade Act, read with the Foreign Trade Policy, also provides that no person or company can make exports or imports without having obtained an importer exporter code (IEC) number unless such person or company is specifically exempted. The IEC shall be valid until it is cancelled by the issuing authority.

### ***The Foreign Exchange Management Act, 1999 (“FEMA”) and regulations framed thereunder***

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEMA Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent 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 warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The total holding by each FPI or an investor group, shall be less than 10 percent of the total paid-up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not exceed 24 per cent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

With effect from April 1, 2020, the aggregate limit shall be the sectoral caps applicable to Indian companies as laid

out in paragraph 3(b) of Schedule I of FEMA Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. Further, in accordance with Press Note No. 4 (2020 Series), dated October 15, 2020 issued by the DPIIT, all investments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to 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 a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time.

## **F. EMPLOYMENT RELATED LAWS**

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India. A brief summary of the aforementioned laws have been provided below:

### ***The Code on Wages, 2019***

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

### ***The Occupational Safety, Health and Working Conditions Code, 2020***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The Central Government has notified certain provisions of this code.

### ***Factories Act, 1948***

The Factories Act, 1948 (the "***Factories Act***") regulates the provisions relating to labour employed in factories. This Act defines a factory as any premises on which ten or more workers are employed or were employed on any day of the previous twelve (12) months, and on which a manufacturing process is being carried on with the aid of power, or a premises on which twenty or more workers are employed or were employed on any day of the previous twelve (12) months and on which a manufacturing process is carried on ordinarily without the use of power. The Factories Act provides for the health, safety, and welfare of all workers and requires that the '*Occupier*' (defined as the person who has ultimate control over the affairs of the factory and in case of a company, any one of the directors) ensures that all the workers are within safe working conditions while they are in the factory, and are not exposed to any health risks and that they receive adequate instruction, training and supervision to ensure the same. The Factories Act also makes provisions relating to the employment of women and young persons (including children and adolescents), annual leave with wages, etc.

The Factories Act requires an Occupier of a factory to obtain approval, license, and registration for running and qualifying as a factory under the Factories Act, by submitting the application along with plans and specifications to the State Government or the Chief Inspector. Unless this permission from the Chief Inspector is obtained, no building can be constructed or taken in use as a factory or a part of an existing factory. The Chief Inspector may, on receipt of the said application and on being satisfied that there is no objection to the grant of license applied for, register the factory and grant the license to the applicant to use as factory such premises as are specified in the application and subject to compliance with such conditions as are specified in the license.

Any contravention of the provisions of the Factories Act or the rules framed thereunder may lead to imprisonment of the manager or the Occupier of the factory for a term up to two (2) years or with a fine of ₹ 100,000 or both, and in case of continuing contravention even after conviction, with a fine of up to ₹ 1,000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall be not less than ₹ 25,000 and ₹ 5,000 respectively.

### ***Industries (Development and Regulation) Act, 1951***

The Industries (Development and Regulation) Act, 1951 (the "***Act***") governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Act is applicable to the '*Scheduled Industries*' which have been listed down in the first schedule of the Act and small-scale industrial undertakings and ancillary units are exempted from the provisions of the Act.

The Act regulated the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. This Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion. This department is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

In addition to above, we are subject to a wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees' (Provident Fund and Miscellaneous Provision) Act, 1952.

### ***Industrial Employment (Standing Orders) Act, 1946***

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

***Contract Labour (Regulation and Abolition) Act, 1970, as amended (the “CLRA Act”)***

The CLRA Act requires the principal employer of an establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour, to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen, is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

***Employees Provident Fund and Miscellaneous Provisions Act, 1952***

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. 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 EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

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

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

***Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)***

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions. Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed ₹ 1 million.

***Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015,***

The Apprentices Act, 1961 was enacted with the objective of regulating the program of training of apprentices in the industry by utilizing the facilities available therein for imparting on-the-job training. The National Policy of Skill Development and Entrepreneurship 2015, launched by the Hon'ble Prime Minister on 15th July, 2015, focuses on apprenticeship as one of the key program for creating skilled manpower in India. The Apprentices Act, 1961 makes it obligatory for employers to engage apprentices under a duly executed contract, in designated trades and in optional trades. Directorate General of Training (DGT) under Ministry of Skill Development & Entrepreneurship monitors the

implementation of the scheme of apprenticeship training. All establishments having work force (regular and contract employees) of 30 or more are mandated to undertake Apprenticeship Programs in a range from 2.5% -15% of its workforce every year.

#### ***Fire Prevention Laws***

The state legislatures in India have enacted legislations for fire control and safety, which are applicable to our properties established in the respective states. They impose the requirement of obtaining no-objection certificate from the concerned authorities. They also include provisions in relation to provision of fire safety and life saving measures by occupiers of buildings and penalties for non-compliance.

#### ***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 favours 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.

In addition to the above, our Company is also required to comply with other applicable laws and regulations imposed by the Central and State Governments and other authorities for its day-to-day operations, including the Companies Act and rules framed thereunder, municipal laws, to the extent applicable. Our Company is also amenable to various central and state tax laws.



## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated on February 2, 2018 as 'M.V.K. Agro Food Product Limited', a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by Registrar of Companies, Central Registration Centre. The corporate identification number of our company is U15316MH2018PLC304795.

### Change in registered office of our Company

The Registered Office of our Company at the time of incorporation was situated at C/o Shri Krishnarao Venka, Shindhi, Tq. Bhokar, Dist. Nanded – 431 807, Maharashtra, India.

The details of changes made to our Registered Office post incorporation of our Company are provided below:

S. No.	Effective date of change	Details of change	Reason(s) for change
1.	May 13, 2020	The registered office of our Company was changed from C/o Shri Krishnarao Venka, Shindhi, Tq. Bhokar, Dist. Nanded – 431 807, Maharashtra, India to H. No. 20, Nava Mondha Umri, Tq. Umri Dist, Nanded - 431 807, Maharashtra, India.	For administrative convenience.
2.	January 2, 2023	The registered office of our Company was changed from H. No. 20, Nava Mondha Umri, Tq. Umri Dist, Nanded - 431 807, Maharashtra, India to GUT No. 44 and 46, Kusumnagar, Waghawada, Tq. Umri, Dist. Nanded- 431 807, Maharashtra, India.	For administrative convenience.

### Main Objects of our Company

The main objects of our Company are as follows:

- To carry on the business of manufacturing, producing, processing, promoting, preparing, preserving, canning, refining, bottling, dehydrating, freezing, packing, and re-packing, grading, grinding, buying, selling, importing, exporting, and deal in food products including, jaggery powder, jaggery solid cakes and other jaggery products, khandsari sugar, sulphurfree sugar, cooked, boiled or fried foods, ready to food items, fast foods, food stuffs, cattle feed, meats, eggs, poultry products, vegetables, cereals, beverages, cordials, tonics, restoratives, aerated, non-aerated minerals and artificial water, fruits, squashes, soup, syrups, juices, and ice-concentrates, jelly pulp, jams and murabas, pickles, sauce, slices, ketchups, dairy products, milk and milk products, powder, cream, butter, cheese, paneer, condensed milk, skimmed milk, drinks, ghee, fats, snacks, organic farm produce and agricultural products.*
- To Manufacture Bio-fertilizers and Bio-products of all types and descriptions like Biogas, Bio-Fuel which can be advantageously derived from the by-products derived from the manufacture of sugar and to buy, sell, import, export or otherwise deal in the same.*
- To carry on the business of manufacturing and Compressing Oxygen, Hydrogen, Nitrogen, Carbonic Acid, Acetylene, Argon, Freon and any other gases or Kindered substances or any compounds thereof, to deal with, manufacture, and render saleable coke, Coaltarpitch, asphaltum, ammonica, lliquor and other residual products obtained in the manufacture of gas.*
- To carry on the business of generation of power for captive consumption and supply, sale or export of electric power, whether by the use of bio-mass, bagasse, any other feed stock or from any other substances and to establish, own, manage and maintain power plants, power generators, electricity generating works, factories and other works and conveniences in connection therewith and to generate, use, sell, supply and distribute electricity arising out of the carrying on of the objects specified above.*

5. *To produce, import, export, stock or otherwise trade in rectified spirit and alcohol (of all types and descriptions), ethanol and all other products arising out of the manufacturing process for sugar or which is germane to the said object, for sale, distribution, export and import for industrial, human or commercial use or for any other purpose.*

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

### **Amendments to the Memorandum of Association**

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:

<b>Date of shareholder's resolution</b>	<b>Nature of amendments</b>
March 25, 2020	<i>Clause V of the MoA was amended to reflect an increase in the Authorised share capital of our Company from ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each to ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each.</i>
May 15, 2021	<p><i>The following sub-clauses were added to the existing Clause III (A) of the MoA, and consequently the MoA was amended to alter the object clause of our Company:</i></p> <p><i>(2) To Manufacture Bio-fertilizers and Bio-products of all types and descriptions like Biogas, Bio-Fuel which can be advantageously derived from the by-products derived from the manufacture of sugar and to buy, sell, import, export or otherwise deal in the same.</i></p> <p><i>(3) To carry on the business of manufacturing and Compressing Oxygen, Hydrogen, Nitrogen, Carbonic Acid, Acetylene, Argon, Freon and any other gases or Kindered substances or any compounds thereof, to deal with, manufacture, and render saleable coke, Coaltarpitch, asphaltum, ammonica, lliquor and other residual products obtained in the manufacture of gas.</i></p> <p><i>(4) To carry on the business of generation of power for captive consumption and supply, sale or export of electric power, whether by the use of bio-mass, bagasse, any other feed stock or from any other substances and to establish, own, manage and maintain power plants, power generators, electricity generating works, factories and other works and conveniences in connection therewith and to generate, use, sell, supply and distribute electricity arising out of the carrying on of the objects specified above.</i></p> <p><i>(5) To produce, import, export, stock or otherwise trade in rectified spirit and alcohol (of all types and descriptions), ethanol and all other products arising out of the manufacturing process for sugar or which is germane to the said object, for sale, distribution, export and import for industrial, human or commercial use or for any other purpose.</i></p>
December 19, 2023	<i>Clause V of the MoA was amended to reflect an increase in the Authorised share capital of our Company from ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each to ₹17,00,00,000 divided into 1,70,00,000 Equity Shares of ₹ 10 each.</i>

### **Corporate profile of our Company**

For details regarding the description of our Company's activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key services, entry in new geographies or exit from existing markets, major distributors and customers, segment, marketing and competition, please refer to the chapters titled "Our Business", "Our Management" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 115, 154 and 226 respectively, of this Prospectus.

### **Major Events and Milestones**

The table below sets forth some of the key events, milestones in our history since its incorporation.

<b>Year</b>	<b>Events</b>
2020	Commencement of commercial production. Purchased the manufacturing unit along with movable and immovable properties situated at Unit No.3, situated at village Waghawada, Tq. Umri, Dist. Nanded -431 807, Maharashtra, India
2023	Acquisition of 100% shareholding of Sai Krupa Dairy & Food Products Private Limited, pursuant to which the said company become a wholly owned subsidiary of our Company.

### **Awards and Accreditations**

Our Company have not received any awards since its incorporation.

### **Time and Cost Overrun**

Our Company has not experienced any significant time and cost overrun in setting up projects.

### **Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks**

As of date of this Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

### **Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation**

Except as provided below, our Company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years:

***Sale Deed executed on September 1, 2020 between Bhaurao Chavan Sahakari Sakhar Karkhana Limited (“Seller”) and our Company, for the purpose of sale of the properties of Seller situated at Unit No.3, situated at village Waghawada, Tq. Umri, Dist. Nanded -431 807, Maharashtra, India (the “Sale Deed”).***

Pursuant to the Sale Deed, the Seller had agreed to sell the movable and immovable properties situated at Unit No.3 situated at village Waghawada, Tq. Umri, Dist.Nanded – 431 807, Maharashtra, India (the “Unit”), through a tender process. The Seller had published a tender notice for sale of movable and immovable properties of the Unit in Indian Express and Loksatta. In the tender opened by the Seller, our Company had placed a bid for purchasing the Unit. Since, our Company had placed the bid for the highest amount, our bid was selected and the Seller had agreed to sell the Unit to us. Pursuant to our bid, the Seller executed the Sale Deed and sold the entire Unit, along with all movable and immovable properties situated therein, as have been described in the Sale Deed at a price of ₹ 5,121.00 lakhs.

### **Revaluation of assets**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

### **Holding Company**

As on the date of this Prospectus, our Company does not have a holding company.

### **Our subsidiary, associate or joint venture**

As on the date of this Prospectus, our Company has one subsidiary, details of which have been provided below. As on the date of this Prospectus, our Company does not have any joint venture or associate.

Set out below are the details of our Subsidiary, as on the date of this Prospectus:

***Sai Krupa Dairy & Food Products Private Limited (“SKDFPPL”)***

### *Corporate Information*

Sai Krupa Dairy & Food Products Private Limited was incorporated as a private limited company, on January 14, 2013, under the Companies Act, 1956 under the name and style of ‘Sai Krupa Dairy & Food Products Private Limited’. The corporate identification number of SKDFPPL is U15490PN2013PTC145979. It has its registered office at GAT No. 1147 at Post Kashti, Tal Shrigonda, Ahmednagar, Kashti – 414 007, Maharashtra, India.

### *Nature of business*

SKDFPPL is engaged in the business of manufacturing milk products like curd, buttermilk, butter, ghee and similar items.

### *Capital Structure*

The authorized, issued, subscribed and paid-up share capital is ₹ 1,00,00,000 divided into 10,00,000 equity shares of ₹10 each.

### *Shareholding*

The shareholding pattern of SKDFPPL is as follows:

S. No.	Name of shareholder	Number of Equity Shares of ₹ 10/- each	Percentage of total shareholding
1.	M.V.K. Agro Food Product Limited	9,99,999	100.00
2.	Marotrao Vyankatrao Kawale (As nominee of M.V.K. Agro Food Product Limited)	1	Negligible
	<b>Total</b>	<b>10,00,000</b>	<b>100.00</b>

### *Amount of accumulated profits or losses*

As on the date of this Prospectus, there are no accumulated profits or losses of SKDFPPL that have not been accounted for by our Company.

### *Listing*

Our Subsidiary is not listed on any stock exchange in India or abroad. Further, neither have any of the securities of our Subsidiary has been refused listing during the last 10 years by any stock exchange in India or abroad, nor have any of our Subsidiary has failed to meet the listing requirements of any stock exchange in India or abroad.

### *Business Interest*

As on the date of this Prospectus, our Subsidiary does not have any business interest in our Company.

### *Common Pursuits*

As on the date of this Prospectus, our Subsidiary does not have any common pursuits with our Company.

### **Associate or Joint ventures of our Company**

As on the date of this Prospectus, our Company does not have any joint ventures or associate companies.

### **Strategic and Financial Partners**

As on date of this Prospectus our Company does not have any strategic and financial partners.

### **Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

### **Agreements with key managerial personnel or a Director or Promoters or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

### **Guarantees given by Promoters offering its shares in the Offer for Sale**

Except as stated in “*Financial Indebtedness*” on page 241 of this Prospectus, our Promoters have not given any guarantees on behalf of our Company.

### **Material Agreements**

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

## OUR MANAGEMENT

### Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than three (3) and not more than fifteen (15). As on date of this Prospectus, we have seven (7) Directors on our Board, which includes one (1) Managing Director, three (3) Non-Executive Directors, one of whom is the woman director of our Company, and three (3) Independent Directors.

Set forth below, are details regarding our Board as on the date of this Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Marotrao Vyankatrao Kawale</b></p> <p><b>DIN:</b> 06421662</p> <p><b>Date of Birth:</b> January 1, 1966</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> Sindhi, Tq Umri, Dist. Nanded - 431 807, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of three (03) years with effect from December 19, 2023 until December 18, 2026</p> <p><b>Period of Directorship:</b> Director since incorporation</p> <p><b>Nationality:</b> Indian</p>	58	<ol style="list-style-type: none"> <li>1. V.P.K. Agro Food Product Private Limited;</li> <li>2. Dr Shankarrao Chavan Jaggery and Agro Product Private Limited; and</li> <li>3. Sai Krupa Dairy &amp; Food Products Private Limited.</li> </ol>
<p><b>Sagarbai Marotrao Kawale</b></p> <p><b>DIN:</b> 06519464</p> <p><b>Date of Birth:</b> January 1, 1976</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> Sindhi, Tq Umri, Dist. Nanded - 431 807, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Director since incorporation</p> <p><b>Nationality:</b> Indian</p>	48	V.P.K. Agro Food Product Private Limited
<p><b>Ganeshrao Vyankatrao Kawale</b></p> <p><b>DIN:</b> 06421666</p> <p><b>Date of Birth:</b> February 7, 1962</p>	62	<ol style="list-style-type: none"> <li>1. V.P.K. Agro Food Product Private Limited;</li> <li>2. Dr Shankarrao Chavan Jaggery and Agro Product Private Limited; and</li> </ol>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> Word No. 02, Near Mahadev Mandir, At. Post. Sindhi, Umri, Nanded - 431 807, Maharashtra, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Director since incorporation</p> <p><b>Nationality:</b> Indian</p>		<p>3. Sai Krupa Dairy &amp; Food Products Private Limited.</p>
<p><b>Kishanrao Vyankatrao Kawale</b></p> <p><b>DIN:</b> 06421668</p> <p><b>Date of Birth:</b> January 1, 1964</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> Mu post Sindhi, Tq Umri, Sindhi, Nanded- 431 805, Maharashtra, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Director since incorporation.</p> <p><b>Nationality:</b> Indian</p>	60	<p>1. V.P.K. Agro Food Product Private Limited;</p> <p>2. Sai Krupa Dairy &amp; Food Products Private Limited; and</p> <p>3. Dr Shankarrao Chavan Jaggery and Agro Product Private Limited.</p>
<p><b>Inayat Khan Azmat Khan</b></p> <p><b>DIN:</b> 10431270</p> <p><b>Date of Birth:</b> November 3, 1987</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 2-7-109, Khadakpura, Nanded – 431 602, Maharashtra, India.</p> <p><b>Occupation:</b> Self Employed</p> <p><b>Term:</b> For a term of 5 years w.e.f. December 20, 2023 till December 19, 2028</p> <p><b>Period of Directorship:</b> Director since December 20, 2023</p> <p><b>Nationality:</b> Indian</p>	36	Nil
<p><b>Brijesh Jaynarayan Didvaniya</b></p> <p><b>DIN:</b> 10192519</p> <p><b>Date of Birth:</b> February 28, 1990</p> <p><b>Designation:</b> Independent Director</p>	33	Nil

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Address:</b> Near Naroba Mandir, Basweshwar Nagar, Old Kautha, Nanded CIDCO, Nanded – 431 603, Maharashtra, India.</p> <p><b>Occupation:</b> Self Employed</p> <p><b>Term:</b> For a term of 5 years w.e.f. December 20, 2023 till December 19, 2028</p> <p><b>Period of Directorship:</b> Director since December 20, 2023</p> <p><b>Nationality:</b> Indian</p>		
<p><b>Shubham Govindprasad Jakhotiya</b></p> <p><b>DIN:</b> 10192492</p> <p><b>Date of Birth:</b> May 19, 1995</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> Flat No. 103, Lotus Apartment, Opp. Shiv Hanuman Temple, Baseshwar Nagar, Old Kautha, Vasarni, Nanded – 431 603, Maharashtra, India.</p> <p><b>Occupation:</b> Self Employed</p> <p><b>Term:</b> For a term of 5 years w.e.f. December 20, 2023 till December 19, 2028</p> <p><b>Period of Directorship:</b> Director since December 20, 2023</p> <p><b>Nationality:</b> Indian</p>	28	Nil

#### Brief Biographies of our Directors

**Marotrao Vyankatrao Kawale**, aged 58 years, is the Promoter and Managing Director of our Company. He had attended the Marathwada University to pursue bachelor’s degree in arts. He started his career as a school teacher and was previously associated with Nutan Vidyalaya Education Society in the capacity of an assistant teacher. He has vast knowledge and experience in the field on management and manufacturing of sugar, jaggery, ethanol, milk product and dairy for over 20 years. Presently, he supervises the operational management of our Company. He has played a key role in growth and development of our Company.

**Sagarbai Marotrao Kawale**, aged 48 years, is the Promoter and Non-Executive Director of our Company. She does not hold any formal educational qualification. She is a farmer and has more than 20 years of experience in farming including sugarcane farming.

**Ganeshrao Vyankatrao Kawale**, aged 62 years, is the Promoter and Non-Executive Director of our Company. He does not hold any formal educational qualification. He is a farmer and has more than 30 years of experience in farming including sugarcane farming.

**Kishanrao Vyankatrao Kawale**, aged 60 years, is the Promoter and Non-Executive Director of our Company. He does not hold any formal educational qualification. He is a farmer and has more than 30 years of experience in farming including sugarcane farming.



**Inayat Khan Azmat Khan**, aged 36 years, is an Independent Director of our Company. He attended Yashwantrao Chavan Maharashtra Open University, Nashik to pursue bachelor's degree in arts. He also holds a provision certificate issued by Swami Ramanand Teerth Marathwada University, Nanded, certifying that he has qualified the bachelor's degree of law (third year). He has more than thirteen years of experience in field of finance and legal matters, including litigation.

**Brijesh Jaynarayan Didvaniya**, aged 33 years, is an Independent Director of our Company. He holds a bachelor's degree in commerce; a master's degree in commerce; and a post graduate diploma in taxation law from Swami Ramanand Teerth Marathwada University, Nanded. He also holds a provision certificate issued by Swami Ramanand Teerth Marathwada University, Nanded, certifying that he has qualified the bachelor's degree of law (third year). He is having more than 10 years of experience in field of finance, corporate law and consulting.

**Shubham Govindprasad Jakhotia**, aged 28 years, is an Independent Director of our Company. He holds a bachelor's degree in commerce from Swami Ramanand Teerth Marathwada University, Nanded. He also holds a master's degree in commerce from Indira Gandhi National Open University. He has attended Swami Ramanand Teerth Marathwada University, Nanded to pursue bachelor's degree in law and also holds a post graduate diploma in taxation law from the said university. He is having more than 7 years of experience in field of taxation, accounting, finance and compliance.

#### **As on the date of the Prospectus**

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is 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.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) during his/her tenure.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### **Relationship between our Directors**

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

<b>Name of Director</b>	<b>Designation</b>	<b>Relation</b>
Marotrao Vyankatrao Kawale	Managing Director	Spouse of Sagarbai Marotrao Kawale; and brother of Ganeshrao Vyankatrao Kawale and Kishanrao Vyankatarao Kawale

#### **Arrangements and Understanding with Major Shareholders**

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

#### **Payment or Benefit to officers of our Company**

Except as stated otherwise in this Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

### Service Contracts

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

### Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to an -special resolution passed at the Annual General Meeting held on December 20, 2023, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, such sum or sums of moneys as the Board which together with the moneys already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed at any time the aggregate of the paid-up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed ₹ 20,000 lakhs.

### Terms of appointment and remuneration of our Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on December 19, 2023 and approved by the Shareholders of our Company at the EGM held on December 20, 2023, Marotrao Vyankatrao Kawale was appointed as the Managing Director of our Company for a period of 3 (three) years with effect from December 19, 2023 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Basic Salary</b>	₹ 3 lakhs per month
<b>Perquisites</b>	<ul style="list-style-type: none"> <li>• Category A: Medical reimbursement for self and family as per the rules of the Company Leave travel imbursement of domestic and foreign along with family as per the rules of the company.</li> <li>• Category B: Contribution to provident fund, superannuation fund, annuity fund or gratuity as per the rules of the Company Encashment of leave as per the rules of the Company</li> <li>• Category C: Car, telephone at residence and mobile phone for use on Company's business.</li> </ul>

### Remuneration details of our Directors

#### (i) Remuneration of our Executive Directors

Please see below the details of remuneration paid to our Executive Directors during the Fiscal 2023:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Marotrao Vyankatrao Kawale	Nil
2.	Sagarbai Marotrao Kawale*	Nil
3.	Ganeshrao Vyankatrao Kawale*	Nil
4.	Kishanrao Vyankatarao Kawale*	Nil

\*The designation of Sagarbai Marotrao Kawale, Ganeshrao Vyankatrao Kawale and Kishanrao Vyankatarao Kawale has been changed from Executive Directors to Non-Executive Directors in the meeting of the Board of Directors held on December 19, 2023.

#### (ii) Sitting fee details of our Independent Directors and Non-Executive Directors

Please see below the details of sitting fee paid to our Independent Directors during the Fiscal 2023:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Inayat Khan Azmat Khan*	NIL
2.	Brijesh Jaynarayan Didvaniya*	NIL
3.	Shubham Govindprasad Jakhotiya*	NIL

\*Inayat Khan Azmat Khan, Brijesh Jaynarayan Didvaniya and Shubham Govindprasad Jakhotiya have been appointed as Independent Directors with effect from December 20, 2023, and therefore have not received any sitting fee during the Fiscal 2023.

Our Board of Directors in their meeting held on December 19, 2023 have fixed ₹ 10,000/- as sitting fee for Independent Directors and Non-Executive Directors, for attending meetings of the Board of Directors and its committees.

#### Payment or benefit to Directors of our Company

Except as disclosed in this Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

#### Remuneration paid to our Directors by our Subsidiary

As on the date of this Prospectus, no remuneration has been paid by our Subsidiary, Sai Krupa Dairy & Food Products Private Limited, to the Directors of our Company.

#### Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Prospectus.

#### Shareholding of Directors in our Company

Except as stated below, none of our Directors hold any Equity Shares in our Company as on the date of this Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1)	Marotrao Vyankatrao Kawale	83,88,000	83.88%	83,88,000	54.15%
2)	Ganeshrao Vyankatrao Kawale	4,02,000	4.02%	4,02,000	2.60%
3)	Kishanrao Vyankatrao Kawale	4,02,000	4.02%	4,02,000	2.60%
4)	Sagarbai Marotrao Kawale	2,000	0.02%	2,000	0.01%

\* Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

#### Shareholding of Directors in our Subsidiary

Except as stated below, none of our Directors holds any Equity Shares of our Subsidiary as on the date of filing of this Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the equity share capital
1)	Marotrao Vyankatrao Kawale	1	Negligible

\*In the capacity of a nominee of our Company.

#### Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “Terms of appointment and remuneration of our Executive Directors” above.

Marotrao Vyankatrao Kawale, Ganeshrao Vyankatrao Kawale, Kishanrao Vyankatrao Kawale and Sagarbai Marotrao Kawale are the Promoters of our Company and may be deemed to be interested in the promotion of our Company to the extent they have promoted our Company. Except as stated above, our Directors have no interest in the promotion of our Company other than in the ordinary course of business. Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in “*Financial Information*” and “*Our Promoters and Promoter Group*” beginning on Page Nos. 179 and 168, respectively of this Prospectus, our Directors are not interested in any other company, entity or firm.

Our Directors have extended personal guarantees to secure the loan availed by our Company from its lenders. Further, our Directors have also extended unsecured loans to our Company, the details of which have been disclosed in the chapter titled “*Financial Indebtedness*” on page 241 of this Prospectus.

Except as stated in “*Restated Financial Information –Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 179 of this Prospectus, our Directors do not have any other interest in the business of our Company.

#### **Interest as to property**

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company or by our Subsidiary.

#### **Bonus or Profit Sharing Plan for our Directors**

None of our Directors are a party to any bonus or profit sharing plan.

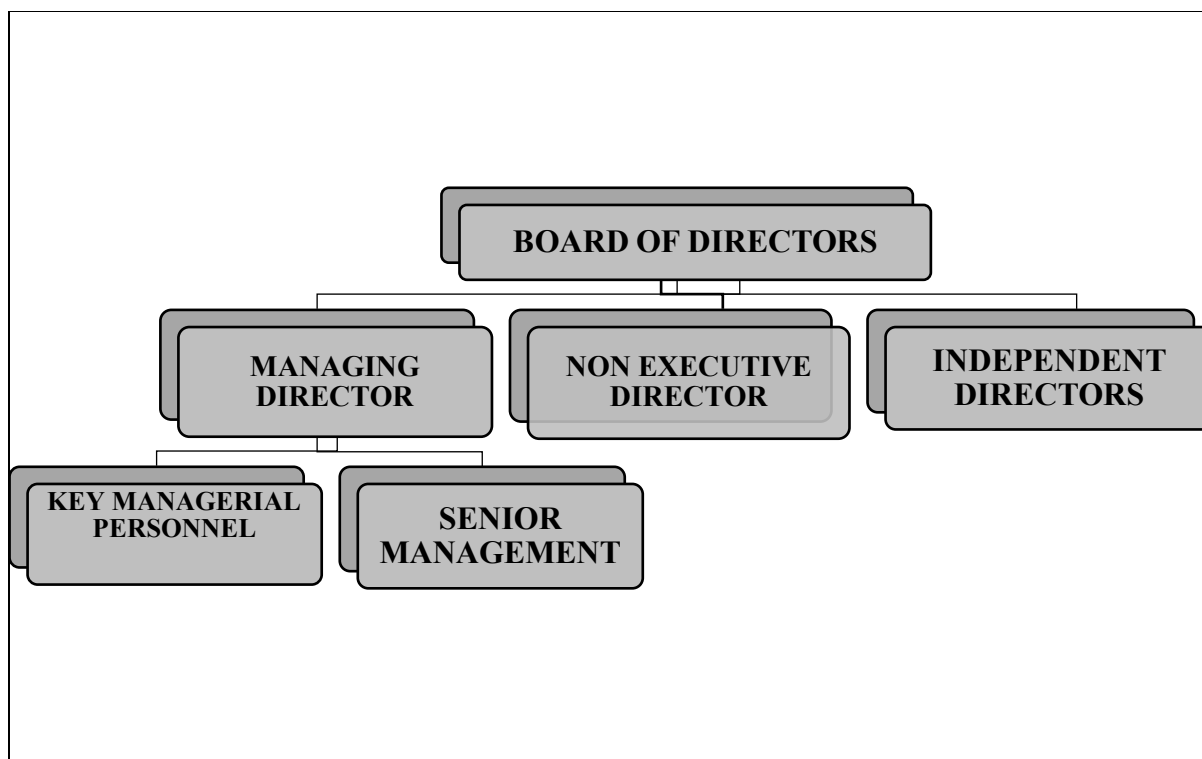
#### **Changes in our Board during the Last Three Years**

Except as disclosed below, there have been no changes in our Board during the last three years.

<b>Name of Director</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>	<b>Reasons for Change/ Appointment</b>
Sagarbai Marotrao Kawale	December 19, 2023	-	Change in designation from Executive Director to Non-Executive Director
Ganeshrao Vyankatrao Kawale	December 19, 2023	-	Change in designation from Executive Director to Non-Executive Director
Kishanrao Vyankatarao Kawale	December 19, 2023	-	Change in designation from Executive Director to Non-Executive Director
Marotrao Vyankatrao Kawale	December 19, 2023	-	Change in designation from Executive Director to Managing Director
Inayat Khan Azmat Khan	December 20, 2023	-	Appointed as Independent Director
Brijesh Jaynarayan Didvaniya	December 20, 2023	-	Appointed as Independent Director
Shubham Govindprasad Jakhotiya	December 20, 2023	-	Appointed as Independent Director

#### **Management Organization Structure**

Set forth is the management organization structure of our Company:



### **Corporate Governance**

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, as on date of this Prospectus, 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 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, 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 and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### **Committees of our Board**

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee;
- c) Nomination and Remuneration Committee; and
- d) Corporate Social Responsibility Committee.

Details of each of these committees are as follows:

### **AUDIT COMMITTEE**

The Audit Committee was constituted *vide* Board resolution dated December 19, 2023 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Brijesh Jaynarayan Didvaniya	Chairman	Independent Director
Inayat Khan Azmat Khan	Member	Independent Director
Shubham Govindprasad Jakhotiya	Member	Independent Director
Marotrao Vyankatrao Kawale	Member	Managing Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

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

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the

finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee enjoys following powers:

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

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Management letters/letters of internal control weaknesses issued by the statutory auditors.
3. Internal audit reports relating to internal control weaknesses.
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
5. statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
6. 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 two 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 December 19, 2023. As on the date of this Prospectus the Nomination and Remuneration Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Inayat Khan Azmat Khan	Chairman	Independent Director
Brijesh Jaynarayan Didvaniya	Member	Independent Director

Shubham Govindprasad Jakhotiya	Member	Independent Director
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Our Company Secretary and Compliance officer acts 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. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
4. Devising a policy on diversity of Board of Directors.
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria, laid down, and recommend to the Board of Directors their appointment and removal.
6. 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.
7. recommend to the board, all remuneration, in whatever form, payable to senior management.
8. 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 December 19, 2023. As on the date of this Prospectus the Stakeholders' Relationship Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Shubham Govindprasad Jakhotiya	Chairman	Independent Director
Brijesh Jaynarayan Didvaniya	Member	Independent Director
Inayat Khan Azmat Khan	Member	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. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.



4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

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**

Our Corporate Social Responsibility Committee was constituted on December 19, 2023. The Corporate Social Responsibility Committee comprises of the following members:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Inayat Khan Azmat Khan	Chairman	Independent Director
Brijesh Jaynarayan Didvaniya	Member	Independent Director
Ganeshrao Vyankatrao Kawale	Member	Director
Kishanrao Vyankatarao Kawale	Member	Director

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.

### **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.

### **Our Key Managerial Personnel**

In addition to our Managing Director and, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Prospectus:

**Sandip Marotrao Kawale**, aged 30 years, is the Promoter and Chief Financial Officer of our Company. He has attended the Savitribai Phule Pune University to pursue bachelor's degree in business administration. He is having more than 7 years of experience accounting and management. He was previously associated with our Company in the capacity of an accounts manager with effect from January 1, 2023. He was promoted as the Chief Financial Officer of our Company with effect from December 19, 2023. Presently, he is overseeing finance, accounting, taxation and budgets including financial reporting and internal control system. Since, he was appointed as the Chief Financial Officer of our Company with effect from December 19, 2023, he has not received any remuneration during Fiscal 2023, in the capacity of a Chief Financial Officer.

**Swapna Rajaram Bansode**, aged 35 years, is the Company Secretary and Compliance Officer of our Company. She is an associate member of the Institute of Company Secretaries of India. She attended Osmania University to pursue

bachelor's degree in commerce. She also holds a provision certificate issued by Osmania University, certifying that she has passed the examination for master's degree in business administration, organised by the said university. She has been associated with our Company since December 19, 2023. She is having more than 7 years in the field corporate law compliances. She is overseeing the compliance and secretarial related matters of our Company. Since, she was appointed as the Company Secretary and Compliance Officer of our Company with effect from December 19, 2023, she has not received any remuneration during Fiscal 2023.

All our Key Managerial Personnel are permanent employees of our Company.

Our Managing Director is one of the directors of our Subsidiary.

### Our Senior Managerial Personnel

In addition to our Managing Director, Chief Financial Officer and Company Secretary and Compliance Officer, whose details have been provided under paragraph above titled 'Brief Profile of our Directors' and 'Our Key Managerial Personnel', set forth below are the details of our Senior Managerial Personnel as on the date of filing of this Prospectus:

**Shriram Gangadhar Ambatwar**, aged 71 years, is the General Manager of our Company. He holds a provisional degree certificate issued by Marathwada Agriculture College, Pharbhani, Maharashtra, certifying that he has qualified the bachelor's degree of science. He has more than 40 years of experience in sugar industry. Presently, he presently oversees the production at manufacturing plant. He has received a remuneration of ₹ 11.40 lakhs during Fiscal 2023.

**Balaji Hanmantrao Yendale**, aged 52 years, is the Chief Engineer of our Company. He holds a provisional certificate issued by Karnataka State Open University, Mukthagangotri, Mysuru, certifying that he has passed the diploma in mechanical engineering. He was issued the national trade certificate by National Council of Vocational Training, Ministry of Labour, Government of India, certifying that he has completed the trade test organised by Industrial Training Institute, Bhokar. Previously, he was associated with our Group Company, V.P.K Agro Food Product Private Limited, in the capacity of a chief engineer, since January 31, 2017. His employment was transferred to our Company with effect from August 31, 2020. He has an experience of over six years in overseeing sugar factory equipment design, installation, modification, expansion and upkeep. Presently, he manages plant operations. He has received a remuneration of ₹10.80 lakhs during Fiscal 2023.

### Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management

In addition to the disclosures made under the heading "Relationship between our Directors", and the details of the relationship between our Key Managerial Personnel and Senior Management, none of our Key Managerial Personnel and Senior Management are related to each other or to any of our Directors.

Name of SMP	Designation	Relation
Sandip Marotrao Kawale	Chief Financial Officer	Son of Marotrao Vyankatrao Kawale, the Managing Director and Sagarbai Marotrao Kawale, the Non-Executive Director of our Company

### Shareholding of the Key Managerial Personnel and Senior Management

Except as disclosed below, none of the KMPs or the SMPs hold any shareholding in our Company:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Marotrao Vyankatrao Kawale	83,88,000	83.88	83,88,000	54.15%
2.	Sandip Marotrao Kawale	4,02,000	4.02	4,02,000	2.60%
<b>Total</b>		<b>87,90,000</b>	<b>87.90</b>	<b>87,90,000</b>	<b>56.75%</b>

### Bonus or Profit Sharing Plan for our Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit sharing plan.

### **Payment or benefit to Key Managerial Personnel and Senior Management of our Company**

Except as disclosed in this Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

### **Interest of Key Managerial Personnel and Senior Management**

Sandip Marotrao Kawale is the Promoter of our Company and may be deemed to be interested in our Company, to the extent he has promoted our Company.

Except as disclosed in this Prospectus, none of our Key Managerial Personnel and Senior Management have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

### **Changes in Key Managerial Personnel and Senior Management in the Last Three Years**

In addition to the changes specified under “- *Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason</b>
Marotrao Vyankatrao Kawale	Managing Director	December 19, 2023	Appointment
Sandip Marotrao Kawale	Chief Financial Officer	December 19, 2023	Appointment
Swapna Rajaram Bansode	Company Secretary and Compliance Officer	December 19, 2023	Appointment

The attrition of the Key Management Personnel and Senior Management is as per the industry standards.

### **Employees’ Stock Option Plan**

As on date of this Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

### **Loans taken by Directors / Key Management Personnel and Senior Management**

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The Promoters of our Company are Marottrao Vyankatrao Kawale, Sagarbai Marottrao Kawale, Ganeshrao Vyankatrao Kawale, Kishanrao Vyankatrao Kawale and Sandip Marottrao Kawale.

The details of the shareholding of our Promoters, as on date of this Prospectus has been provided below:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1)	Marottrao Vyankatrao Kawale	83,88,000	83.88%
2)	Sagarbai Marottrao Kawale	2,000	0.02%
3)	Ganeshrao Vyankatrao Kawale	4,02,000	4.02%
4)	Kishanrao Vyankatrao Kawale	4,02,000	4.02%
5)	Sandip Marottrao Kawale	4,02,000	4.02%
<b>Total</b>		<b>95,96,000</b>	<b>95.96%</b>

For details, please see “*Capital Structure – Build-up of Promoter’s shareholding, Minimum Promoter’s Contribution and lock-in – Build-up of the Equity Shareholding of our Promoters in our Company*” on page 72.

### Details of our Promoters are as follows:

#### *Marottrao Vyankatrao Kawale*



Marottrao Vyankatrao Kawale, aged 57 years, is the Promoter and Managing Director of our Company. He resides at Post Sindhi TQ, Umri, District, Nanded, Sindhi, Nanded– 431 807, Maharashtra, India.

The Permanent Account Number of Marottrao Vyankatrao Kawale is ACDPK4252D.

For complete profile of Marottrao Vyankatrao Kawale, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 154.

#### *Sagarbai Marottrao Kawale*



Sagarbai Marottrao Kawale, aged 47 years, is the Promoter and Non-Executive Director of our Company. She resides at Post Sindhi TQ, Umri, District, Nanded, Sindhi, Nanded– 431 807, Maharashtra, India.

The Permanent Account Number of Sagarbai Marottrao Kawale is BDXPK0443G.

For complete profile of Sagarbai Marottrao Kawale, along with details of her date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 150.

***Ganeshrao Vyankatrao Kawale***



Ganeshrao Vyankatrao Kawale, aged 61 years, is the Promoter and Non-Executive Director of our Company. He resides at Word No. 02, Near Mahadev Mandir, At. Post. Sindhi, Umri, Nanded - 431 807, Maharashtra, India.

The Permanent Account Number of Ganeshrao Vyankatrao Kawale is APDPK6086L.

For complete profile of Ganeshrao Vyankatrao Kawale, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 150.

***Kishanrao Vyankatrao Kawale***



Kishanrao Vyankatrao Kawale, aged 59 years, is the Promoter and Non-Executive Director of our Company. He resides at Mu post Sindhi, Tq Umri, Sindhi, Nanded- 431 805, Maharashtra, India.

The Permanent Account Number of Kishanrao Vyankatrao Kawale is CRMPK0218H.

For complete profile of Kishanrao Vyankatrao Kawale, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 150.

***Sandip Marotrao Kawale***



Sandip Marotrao Kawale, aged 30 years, is the Chief Financial Officer of our Company. He resides at Post Sindhi TQ, Umri, District, Nanded, Sindhi, Nanded– 431 807, Maharashtra, India.

The Permanent Account Number of Sandip Marotrao Kawale is CXOPK9288H.

For complete profile of Sandip Marotrao Kawale, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 150.

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, aadhaar card numbers and driving license numbers of our Promoters, have been submitted to the Stock Exchange at the time of filing the Draft Prospectus.

**Change in control of our Company**

There has been no change in the management or control of our Company during the last five years preceding the date of this Prospectus.

### Other ventures of our Promoters

Our Promoters are involved in other ventures and business activities in different capacities as listed below:

#### *Marotrao Vyankatrao Kawale*

S. No.	Name of the entity	Nature of interest / position
1.	V.P.K Agro Food Product Private Limited	Director and Shareholder
2.	Dr Shankarrao Chavan Jaggery and Agro Product Private Limited	Director and Shareholder
3.	Sai Krupa Dairy & Food Products Private Limited	Director and Shareholder (as nominee of M.V.K. Agro Food Product Limited)
4.	Kawle Maroti Venkoba HUF	Karta

#### *Sagarbai Marotrao Kawale*

S. No.	Name of the entity	Nature of interest / position
5.	V.P.K Agro Food Product Private Limited	Director and Shareholder
6.	Dr Shankarrao Chavan Jaggery and Agro Product Private Limited	Shareholder
7.	Sandip Tactors	Partner
8.	Kawle Maroti Venkoba HUF	Coparcener

#### *Ganeshrao Vyankatrao Kawale*

S. No.	Name of the entity	Nature of interest / position
1.	V.P.K Agro Food Product Private Limited	Director and Shareholder
2.	Dr Shankarrao Chavan Jaggery and Agro Product Private Limited	Director and Shareholder
3.	Sai Krupa Dairy & Food Products Private Limited.	Director
4.	Kawale Ganesh Venkatrao HUF	Karta

#### *Kishanrao Vyankatrao Kawale*

S. No.	Name of the entity	Nature of interest / position
1.	V.P.K Agro Food Product Private Limited	Director and Shareholder
2.	Dr Shankarrao Chavan Jaggery and Agro Product Private Limited	Director and Shareholder
3.	Sai Krupa Dairy & Food Products Private Limited.	Director
4.	Kawale Kishan Venkatrao HUF	Karta

#### *Sandip Marotrao Kawale*

S. No.	Name of the entity	Nature of interest / position
1.	V.P.K Agro Food Product Private Limited	Shareholder
2.	Dr Shankarrao Chavan Jaggery and Agro Product Private Limited	Shareholder
3.	Sandip Tactors	Partner
4.	Kawle Maroti Venkoba HUF	Coparcener

Except as stated above and except as disclosed in “– Promoter Group” below and in “Our Management” on pages 172 and 154, our Promoters are not involved in any other ventures.

## Interests of Promoters

- (a) Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) their shareholding in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company. For further details, see “*Summary of Issue Document – Aggregate shareholding of Promoters and Promoter Group*” beginning on page 18.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters holds shares, or (ii) in which our Promoters are a partner or designated partner or director; or (iii) which are controlled by our Promoters. For further details of interest of our Promoters in our Company, see “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements Related Party Transactions*” on page 179.

- (b) Further, Marotrao Vyankatrao Kawale, Sagarbai Marotrao Kawale, Ganeshrao Vyankatrao Kawale and Kishanrao Vyankatrao Kawale are also interested in our Company in the capacity of our Directors and Sandip Marotrao Kawale, as the Chief Financial Officer, and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see “*Our Management*” on page 150. For further details of interest of our Promoters in our Company, see “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements - Related Party Transactions*” on page 172.
- (c) Except as disclosed in “*Financial Statements*” and “*Financial Indebtedness*” on page 179 and 241, respectively in this Prospectus, our Promoters and members of our Promoter Group have not extended any personal guarantees for securing the repayment of the bank loans obtained by our Company. Our Promoters have also advanced certain unsecured loans to our Company, for further details, please refer to the chapter titled “*Financial Indebtedness*” on page 241 of this Prospectus.
- (d) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoters or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.

## Interest in property, land, construction of building and supply of machinery

Our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

## Payment or benefits to Promoters or Promoter Group

Except as disclosed above and as stated in “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements –Related Party Transactions*” on page 179, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Prospectus.

## Companies or firms with which our Promoters have disassociated in the last three years

Except as stated below, our Promoters has not dissociated themselves from any companies or firms in the three years preceding the date of this Prospectus.

S. No.	Name of the Company / LLP	Date of disassociation	Reason for disassociation
1.	Shankarrao Jaggery and Allied Product Private Limited	July 27, 2022	Due to voulantary strike off

## Material guarantees

As on the date of this Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

## Other confirmations

Our Promoters are not Wilful Defaulters or Fraudulent Borrowers.

Our Promoters are not Fugitive Economic Offenders.

Our Promoters and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Our Promoters are not, and has not been in the past, promoters or director of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

## PROMOTER GROUP

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

*Natural persons who are part of the Promoter Group*

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<i>Marotrao Vyankatrao Kawale</i>		
1	Late Vyankatrao Ansaji Kawale	Father
2	Prayagbai Vyankatrao Kawale	Mother
3	Sagarbai Marotrao Kawale	Spouse
4	Ganeshrao Vyankatrao Kawale	Brother
6	Kishanrao Vyankatrao Kawale	
7	-	Sister
8	Sandip Marotrao Kawale	Son
9	Puja Marotrao Kawale	Daughter
10	Sanjivani Marotrao Kawale	
11	Late Ramchandra Kondaji Shinde	Spouse's Father
12	Padminabai Chandar Shinde	Spouse's Mother
13	Sambhaji Ramchandra Shinde	Spouse's Brother
14	Balaji Ramchandra Shinde	
15	Tanaji Ramchandra Shinde	
16	Devidas Chandar Shinde	
17	-	Spouse's Sister

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<i>Sagarbai Marotrao Kawale</i>		
1.	Late Ramchandra Kondaji Shinde	Father
2.	Padminabai Chandar Shinde	Mother
3.	Sambhaji Ramchandra Shinde	Brother
4.	Balaji Ramchandra Shinde	
5.	Tanaji Ramchandra Shinde	
6.	Devidas Chandar Shinde	
7.	-	Sister
8.	Marotrao Vyankatrao Kawale	Spouse
9.	Sandip Marotrao Kawale	Son



S. No.	Name of member of our Promoter Group	Relationship with our Promoter
10.	Puja Marotrao Kawale	Daughter
11.	Sanjivani Marotrao Kawale	
12.	Late Vyankatrao Ansaji Kawale	Spouse's Father
13.	Prayagbai Vyankatrao Kawale	Spouse's Mother
14.	Ganeshrao Vyankatrao Kawale	Spouse's Brother
15.	Kishanrao Vyankatrao Kawale	
16.	-	Spouse's Sister

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<b><i>Ganeshrao Vyankatrao Kawale</i></b>		
1	Late Vyankatrao Ansaji Kawale	Father
2	Prayagbai Vyankatrao Kawale	Mother
3	Bharatbai Ganeshrao Kawale	Spouse
4	Marotrao Vyankatrao Kawale	Brother
5	Kishanrao Vyankatrao Kawale	
6.	-	Sister
7.	-	Son
8.	Neeta Prashant Dhone	Daughter
9.	Digambar Bhujanga Suryawanshi	Spouse's Father
10.	Late Janabai Digambar Suryawanshi	Spouse's Mother
11.	Vitthal Digambar Suryawanshi	Spouse's Brother
12.	Balasaheb Digambar Suryawanshi	
13.	Shobhabai Raosaheb Kadam	Spouse's Sister

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<b><i>Kishanrao Vyankatrao Kawale</i></b>		
1	Late Vyankatrao Ansaji Kawale	Father
2	Prayagbai Vyankatrao Kawale	Mother
3	Radhabai Kishan Kawale	Spouse
4	Marotrao Vyankatrao Kawale	Brother
5	Ganeshrao Vyankatrao Kawale	
6.	-	Sister
7.	Baliram Kishanrao Kawale	Son
8.	Parmeshwar Kishanrao Kawale	Daughter
9.	Sonali Raju Kadam	
10.	Late Pundalikrao Dhondaji Hivrale	Spouse's Father
11.	Late Laxmibai Pundalikrao Hivrale	Spouse's Mother
12.	Baburao Pundlik Hivrale	Spouse's Brother
13.	-	Spouse's Sister

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<b><i>Sandip Marotrao Kawale</i></b>		
1.	Marotrao Vyankatrao Kawale	Father
2.	Sagarbai Marotrao Kawale	Mother
3.	-	Brother
4.	Puja Marotrao Kawale	Sister
5.	Sanjivani Marotrao Kawale	
6.	-	Spouse
7.	-	Son
8.	-	Daughter
9.	-	
10.	-	Spouse's Father
11.	-	Spouse's Mother
12.	-	Spouse's Brother

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
13.	-	
14.	-	Spouse's Sister

***Bodies corporates, partnership firms forming part of the Promoter Group***

S. No.	Name of entities
1.	V.P.K Agro Food Product Private Limited
2.	Dr Shankarrao Chavan Jaggery and Agro Product Private Limited
3.	Sandip Factors
4.	Kawle Maroti Venkoba HUF
5.	Kawale Ganesh Venkatrao HUF
6.	Kawale Kishan Venkatrao HUF

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated December 20, 2023, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Offer Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled “Financial Information” on page 179 of this Prospectus .

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, V.P.K Agro Food Product Private Limited and Dr Shankarrao Chavan Jaggery and Agro Product Private Limited have been identified and considered as the Group Companies of our Company.

### A. Details of our Group Company

#### V.P.K Agro Food Product Private Limited

##### *Registered Office address*

The registered office of V.P.K Agro Food Product Private Limited is situated at Post Sindhi, Tal Umri, Nanded – 431 807, Maharashtra, India.

##### *Financial Performance*

The Financial Performance of V.P.K Agro Food Product Private Limited as on the date of this Prospectus is as follows:

Particulars	<i>(₹ in Lakhs)</i>		
	March 31, 2023	March 31, 2022	March 31, 2021
Equity capital	810.00	810.00	810.00
Reserves and surplus (excluding revaluation)	866.00	626.00	422.43
Sales/ Revenue from Operations	4,063.54	5,179.72	5,761.65
Profit/(Loss) after tax	239.91	167.17	130.27
Earnings per share (₹) (Basic)	2.96	2.06	1.61
Earnings per share (₹) (Diluted)	2.96	2.06	1.61
Net Worth available to equity shareholders	1,676.00	1,436.00	1,232.43
Net asset value per share (₹)	20.69	17.73	15.22

#### Dr. Shankarrao Chavan Jaggery and Agro Product Private Limited

##### *Registered Office address*

The registered office of Dr. Shankarrao Chavan Jaggery and Agro Product Private Limited is situated at IP-273, Waghlawada, Nanded – 431 807, Maharashtra, India.

##### *Financial Performance*

The Financial Performance of Dr. Shankarrao Chavan Jaggery and Agro Product Private Limited as on the date of this Prospectus is as follows:

Particulars	<i>(₹ in Lakhs)</i>	
	March 31, 2023	March 31, 2022
Equity capital	676.00	676.00
Reserves and surplus (excluding revaluation)	103.83	-
Sales/ Revenue from Operations	2,074.29	-

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Profit/(Loss) after tax	103.83	-
Earnings per share (₹) (Basic)	1.54	-
Earnings per share (₹) (Diluted)	1.54	-
Net Worth available to equity shareholders	779.83	676.00
Net asset value per share (₹)	11.54	10.00

## **B. Litigation**

Our Group Companies are not party to any litigation which may have material impact on our Company.

## **C. Common pursuits**

Our Group Companies do not have any common pursuits with our Company.

## **D. Related business transactions within our Group Companies and significance on the financial performance of our Company**

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on Page No. 179 of this Prospectus, there are no other related business transactions between our Group Companies and our Company.

## **E. Business Interest**

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on Page No. 179, our Group Companies have no business interests in our Company.

## **F. Nature and extent of interest of our Group Companies**

### *a) In the promotion of our Company*

Our Group Companies do not have any interest in the promotion of our Company.

### *b) In the properties acquired by us in the preceding three years before filing this Prospectus or proposed to be acquired by our Company*

Our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

### *c) In transactions for acquisition of land, construction of building and supply of machinery*

Our Group Companies are not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, during the six months period ended September 30, 2023 and last three Fiscals, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Information, see “*Restated Financial Information – Annexure: Significant Accounting Policies and Explanatory Notes to the Restated Financial Statements- Note - Related Party Disclosures*” on page 179 of this Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. As on the date of this Prospectus, our Company does not have a formal dividend policy.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the six months period ended September 30, 2023 and the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, see “*Risk Factor*” on page 24 of this Prospectus.

**SECTION V – FINANCIAL INFORMATION**

**RESTATED FINANCIAL INFORMATION**

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Restated Financial Information	180 to 225

*(The remainder of this page is intentionally left blank)*

**Examination report of Independent Auditor on the Restated Financial Statements of  
M.V.K. Agro Food Product Limited**

To,  
**The Board of Directors**  
**M.V.K. Agro Food Product Limited**  
GUT NO. 44 AND 46,  
Kusumnagar, at Post Waghawada,  
Umari, Nanded,  
Mumbai - 431807, Maharashtra, India

Dear Sir,

1. We have examined the attached Restated Financial Statements of M.V.K. Agro Food Product Limited, (“Company” ) comprising the Restated Standalone Financial Statements of the Company constituting Restated Statement of Assets and Liabilities as at 31st March 2023, 2022 and 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the year ended 31st March 2023, 2022 and 2021 and Restated Consolidated Financial Statements of the Company comprising the Restated Consolidated Statement of Assets and Liabilities as at 30<sup>th</sup> September 2023, the Restated Statements of Profit and Loss and the Restated Cash Flow Statement for the period ended 30<sup>th</sup> September 2023, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the “Restated financial statement”), as approved by the Board of Directors of the Company at their meeting held on 27th December, 2023 for the purpose of inclusion in the Draft offer document/ offer document (“Draft offer document/ offer document”) prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) 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”).

**Management’s Responsibility for the Restated Financial Statements**

2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the Draft offer document/ offer document
3. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure 4 to the Restated Financial Statements. The Board of Directors of the Company’s responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations, and the Guidance Note.

**Auditors’ Responsibilities**

4. We have examined such Restated Financial Statements taking into consideration:
  - a. The terms of reference and terms of our engagement agreed with you in accordance with our engagement letter; requesting us to carry out the assignment, in connection with the proposed IPO of equity shares of the Company
  - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations.



Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, and the Guidance Note in connection with the proposed initial public offer of its equity shares of the Company.

5. The Restated Financial Statements have been compiled by the management of the Company from:

- i. Audited Consolidated Financial Statements of the company as at and for the period ended 30th September 2023 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Special Purpose interim audited Financial Statements**”);

The consolidated financial statements includes financial and other financial information in relation to subsidiary which are audited by other auditor are listed below:-

Name of Entity	Status	Relation ship	Name of Audit	Year audited by other auditors
Sai Krupa Dairy & Food Products Private Limited	Private limited company	Subsidiary	Kabra and Maliwal Chartered accountants	April 2023 to September 2023

- ii. The audited financial statements of the Company as at and for the financial year ended March 31, 2023 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2023**”);
- iii. The audited financial statements of the Company as at and for the financial year ended March 31, 2022 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2022**”);
- iv. The audited financial statements of the Company as at and for the financial year ended March 31, 2021 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2021**”).

The statutory audits of the for the for financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021 were conducted by the Previous statutory Auditor i.e. Kabra & Maliwal., Chartered Accountants (“**Previous Auditor**”). Accordingly, reliance has been placed on the financial information examined by him for the said years. The examination report included for these years is based solely on the report submitted by him and no audit has been carried out by us.

6. For the purpose of our examination, we have relied on:

- a. the Special Purpose Interim Auditors’ reports issued by us dated December 27<sup>th</sup>, 2023 on Special Purpose Interim Audited Financial Statements as at and for the period ended September 30, 2023 as referred in Paragraph 5 above;
- b. the Auditors’ reports issued by Previous Auditor dated September 01, 2023 on Audited Financial Statements 2023 as at and for the year ended March 31, 2023 as referred in Paragraph 5 above;
- c. the Auditors’ reports issued by Previous Auditor dated September 01, 2022 on Audited Financial Statements 2022 as at and for the year ended March 31, 2022 as referred in Paragraph 5 above;
- d. the Auditors’ reports issued by Previous Auditor dated February 02, 2022 on Audited Financial Statements 2021 as at and for the year ended March 31, 2021 as referred in Paragraph 5 above;

7. Based on our examination and according to the information and explanations given to us, we report that the Restated financial information have been prepared:

- a) have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the period/financial years ended September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and groupings/classifications as at and for the period ended September 30, 2023;

- b) There are no qualifications in the auditor’s reports on the consolidated financial statements of as at and for the period ended 30th September 2023 and standalone financial statements of as at and for the year ended 31st March 2023, 31st March 2022, and 31st March 2021, which require any adjustments to the Restated financial Statements.
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- d) We did not audit the financial statements of subsidiary as at and for the period ended 31st March 2023, whose financial statements reflect total revenues included in the consolidated financial statements, for the relevant year is tabulated below: (₹ in lakhs)

Particulars of Subsidiary	As at / for the period ended 30 <sup>th</sup> September 2023
Total Assets	3847.46
Total Income	861.45
Net Cash Inflow	4.32

8. We have been subjected to the peer review process of the ICAI and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
9. The Restated Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on Audited Financial Statements mentioned in paragraph 7 above.
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or Previous Auditor nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with SEBI, Stock Exchange, and ROC 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.

**For N B T and Co**  
**Chartered Accountants**  
**ICAI FRN.: 140489W**

**Ashutosh Biyani**  
**Partner**  
**Membership No.: 165017**  
**Place: Mumbai**  
**Date: 27/12/2023**  
**UDIN: 23165017BGXFEI3912**

**MVK AGRO FOOD PRODUCT LIMITED**

**CIN:U15316MH2018PLC304795**

**Restated Statement of Assets and Liabilities**

**Annexure I**

*(Amount in INR lakhs, unless otherwise stated)*

PARTICULARS	Note Nos.	As at			
		Consolidated	Standalone		
		30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>A) EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' Funds</b>					
(a) Share capital	7	500.00	500.00	500.00	500.00
(b) Reserves and surplus	8	1,267.74	837.67	460.22	140.41
<b>Total (A)</b>		<b>1,767.74</b>	<b>1,337.67</b>	<b>960.22</b>	<b>640.41</b>
<b>2 Non Current Liabilities</b>					
(a) Long-term borrowings	9	4,633.71	4,561.20	3,926.96	3,636.54
(b) Deferred tax liabilities (Net)	10	179.36	158.78	91.83	29.53
(c) Other long-term liabilities					
(d) Long-term provisions	11	16.84	12.87	6.76	1.85
<b>Total (B)</b>		<b>4,829.91</b>	<b>4,732.86</b>	<b>4,025.55</b>	<b>3,667.92</b>
<b>3. Current Liabilities</b>					
(a) Short-term borrowings	9A	1,647.53	4,594.90	2,074.36	3,859.78
(b) Trade payables	12				
(i) total outstanding dues of micro enterprises and small enterprises; and		262.94	437.20	667.02	162.42
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		782.70	953.66	1,690.33	2,147.09
(c) Other current liabilities	13	5,320.92	3,333.79	2,131.46	943.91
(d) Short term provisions	14	192.31	81.84	53.13	24.17
<b>Total (C)</b>		<b>8,206.40</b>	<b>9,401.39</b>	<b>6,616.29</b>	<b>7,137.37</b>
<b>Total Equity and Liabilities (A+B+C)</b>		<b>14,804.05</b>	<b>15,471.93</b>	<b>11,602.06</b>	<b>11,445.70</b>
<b>B) ASSETS</b>					
<b>1. Non Current Assets</b>					
(a) Property, plant and equipment and Intangible assets					
(i) Property, plant and equipment	15	6,837.42	6,647.04	6,112.66	5,432.56
(ii) Intangible assets		45.80	-	-	-
<b>Total (A)</b>		<b>6,883.22</b>	<b>6,647.04</b>	<b>6,112.66</b>	<b>5,432.56</b>
(b) Non-current investments	16	1,017.18	614.93	144.51	98.00
(c) Long term loans and advances	17	163.33	163.33	-	-
<b>Total (A)</b>		<b>8,063.72</b>	<b>7,425.29</b>	<b>6,257.17</b>	<b>5,530.56</b>
<b>2. Current Assets</b>					
(a) Inventories	18	4,469.90	7,258.12	4,619.24	5,717.74
(b) Trade receivables	19	53.84	1.18	2.22	0.70
(c) Cash and bank balances	20	16.67	63.05	14.58	123.26
(d) Short-term loans and advances	21	2,157.33	711.04	701.16	44.75
€ Other current assets	22	42.60	13.25	7.68	28.69
<b>Total (B)</b>		<b>6,740.33</b>	<b>8,046.63</b>	<b>5,344.88</b>	<b>5,915.14</b>
<b>Total Assets (A+B)</b>		<b>14,804.05</b>	<b>15,471.93</b>	<b>11,602.06</b>	<b>11,445.70</b>

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure 4 and Adjustments to Audited Financial Statements appearing in Annexure 5 and Reconciliation of restated Equity/ Networth appearing in Annexure 6.

This is the Restated Statement of Assets and Liabilities referred to in our report of even date.

**For N B T and Co**  
**Chartered Accountants**  
**Firm Registration Number: 140489W**

**For MVK Agro Food Product Limited**

**Ashutosh Biyani**  
**Partner**  
**M. No.: 165017**  
**Place: Nanded**  
**Date: 27/12/2023**

**Marotrao Vyankatrao Kawale**  
**Managing Director**  
**(DIN: 06421662 )**

**Sagarbai Marotrao Kawale**  
**Director**  
**(DIN : 06519464)**

**Swapna Bansode Rajaram**  
**Company Secretary**

**Sandip Marotrao Kawale**  
**Chief Financial Officer**

**MVK AGRO FOOD PRODUCT LIMITED****CIN:U15316MH2018PLC304795****Restated Statement of Profit and Loss****Annexure II***(Amount in INR lakhs, unless otherwise stated)*

PARTICULARS	Note Nos.	Consolidated	Standalone		
		For the period ended	For the year ended		
		30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>1 Income</b>					
(a) Revenue from operations	23	6,012.52	9,327.65	13,067.11	2,283.40
(b) Other income	24	31.84	65.98	196.45	299.70
<b>2 Total income (1a+1b=2)</b>		<b>6,044.36</b>	<b>9,393.63</b>	<b>13,263.56</b>	<b>2,583.10</b>
<b>3 Expenditure</b>					
(a) Cost of raw material consumed	25	771.74	8,919.68	8,983.42	6,708.52
(b) Manufacturing Expense	26	156.98	475.38	513.02	258.69
(c) Changes in inventories of finished goods, and stock-in-trade	27	3,387.58	(2,667.23)	1,852.15	(5,305.84)
(d) Employee benefit expenses	28	303.15	648.85	504.99	238.53
(e) Finance cost	29	593.81	942.59	605.01	303.24
(f) Depreciation & amortization	30	164.03	227.24	179.09	45.07
(g) Other expenses	31	99.51	355.82	208.17	149.52
<b>4 Total expenditure (3a to 3g)</b>		<b>5,476.81</b>	<b>8,902.33</b>	<b>12,845.84</b>	<b>2,397.74</b>
<b>5 Profit/(Loss) before exceptional and extra ordinary item (2-4=5)</b>		<b>567.55</b>	<b>491.30</b>	<b>417.72</b>	<b>185.35</b>
6 Exceptional items		-	-	-	-
<b>7 Profit/(Loss) before tax (5-6=7)</b>		<b>567.55</b>	<b>491.30</b>	<b>417.72</b>	<b>185.35</b>
<b>8 Tax expense:</b>					
(a) Tax expense for current year		116.89	46.89	35.61	15.41
(b) Short/(Excess) provision of earlier year		-	-	-	-
(c) Deferred tax		20.59	66.95	62.30	29.53
<b>Net current tax expenses</b>		<b>137.48</b>	<b>113.84</b>	<b>97.91</b>	<b>44.94</b>
<b>9 Profit/(Loss) for the period from continuing operations (7-8=9)</b>		<b>430.07</b>	<b>377.45</b>	<b>319.81</b>	<b>140.41</b>
<b>10 Profit allocated to:</b>					
Owners of Parents		430.07	377.45	319.81	140.41
Minority Interest		-	-	-	-
<b>11 Earnings per share</b>					
Basic	Rs.	8.60	7.55	6.40	3.35
Diluted	Rs.	8.60	7.55	6.40	3.35

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure 4 and Adjustments to Audited Financial Statements appearing in Annexure 5 and Reconciliation of restated Equity/ Networth appearing in Annexure 6.

This is the Restated Statement of Profit and Loss referred to in our report of even date.

**For N B T and Co**  
Chartered Accountants  
Firm Registration Number: 140489W

**For MVK Agro Food Product Limited**

**Ashutosh Biyani**  
Partner  
M. No.: 165017  
Place: Nanded  
Date: 27/12/2023

**Marotrao Vyankatrao Kawale**      **Sagarbai Marotrao Kawale**  
Managing Director      Director  
(DIN: 06421662 )      (DIN : 06519464)

**Swapna Bansode Rajaram**  
Company Secretary

**Sandip Marotrao Kawale**  
Chief Financial Officer

**MVK AGRO FOOD PRODUCT LIMITED****CIN:U15316MH2018PLC304795****Restated Statement of Cash Flows****Annexure III***(Amount in INR lakhs, unless otherwise stated)*

PARTICULARS	Consolidated	Standalone		
	For the period ended	For the year ended		
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>A) Cash Flow From Operating Activities :</b>				
Net Profit before tax	567.55	491.30	417.72	185.35
Adjustment for :				
Depreciation	164.03	227.24	179.09	45.07
Interest Paid	593.81	942.59	605.01	303.24
Interest Income	(29.80)	(31.07)	(8.52)	-
Dividend	(0.03)	(9.60)	(3.78)	-
Provision of gratuity	3.98	6.13	4.93	1.85
Operating profit before working capital changes	1,299.54	1,626.59	1,194.45	535.51
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Inventories	2,788.22	(2,638.88)	1,098.50	(5,717.74)
(Increase)/Decrease in Trade Receivables	(52.66)	1.04	(1.52)	(0.70)
(Increase)/Decrease in Short Term Loans & Advances	(1,446.29)	(9.88)	(656.41)	105.25
(Increase)/Decrease in Other Current Assets	(29.35)	(5.57)	21.01	(28.69)
(Increase)/Decrease in Non Current Investment	(402.25)	(470.42)	(46.51)	(98.00)
(Increase)/Decrease in Long term loans and advances	-	(163.33)	-	-
Increase/(Decrease) in Trade Payables	(345.22)	(966.49)	47.84	2,309.51
Increase/(Decrease) in Other Current Liabilities	1,987.12	1,202.34	1,187.55	943.91
Increase/(Decrease) in Short Term Provisions	110.45	28.70	28.94	24.16
<b>Cash generated from operations</b>	3,909.58	(1,395.89)	2,873.84	(1,926.79)
Direct Tax Paid	(116.89)	(46.89)	(35.61)	(15.41)
<b>Cash Flow Before Extraordinary Item</b>	3,792.69	(1,442.78)	2,838.23	(1,942.20)
Extraordinary Items	-	-	-	-
Net cash flow from operating activities	3,792.69	(1,442.78)	2,838.23	(1,942.20)
<b>B) Cash Flow From Investing Activities :</b>				
Purchase/Sale of Property, Plant and Equipment	(400.21)	(761.62)	(859.19)	(5,477.62)
Interest Income	29.80	31.07	8.52	-
Dividend	0.03	9.60	3.78	-
<b>Net cash flow from investing activities</b>	(370.38)	(720.95)	(846.89)	(5,477.62)
<b>C) Cash Flow From Financing Activities :</b>				
Issue of Shares	-	-	-	-
Increase/(Decrease) in Long Term Borrowings	72.50	634.24	290.42	3,636.54
Increase/(Decrease) in Short Term Borrowings	(2,947.37)	2,520.54	(1,785.42)	3,859.78
Interest Paid	(593.81)	(942.59)	(605.01)	(303.24)
<b>Net cash flow from financing activities</b>	(3,468.68)	2,212.20	(2,100.02)	7,542.09
Net Increase/(Decrease) In Cash & Cash Equivalents	(46.37)	48.47	(108.68)	122.26
Cash equivalents at the beginning of the year	63.05	14.58	123.26	1.00
Cash equivalents at the end of the year	16.67	63.05	14.58	123.26
Notes :-				

	For the period ended		For the year ended		
	30-Sep-23	31-Mar-23	31-Mar-22	31-Mar-21	
1	Component of Cash and Cash equivalents				
	Cash on hand	0.51	0.20	1.32	1.93
	Balance With banks	16.16	62.84	13.27	121.32
		16.67	63.05	14.58	123.26

- 2.1 The Restated Statement of Cash Flows has been prepared under the indirect method as set out in AS 3, Statement of Cash Flows.
- 2.2 The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure 4 and Adjustments to Audited Financial Statements appearing in Annexure 5 and Reconciliation of restated Equity/Networth appearing in Annexure 6.
- 2.3 This is the Restated Statement of Cash Flows referred to in our report of even date.

**For N B T and Co**  
**Chartered Accountants**  
**Firm Registration Number: 140489W**

**For MVK Agro Food Product Limited**

**Ashutosh Biyani**  
**Partner**  
**M. No.: 165017**  
**Place: Nanded**  
**Date: 27/12/2023**

**Marotrao Vyankatrao Kawale**  
**Managing Director**  
**(DIN: 06421662 )**

**Sagarbai Marotrao Kawale**  
**Director**  
**(DIN : 06519464)**

**Swapna Bansode Rajaram**  
**Company Secretary**

**Sandip Marotrao Kawale**  
**Chief Financial Officer**

## **ANNEXURE-4**

### **SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL STATEMENTS**

#### **A. BACKGROUND**

M.V.K. Agro Food Product Limited is a limited company domiciled in India and incorporated under the provisions of the Companies Act 2013, having Company Incorporation No. (CIN) U15316MH2018PLC304795. The Company is primarily engaged in the business of manufacturing of sugar and by products of sugarcane.

#### **B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with generally accepted accounting principles in India ('Indian GAAP') under the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values in compliance with all material aspect of the Accounting Standard (AS) Notified under section 133 of the Companies Act, 2013 read together with rule 7 of the Companies (Accounts) Rules 2014, the provisions of the Companies Act, 2013 (to the extent notified). The financial statements are presented in Indian rupees.

The Restated Consolidated Statement of Assets and Liabilities of the Company as on September 30, 2023 and the Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statements of Cash Flows for the period ended September 30, 2023 and The Restated Standalone Statement of Assets and Liabilities of the Company as on March 31, 2023, March 31, 2022 and March 31, 2021 and Restated Standalone Statement of Profit and Loss and Restated Standalone Statements of Cash Flows for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021 and the annexure thereto (collectively, the "Restated Financial Statements") have been extracted by the management from the Audited Consolidated Financial Statements of the Company for the year ended September 30, 2023 and Audited Standalone Financial Statements of the Company for the year ended March 31, 2023, March 31, 2022 and March 31, 2021.

##### **2. PRINCIPLES OF CONSOLIDATION**

(a) The consolidated financial statements relate to M.V.K. Agro Food Product Limited ('the Company') and its subsidiary. The consolidated financial statements have been prepared on the following basis:

- In respect of subsidiary enterprise, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after as far as possible eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard 21 - Consolidated Financial Statements prescribed by Companies (Accounting Standards) Rules, 2006.

- The excess of cost over the Company's investments in the subsidiary is recognized in the consolidated financial statements as Goodwill. The excess of Company's share in equity and reserves of the subsidiaries over the cost of acquisition is treated as Capital Reserve.

- The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

(b) The subsidiary considered in the consolidated financial statements:

Name of the entity	Country of Incorporation	Proportion of ownership interest as at 30 September 2023
Sai Krupa Dairy & Food Products Private Limited	India	100%

### 3. USE OF ESTIMATES

The preparation of the consolidated financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on date of the financial statements. Actual results could differ from the estimates. Any revision to the accounting estimates is recognized prospectively in current and future periods.

### 4. CURRENT AND NON CURRENT CLASSIFICATIONS

All assets and liabilities are classified into current and non-current

#### Assets

An Asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- b. It is held primary for the purpose of being traded;
- c. It is expected to be realized within 12 months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current Assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

#### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the company's normal operating cycle.
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within 12 months after the reporting date; or
- d. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

### 5. REVENUE RECOGNITION

- Sale of commodity is recognized when all the significant risks and rewards have been passed to the buyer.
- Interest income is recognized on accrual basis.
- Dividend income is recognized when the right to receive payment is established.

The company collects Goods and service tax on behalf of the Government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.



## **6. IMPAIRMENT OF ASSETS**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

## **7. FOREIGN CURRENCY TRANSACTIONS**

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The exchange differences, if any, are recognized in statement of profit and loss of the year and related assets and liabilities are accordingly restated in the balance sheet.

## **8. INVENTORIES**

Raw materials, stores and spares, packing materials, scrap and trading goods are valued at lower of cost and net realizable value and on the basis of physical verification of stock by the management at the end of the year

Work-in-Progress and finished goods are valued at the lower of cost and net realizable value. Cost includes direct materials and labour and a part of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost comprises of cost of Purchase & other costs incurred in bringing them to their respective present location and condition and is determined on First-in-First-Out (FIFO) basis.

## **9. INVESTMENTS**

Investments are classified into long term investments and current investments. Investments which are intended to be held for one year or more are classified as long term investments and investments which are intended to be held for less than one year are classified as current investments.

Long term investments are carried at cost less diminution in value which is other than temporary, determined separately for each investment.

Current investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

## **10. EARNINGS PER SHARE**

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 - Earnings Per Share prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

## **11. PROPERTY, PLANT & EQUIPMENT**

### **TANGIBLE ASSETS**

Property, Plant & Equipment are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying fixed asset upto the date the asset is ready for use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

### **INTANGIBLE ASSETS**

Intangible assets are amortized over their estimated useful economic lives and validity.

## **12. DEPRECIATION**

Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule for calculating the depreciation. The useful lives of the fixed assets are as follows:

<b>Type of Assets</b>	<b>Useful Lives (In Years)</b>
Building	54
Plant and Machineries	30
Computers	3
Furniture and Fixtures	8
Other fixed assets	15

As factory building and plant and machinery use for specific purpose of sugar manufacturing, company taken useful lives and residual values from certified valuer and accordingly deprecation has been calculated.

### **EMPLOYEE BENEFITS**

#### **Short Term Employee Benefits**

The short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

## **Post-Employment Benefits**

### **Defined Contribution Plans**

The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is made.

Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.

### **Defined Benefits Plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The company has recognized the gratuity payable to the employees as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

## **13. TAXATION**

Tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

### **Current tax**

Provision for income tax is recognized based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the Income Tax Act, 1961.

### **Deferred taxation**

The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

### **Minimum Alternative Tax (MAT) credit**

MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

## **14. PROVISIONS AND CONTINGENCIES**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognized in the period in which the change occurs.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

## **15. SEGMENT REPORTING**

### **(i) Business Segment**

The accounting policies adopted for segment reporting are in line with the accounting policies of their Company. Revenues, expenses, assets and liabilities have been identified into segments on the basis of their relationship to operating activities of segments (taking into account the nature of products and services and the risk and rewards associated with them) and internal management information systems and the same is reviewed from time to time to realign the same to conform to the business units of the Company. Revenues, expenses, assets, and liabilities, which are common to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been treated as "Common Revenues/Expenses/Assets/Liabilities", as the case may be.

### **(ii) Geographical Segment**

The Company activities / operations are major to in India and as such, there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

Note: - With effective from 01/04/2023 Sai Krupa Dairy & Food Products Private Limited becomes wholly owned subsidiary of MVK Agro Food Product Limited and due to segment reporting applicable as of 30/09/2023.

## **16. INVESTMENTS**

Investments which are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees & duties.

Long term investments prescribed in the consolidated financial statements are carried at cost and current investment at lower of cost and fair value.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments

On disposal of an investment, the difference between carrying amount and net disposal proceeds is charged/credited to the consolidated statement of profit & loss.

## **17. CASH FLOW STATEMENTS**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of 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. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

## **18. COVID-19 IMPACT ASSESSMENT**

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID-19 is significantly impacting business operation of the companies, by way of various interruption, supply chain disruption, unavailability of personnel. On 24th March 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till 31st May 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

In assessing the recoverability of Company's assets such as Trade receivable, Inventories, Loans, Advances and Other Current Assets the Company has considered internal and external information upto the date of approval of these financial results. The company has performed sensitivity analysis, on the assumptions used basis, the internal and external information / indicators of future economic conditions and expects to recover the carrying amount of the assets.

## **C. NOTES TO ACCOUNTS**

### **1. 1. NON-ADJUSTMENT ITEMS:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Consolidated Financial Statements of the Company have been pointed out during the restated period.

### **2. MATERIAL REGROUPING**

Appropriate regrouping has been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee in lakhs. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

### **3. PAYABLE TO MICRO, SMALL AND MEDIUM ENTERPRISES**

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The company has not received the required information from any of the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as the year end together with interest paid/payable as required under the Act have not been made.

#### 4. MATERIAL ADJUSTMENTS IN RESTATED PROFIT & LOSS ACCOUNT

(Amount in lakhs, unless otherwise stated)

Particulars	As at 30-Sep-2023	As at		
		31-Mar-23	31-Mar-22	31-Mar-21
Net profit before tax as per audited financial statements	567.55	471.60	390.53	132.87
<b>Restatement adjustments:</b>				
Gratuity Expenses	-	(6.13)	(4.93)	(1.85)
Excess Depreciation charges		34.58	32.11	54.33
Audit Fees provision		(8.75)	-	-
<b>Total adjustments</b>	-	19.70	27.18	52.48
<b>Restated net profit before tax</b>	<b>567.55</b>	<b>491.30</b>	<b>417.72</b>	<b>185.35</b>

#### 5. MATERIAL ADJUSTMENTS IN RESTATED TOTAL EQUITY

(Amount in lakhs, unless otherwise stated)

Particulars	As at 30-Sep-2023	As at		
		31-Mar-23	31-Mar-22	31-Mar-21
Equity/ Net worth as per audited financials	1,767.74	1,396.44	971.74	616.82
<b>Restatement adjustments:</b>				
Provision For gratuity		(12.90)	(6.77)	(1.84)
Deferred Tax		(158.78)	(91.83)	(29.53)
Excess Depreciation charges		121.02	86.44	54.33
Audit Fees provision		(8.75)	-	-
Amount consider in loan instead of share capital		0.64	0.64	0.64
<b>Total adjustments</b>	-	(58.77)	(11.52)	22.62
<b>Restated Equity/ Net worth as per restated financials</b>	<b>1,767.74</b>	<b>1,337.67</b>	<b>960.22</b>	<b>640.41</b>

**Annexure 5**

**(a) Impact of restatement adjustments**

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

Particulars	(Amount in INR lakhs, unless otherwise stated)			
	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Net profit before tax as per audited financial statements	567.55	471.60	390.53	132.87
<b>Restatement adjustments:</b>	-	-	-	-
Gratuity Expenses	-	(6.13)	(4.93)	(1.85)
Excess Depreciation charges	-	34.58	32.11	54.33
Audit Fees provision	-	(8.75)	-	-
<b>Total adjustments</b>	-	19.70	27.18	52.48
<b>Restated net profit before tax</b>	<b>567.55</b>	<b>491.30</b>	<b>417.72</b>	<b>185.35</b>

**Annexure 6**

**(a) Reconciliation of restated Equity/ Networth**

Particulars	(Amount in INR lakhs, unless otherwise stated)			
	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Equity/ Networth as per audited financials	1,767.74	1,396.44	971.74	616.82
<b>Restatement adjustments:</b>	-	-	-	-
Provision For gratuity	-	(12.90)	(6.77)	(1.84)
Deferred Tax	-	(158.78)	(91.83)	(29.53)
Excess Depreciation charges	-	121.02	86.44	54.33
Audit Fees provision	-	(8.75)	-	-
Amount consider in loan instead of share capital	-	0.64	0.64	0.64
<b>Total adjustments</b>	-	(58.77)	(11.52)	23.60
<b>Restated Equity/ Networth as per restated financial</b>	<b>1,767.74</b>	<b>1,337.67</b>	<b>960.22</b>	<b>640.41</b>

**(b) Explanatory notes for the restatement adjustments**

(i) The amount relating to the income/ expenses have been adjusted in the year to which the same relates to and under which head the same related to.

(ii) The company has provided excess provision of tax in the year in which income tax return has been filed and has been adjusted in prior period items in financials but in the restated financials it has been adjusted in the same financial year where it relates to.

(iii) Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financials of the company for all the years.

**MVK AGRO FOOD PRODUCT LIMITED**

CIN:U15316MH2018PLC304795

**Notes to Restated Financial Information**

*(Amount in INR lakhs, except for share data unless otherwise stated)*

Share capital Particulars	Annexure 7			
	As at		As At	
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>Authorised</b>				
Number of shares	1,70,00,000	50,00,000	50,00,000	50,00,000
Equity shares of Rs.10 each	1,700.00	500.00	500.00	500.00
<b>Issued</b>				
Number of shares	50,00,000	50,00,000	50,00,000	50,00,000
Equity shares of Rs.10 each fully paid up	500.00	500.00	500.00	500.00
<b>Subscribed &amp; Paid up</b>				
Number of shares	50,00,000	50,00,000	50,00,000	50,00,000
Equity shares of Rs.10 each fully paid up	500.00	500.00	500.00	500.00

Note - Authorised capital increased from 500 Lakhs to 1700 Lakhs on 17.12.2023

**a) Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting period / year:**

Particulars	As at			
	30-Sep-23	31-03-2023	31-03-2022	31-03-2021
Balance at the beginning of the period / year	50,00,000.00	50,00,000.00	50,00,000.00	15,10,000.00
Add: Shares issued during the year *	-	-	-	34,90,000.00
Less: Shares bought back during the year				
Balance at the end of the period / year	<b>50,00,000.00</b>	<b>50,00,000.00</b>	<b>50,00,000.00</b>	<b>50,00,000.00</b>

\* Company offer Right issue of 32,70,000/- number of shares on 22.06.2020 and 2,20,000/- on 07.07.2020

**c) Details of shareholders holding more than 5 percent of equity shares in the Company:**

Name of Shareholder	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Maroti Venkoba Kawale	41,94,000	22,74,000	22,74,000	22,74,000
% Holding	83.88%	45.48%	45.48%	45.48%
Prayagbai Venkatrao Kawale	-	9,91,000	9,91,000	9,91,000
% Holding	0.00%	19.82%	19.82%	19.82%
Kishanrao Venkatrao Kawale	2,01,000.00	5,31,000	5,31,000	5,31,000
% Holding	4.02%	10.62%	10.62%	10.62%
Ganeshrao Venkatrao Kawale	2,01,000	4,01,000	4,01,000	4,01,000
% Holding	4.02%	8.02%	8.02%	8.02%
Sandip Marottrao Kawale	2,01,000	4,01,000	4,01,000	4,01,000
% Holding	4.02%	8.02%	8.02%	8.02%

**d) Shareholding of Promoters**

Shares held by promoters at the end of the period				As at 30.09.2023
Promoter's name	No. of Shares	% of total shares	% change during the period	
Maroti Venkoba Kawale	41,94,000	83.88%	38.40%	
Prayagbai Venkatrao Kawale	-	0.00%	-19.82%	
Kishanrao Venkatrao Kawale	2,01,000	4.02%	-6.60%	
Ganeshrao Venkatrao Kawale	2,01,000	4.02%	-4.00%	
Sandip Marottrao Kawale	2,01,000	4.02%	-4.00%	
Sagarbai Maroti Kawale	1,000	0.02%	-4.00%	
Prameshwar Kishanrao Kawale	2,01,000	4.02%	0.00%	
Shares held by promoters at the end of the year				As at 31.03.2023
Promoter's name	No. of Shares	% of total shares	% change during the period	
Maroti Venkoba Kawale	22,74,000	45.48%	0.00%	
Prayagbai Venkatrao Kawale	9,91,000	19.82%	0.00%	
Kishanrao Venkatrao Kawale	5,31,000	10.62%	0.00%	
Ganeshrao Venkatrao Kawale	4,01,000	8.02%	0.00%	
Sandip Marottrao Kawale	4,01,000	8.02%	0.00%	
Sagarbai Maroti Kawale	2,01,000	4.02%	0.00%	
Prameshwar Kishanrao Kawale	2,01,000	4.02%	0.00%	
Shares held by promoters at the end of the year				As at 31.03.2022
Promoter's name	No. of Shares	% of total shares	% change during the period	
Maroti Venkoba Kawale	22,74,000	45.48%	0.00%	
Prayagbai Venkatrao Kawale	9,91,000	19.82%	0.00%	
Kishanrao Venkatrao Kawale	5,31,000	10.62%	0.00%	
Ganeshrao Venkatrao Kawale	4,01,000	8.02%	0.00%	
Sandip Marottrao Kawale	4,01,000	8.02%	0.00%	
Sagarbai Maroti Kawale	2,01,000	4.02%	0.00%	
Prameshwar Kishanrao Kawale	2,01,000	4.02%	0.00%	
Shares held by promoters at the end of the year				As at 31.03.2021
Promoter's name	No. of Shares	% of total shares	% change during the period	
Maroti Venkoba Kawale	22,74,000	45.48%	0.84%	
Prayagbai Venkatrao Kawale	9,91,000	19.82%	-26.60%	
Kishanrao Venkatrao Kawale	5,31,000	10.62%	1.94%	
Ganeshrao Venkatrao Kawale	4,01,000	8.02%	7.95%	
Sandip Marottrao Kawale	4,01,000	8.02%	7.95%	
Sagarbai Maroti Kawale	2,01,000	4.02%	3.95%	
Prameshwar Kishanrao Kawale	2,01,000	4.02%	3.95%	



<b>Reserves and surplus</b>		<b>Annexure 8</b>			
		(Amount in INR lakhs, unless otherwise stated)			
<b>Particulars</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	
	<b>30-09-2023</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>	
<b>a) Surplus in Profit and Loss Account</b>					
Balance as per the last financial statements	837.67	460.22	140.41		
Add / Less: Profit / (Loss) for the period / year	430.07	377.45	319.81	140.41	
Balance as per end of the period / year	<b>1,267.74</b>	<b>837.67</b>	<b>460.22</b>	<b>140.41</b>	
<b>Long-term borrowings</b>					
		<b>Annexure 9</b>			
		(Amount in INR lakhs, unless otherwise stated)			
<b>Particulars</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	
	<b>30-09-2023</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>	
<b>Secured Loan</b>					
Term Loan From Bank	3,993.57	3,921.06	3,286.82	3,636.54	
	<b>3,993.57</b>	<b>3,921.06</b>	<b>3,286.82</b>	<b>3,636.54</b>	
<b>Unsecured Loan</b>					
From Related and others parties	640.14	640.14	640.14	0.00	
	<b>640.14</b>	<b>640.14</b>	<b>640.14</b>	<b>0.00</b>	
<b>Total</b>	<b>4,633.71</b>	<b>4,561.20</b>	<b>3,926.96</b>	<b>3,636.54</b>	
<b>Short-term borrowings</b>					
		<b>Annexure 9A</b>			
		(Amount in INR lakhs, unless otherwise stated)			
<b>Particulars</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	
	<b>30-09-2023</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>	
<b>Secured Loan</b>					
From Bank -Cash Credit	1,167.93	4,230.02	1,724.64	3,455.21	
- Current maturities of long term borrowings	479.60	364.88	349.72	404.57	
<b>Total</b>	<b>1,647.53</b>	<b>4,594.90</b>	<b>2,074.36</b>	<b>3,859.78</b>	
The above amount includes:					
Secured Borrowings	5,641.10	8,515.96	5,361.18	7,496.32	
Unsecured Borrowings	640.14	640.14	640.14	0.00	
<b>Deferred tax liabilities (Net)</b>					
		<b>Annexure 10</b>			
		(Amount in INR lakhs, unless otherwise stated)			
<b>Particulars</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	
	<b>30-09-2023</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>	
<b>Tax effect of item constituting deferred tax Liabilities (A)</b>					
- on difference in WDV of property, plant & equipment as per books and income tax	180.37	160.33	93.07	30.00	
- others allowable Gratuity expenses under the provisions of income tax act	180.37	160.33	93.07	30.00	
<b>Tax Effect of item constituting deferred tax Assets (B)</b>	1.00	1.54	1.24	0.47	
	1.00	1.54	1.24	0.47	
<b>Closing Balance of Deferred Tax (Asset)/ Liability (A-B)</b>	<b>179.36</b>	<b>158.78</b>	<b>91.83</b>	<b>29.53</b>	

## STATEMENT OF PRINCIPAL TERMS OF LOANS AND ASSETS CHARGED AS SECURITY

Annexure 9 and 9A

Amount in Rs. Lakhs

Name of Lender/Fund	Nature of Facility	Date of Issue	Sanctioned Amount	Securities offered	Re-Payment Period	Rate of Interest	Outstanding amount (as per Books)			
							30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>Annexure 9 and 9A :-</b>										
<b>SECURED LOANS</b>										
<b>Business Term Loan:</b>										
The Buldhana Urban Coöperative Credit Society ltd Nanded	Term Loan	02-08-2020	4,000.00	Registered Mortgage of Entire Land and Building and Fixed Assets of the company.	120	14.00%	3,486.66	3,286.82	3,636.54	4,041.11
The Buldhana Urban Coöperative Credit Society ltd Nanded	Term Loan	01-07-2021	1,000.00	Registered Mortgage of Entire Land and Building and Fixed Assets of the company.	120	14.00%	971.68	999.12	-	-
Union Bank of India	Vehicle Loan	20.12.2021	23.00	Vehicle Loan	60	11.25%	14.82	-	-	-
<b>Total</b>							<b>4,473.16</b>	<b>4,285.94</b>	<b>3,636.54</b>	<b>4,041.11</b>
<b>Secured Loan: Cash Credit</b>										
The Buldhana Urban Coöperative Credit Society ltd Nanded	Pledge /WHR loan	01-02-2021	1,000.00	25% on Stock, work in progress, finished goods & 40 % on debtors (Cover period 90 days)	On demand	13.00%	-	-	-	3,455.21
The Thane Janta Coöperative Bank	Pledge /WHR loan	04-02-2022	5,000.00	25% on Stock, work in progress, finished goods & 40 % on debtors (Cover period 90 days)	On demand	10.50%	540.66	3,930.63	1,724.64	-
Rupmata Urban Co-Op Credit Society (CC)	Cash Credit	13-06-2022	300.00	Hypothecation of entire current assets of the company including stock of Raw mat, semi-finished and finished goods, consumable stores,, book debts, other receivable etc, both present and future with Axis Bank.	On demand	13.00%	301.33	299.39	-	-
Working Capital Loan	Pledge Loan		600.00	Hypothecation of entire current assets of the company including stock of Raw mat, semi-finished and finished goods, consumable stores,, book debts, other receivable etc, both present and future with Axis Bank.	On demand	11.50%	271.00			
<b>Total</b>							<b>1,112.99</b>	<b>4,230.02</b>	<b>1,724.64</b>	<b>3,455.21</b>

**UNSECURED LOANS - Interest free loan****From Directors & Related parties:**

Anandrao Bajirao Dhage	Unsecured loan		NO AGREEMENT	2.00	2.00	2.00	-
Anil Shivaji Kadam	Unsecured loan		NO AGREEMENT	3.00	3.00	3.00	-
Anshabai Husenna Ramod	Unsecured loan		NO AGREEMENT	1.00	1.00	1.00	-
Balaji Kishanrao Jadhav	Unsecured loan		NO AGREEMENT	3.00	3.00	3.00	-
Balaji Kondiba Jamdade	Unsecured loan		NO AGREEMENT	2.00	2.00	2.00	-
Balaji Vithalrao Shinde	Unsecured loan		NO AGREEMENT	5.00	5.00	5.00	-
Balu Shankarrao Kale	Unsecured loan		NO AGREEMENT	2.00	2.00	2.00	-
Digambar Jakoji Kadam	Unsecured loan		NO AGREEMENT	3.00	3.00	3.00	-
Dnyaneshwar Venkati Arkalwad	Unsecured loan		NO AGREEMENT	4.00	4.00	4.00	-
Ganesh Shesherao Suryawanshi	Unsecured loan		NO AGREEMENT	2.50	2.50	2.50	-
Ganeshrao Venkatrao Kawale	Unsecured loan		NO AGREEMENT	4.67	4.67	4.67	-
Govind Shesherao Shinde	Unsecured loan		NO AGREEMENT	10.00	10.00	10.00	-
Hiraman Dashrath Ghorband	Unsecured loan		NO AGREEMENT	7.00	7.00	7.00	-
Jalba Baba Wankhede	Unsecured loan		NO AGREEMENT	3.00	3.00	3.00	-
Janabai Digambar Suryawanshi	Unsecured loan		NO AGREEMENT	1.00	1.00	1.00	-
Jyoti Shesherao Suryawanshi	Unsecured loan		NO AGREEMENT	2.50	2.50	2.50	-
Kishanrao Venkatrao Kawale	Unsecured loan		NO AGREEMENT	5.42	5.42	5.42	-
Komal Shesherao Suryawanshi	Unsecured loan		NO AGREEMENT	2.50	2.50	2.50	-
Laxman Digambar Kadam	Unsecured loan		NO AGREEMENT	3.00	3.00	3.00	-
Madhavrao Kerba Dhage	Unsecured loan		NO AGREEMENT	2.00	2.00	2.00	-
Mahesh Narayan Bolamwar	Unsecured loan		NO AGREEMENT	20.90	20.90	20.90	-
Majlasbai Vishwambhar Wankhede	Unsecured loan		NO AGREEMENT	1.00	1.00	1.00	-

Maroti Gangadhar Phule Mudkhed	Unsecured loan
Maroti Laxman Kinewad	Unsecured loan
Marotrao Venkatrao Kawale	Unsecured loan
Meera Prabhuraj Jangamwar	Unsecured loan
Nagorao Bhaurao Kadam	Unsecured loan
Nirmala Maroti Jadhav	Unsecured loan
Omkar Venkati Arkalwad	Unsecured loan
P K Traders	Unsecured loan
Panchfula Venkati Arkalwad	Unsecured loan
Pawankumar Nagorao Kadam	Unsecured loan
Pravin Omprakash Kabra	Unsecured loan
Pravin Shankarrao Kadam	Unsecured loan
Pravinkumar Nagorao Kadam	Unsecured loan
Pundlik Devrao Sawant	Unsecured loan
Ramkishan Pundlik Pendkar	Unsecured loan
Rukminbai Digambar Kadam	Unsecured loan
Rukminbai Vitthalrao Mane	Unsecured loan
Sagarbai Marotrao Kawale	Unsecured loan
Sainath Husenna Ramod	Unsecured loan
Sambhaji Madhav Shinde	Unsecured loan
Sanjay Ramkishan Pendkar	Unsecured loan
Sanjivani Marotrao Kawale	Unsecured loan
Shakuntala Shivaji Kadam	Unsecured loan

Terms & conditions not stipulated

NO AGREEMENT	1.00	1.00	1.00	-
NO AGREEMENT	5.00	5.00	5.00	-
NO AGREEMENT	13.02	13.02	13.02	-
NO AGREEMENT	5.50	5.50	5.50	-
NO AGREEMENT	5.00	5.00	5.00	-
NO AGREEMENT	2.00	2.00	2.00	-
NO AGREEMENT	4.00	4.00	4.00	-
NO AGREEMENT	5.00	5.00	5.00	-
NO AGREEMENT	5.00	5.00	5.00	-
NO AGREEMENT	5.00	5.00	5.00	-
NO AGREEMENT	195.00	195.00	195.00	-
NO AGREEMENT	8.50	8.50	8.50	-
NO AGREEMENT	5.00	5.00	5.00	-
NO AGREEMENT	5.00	5.00	5.00	-
NO AGREEMENT	5.40	5.40	5.40	-
NO AGREEMENT	4.00	4.00	4.00	-
NO AGREEMENT	3.50	3.50	3.50	-
NO AGREEMENT	20.52	20.52	20.52	-
NO AGREEMENT	1.50	1.50	1.50	-
NO AGREEMENT	7.00	7.00	7.00	-
NO AGREEMENT	6.30	6.30	6.30	-
NO AGREEMENT	15.00	15.00	15.00	-
NO AGREEMENT	4.00	4.00	4.00	-

Sharad Balaji Junnawar	Unsecured loan	NO AGREEMENT	0.50	0.50	0.50	-
Sharad Vishwanath Vattamwar	Unsecured loan	NO AGREEMENT	2.00	2.00	2.00	-
Shobha Shridhar Lonkar	Unsecured loan	NO AGREEMENT	2.00	2.00	2.00	-
Shubhangi Sahebrao Kadam	Unsecured loan	NO AGREEMENT	5.00	5.00	5.00	-
Snehal Shesherao Suryawanshi	Unsecured loan	NO AGREEMENT	2.50	2.50	2.50	-
Sunanda Nagorao Kadam	Unsecured loan	NO AGREEMENT	5.00	5.00	5.00	-
Sunil Annarao Suryawanshi	Unsecured loan	NO AGREEMENT	108.10	108.10	108.10	-
Surekha Sainath Kalyankar	Unsecured loan	NO AGREEMENT	4.00	4.00	4.00	-
Swapnil Sunil Suryawanshi	Unsecured loan	NO AGREEMENT	31.56	31.56	31.56	-
Ujvala Balaji Jadhav	Unsecured loan	NO AGREEMENT	2.00	2.00	2.00	-
Ujwala Sunil Suryawanshi	Unsecured loan	NO AGREEMENT	31.56	31.56	31.56	-
Utkarsha Shivajirao Deshmukh	Unsecured loan	NO AGREEMENT	6.20	6.20	6.20	-
Venkat Manikrao Kausalye	Unsecured loan	NO AGREEMENT	1.00	1.00	1.00	-
Venkatesh Balaji Dhage	Unsecured loan	NO AGREEMENT	5.00	5.00	5.00	-
Venkatesh Subhash Nunnewar	Unsecured loan	NO AGREEMENT	1.00	1.00	1.00	-
Vijay Shivaji Sawant	Unsecured loan	NO AGREEMENT	5.00	5.00	5.00	-
Vithal Jakoji Kadam	Unsecured loan	NO AGREEMENT	3.00	3.00	3.00	-
Vitthalrao Ramji Mane	Unsecured loan	NO AGREEMENT	3.00	3.00	3.00	-
<b>Total</b>			<b>640.14</b>	<b>640.14</b>	<b>640.14</b>	<b>-</b>

**Annexure 11****STATEMENT OF LONG TERM PROVISION**

(Amount in INR lakhs, unless otherwise stated)

<b>Particulars</b>	<b>As at</b>			
	<b>30-09-2023</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Provision for Gratuity Payable	16.84	12.87	6.76	1.85
<b>Total</b>	<b>16.84</b>	<b>12.87</b>	<b>6.76</b>	<b>1.85</b>

## STATEMENT OF TRADE PAYABLES

Annexure 12  
(Amount in INR lakhs, unless otherwise stated)

Particulars	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
- Micro, small and medium enterprises	262.94	437.20	667.02	162.42
- other than micro enterprises and small enterprises				
Sundry Creditors for goods	782.70	953.66	1,690.33	2,147.09
<b>Total</b>	<b>1,045.64</b>	<b>1,390.86</b>	<b>2,357.35</b>	<b>2,309.51</b>

## The trade payables ageing schedule for the period September 30, 2023 is as follows

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	262.94	-	-	-	262.94
Others	-	782.70	-	-	-	782.70
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

## The trade payables ageing schedule for the year March 31, 2023 is as follows

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	437.20	-	-	-	437.20
Others	-	953.66	-	-	-	953.66
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

## The trade payables ageing schedule for the year March 31, 2022 is as follows

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	667.02	-	-	-	667.02
Others	-	1,690.33	-	-	-	1,690.33
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

## The trade payables ageing schedule for the year March 31, 2021 is as follows

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	162.42	-	-	-	162.42
Others	-	2,147.09	-	-	-	2,147.09
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:				
Principal and interest		-	-	-
Total		-	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.		-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the		-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.		-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.		-	-	-

**Annexure 13****STATEMENT OF OTHER CURRENT LIABILITIES**

(Amount in INR lakhs, unless otherwise stated)

Particulars	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Advances From Customer	1199.14	804.53	547.37	162.42
Amount received from farmers against can seed issue	320.76	2,178.34	1,259.36	479.25
Advances From Customer (in case of Subsidiary)	2986.85	-	-	-
Outstanding expense payable	364.42	122.91	60.57	80.12
Payable to shareholder of subsidiary	355.80	-	-	-
Security Deposit	53.05	58.98	60.27	115.08
Sundry Creditors for expense	10.82	55.88	24.23	24.35
Statutory Dues Payable	30.09	113.16	179.64	82.69
<b>Total</b>	<b>5,320.92</b>	<b>3,333.79</b>	<b>2,131.46</b>	<b>943.91</b>

**Annexure 14****STATEMENT OF SHORT TERM PROVISIONS**

(Amount in INR lakhs, unless otherwise stated)

Particulars	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Provision for Gratuity payable	0.05	0.04	0.02	0.01
Provision for audit fees	33.08	26.25	17.50	8.75
Provision for income tax	159.19	55.55	35.61	15.41
<b>Total</b>	<b>192.31</b>	<b>81.84</b>	<b>53.13</b>	<b>24.17</b>



PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Annexure 15  
Part -A  
(Amount in INR lakhs, unless otherwise stated)

A. PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	Land	Buildings	Plant and Equipment	Other Fixed Assets	Computer	Furniture and fixtures	Electrical Installation	Total
<b>Year ended September 30, 2023</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening gross carrying amount	1,694.22	2,537.80	3,024.23	266.85	10.00	67.93	7.14	7,608.18
Additions	-	1.71	13.97	34.03	-	0.59	-	50.29
Disposals/Adjustment	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>1,694.22</b>	<b>2,539.51</b>	<b>3,038.20</b>	<b>300.87</b>	<b>10.00</b>	<b>68.52</b>	<b>7.14</b>	<b>7,658.48</b>
<b>ACCUMULATED DEPRECIATION</b>								
Opening accumulated depreciation	-	163.16	445.74	15.31	8.59	20.93	3.29	657.03
Depreciation charged during the year	-	31.83	100.93	23.67	0.35	6.98	0.27	164.03
Disposals/Adjustments	-	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>194.99</b>	<b>546.68</b>	<b>38.98</b>	<b>8.94</b>	<b>27.91</b>	<b>3.56</b>	<b>821.06</b>
<b>Net Carrying Amount</b>	<b>1,694.22</b>	<b>2,344.52</b>	<b>2,491.53</b>	<b>261.89</b>	<b>1.05</b>	<b>40.61</b>	<b>3.58</b>	<b>6,837.42</b>

PARTICULARS	Land	Buildings	Plant and Equipment	Other Fixed Assets	Computer	Furniture and fixtures	Electrical Installation	Total
<b>Year ended March 31, 2023</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening gross carrying amount	1,744.97	2,272.75	2,255.31	26.81	6.09	30.90	-	6,336.82
Additions	9.87	155.40	402.00	240.04	-	19.42	-	826.73
Disposals/Adjustment	65.11	-	-	-	-	-	-	65.11
<b>Closing Gross Carrying Amount</b>	<b>1,689.72</b>	<b>2,428.15</b>	<b>2,657.31</b>	<b>266.85</b>	<b>6.09</b>	<b>50.32</b>	<b>-</b>	<b>7,098.44</b>
<b>ACCUMULATED DEPRECIATION</b>								
Opening accumulated depreciation	-	70.21	139.27	4.32	4.27	6.10	-	224.16
Depreciation charged during the year	-	55.67	150.63	11.00	1.15	8.79	-	227.24
Disposals/Adjustments	-	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>125.89</b>	<b>289.90</b>	<b>15.31</b>	<b>5.42</b>	<b>14.89</b>	<b>-</b>	<b>451.40</b>
<b>Net Carrying Amount</b>	<b>1,689.72</b>	<b>2,302.26</b>	<b>2,367.41</b>	<b>251.53</b>	<b>0.67</b>	<b>35.43</b>	<b>-</b>	<b>6,647.04</b>

PARTICULARS	Land	Buildings	Plant and Equipment	Other Fixed Assets	Computer	Furniture and fixtures	Electrical Installation	Total
<b>Year ended March 31, 2022</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening gross carrying amount	1,807.20	2,229.04	1,405.26	16.36	6.09	13.68		5,477.62
Additions	-	43.71	850.05	10.45		17.22		921.43
Disposals/Adjustment	62.24							62.24
<b>Closing Gross Carrying Amount</b>	<b>1,744.97</b>	<b>2,272.75</b>	<b>2,255.31</b>	<b>26.81</b>	<b>6.09</b>	<b>30.90</b>		<b>6,336.82</b>
<b>ACCUMULATED DEPRECIATION</b>								
Opening accumulated depreciation	-	14.62	27.21	0.90	1.14	1.20		45.07
Depreciation charged during the year	-	55.59	112.06	3.42	3.13	4.90		179.09
Disposals/Adjustments	-							-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>70.21</b>	<b>139.27</b>	<b>4.32</b>	<b>4.27</b>	<b>6.10</b>		<b>224.16</b>
<b>Net Carrying Amount</b>	<b>1,744.97</b>	<b>2,202.54</b>	<b>2,116.04</b>	<b>22.49</b>	<b>1.82</b>	<b>24.80</b>		<b>6,112.66</b>
PARTICULARS	Land	Buildings	Plant and Equipment	Other Fixed Assets	Computer	Furniture and fixtures	Electrical Installation	Total
<b>Year ended March 31, 2021</b>								
<b>GROSS CARRYING AMOUNT</b>								
Opening gross carrying amount								-
Additions	1,807.20	2,229.04	1,405.26	16.36	6.09	13.68		5,477.62
Disposals/Adjustment	-	-	-	-	-	-		-
<b>Closing Gross Carrying Amount</b>	<b>1,807.20</b>	<b>2,229.04</b>	<b>1,405.26</b>	<b>16.36</b>	<b>6.09</b>	<b>13.68</b>		<b>5,477.62</b>
<b>ACCUMULATED DEPRECIATION</b>								
Opening accumulated depreciation	-							-
Depreciation charged during the year	-	14.62	27.21	0.90	1.14	1.20		45.07
Disposals/Adjustments	-	-	-	-	-	-		-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>14.62</b>	<b>27.21</b>	<b>0.90</b>	<b>1.14</b>	<b>1.20</b>		<b>45.07</b>
<b>Net Carrying Amount</b>	<b>1,807.20</b>	<b>2,214.41</b>	<b>1,378.05</b>	<b>15.46</b>	<b>4.95</b>	<b>12.48</b>		<b>5,432.56</b>

**Title Deeds of Immovable Property not held in the Name of Company.**

Particular	Relevant Line Item in Balance Sheet	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether the title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of company

There is no immovable property whose title deeds are not held other than in the name of the company therefore not applicable.

**Benami Property**

There is no proceeding initiated or pending against the company for holding any benami property under Benami Transaction (Prohibition) Act 1988.

**B. INTANGIBLE ASSETS**

PARTICULARS	Goodwill	Total
<b>Year ended September 30, 2023</b>		
<b>GROSS CARRYING AMOUNT</b>		
Opening gross carrying amount	-	-
Additions- Goodwill Recognize on Investment in subsidiary	45.80	45.80
Disposals/Adjustment		
<b>Closing Gross Carrying Amount</b>	<b>45.80</b>	<b>45.80</b>
<b>ACCUMULATED DEPRECIATION</b>		
Opening accumulated depreciation	-	-
Depreciation charged during the year	-	-
Disposals/Adjustments	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>-</b>
<b>Net Carrying Amount as on 30 September 23</b>	<b>45.80</b>	<b>45.80</b>
<b>Year ended March 31, 2023</b>	<b>-</b>	<b>-</b>
<b>Year ended March 31, 2022</b>	<b>-</b>	<b>-</b>
<b>Year ended March 31, 2021</b>	<b>-</b>	<b>-</b>

		<b>Annexure 16</b>			
<b>STATEMENT OF NON-CURRENT INVESTMENT</b>		(Amount in INR lakhs, unless otherwise stated)			
<b>Particulars</b>	<b>As at</b>				
	<b>30-09-2023</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>	
<b>Unquoted Equity Shares Investement (valued at cost unless otherwise stated)</b>					
Buldana Urban Cooperative Credit Society	110.01	110.01	114.41	80.00	
TJSB Bank Sahakari Bank Shares	0.10	0.10	0.10	-	
Rupamata Multi S.Co.C.S.LTD Shares	5.00	5.00	2.00	-	
Fixed Deposit against loan/BG (more than 1 year)	902.07	499.82	28.00	18.00	
<b>Total</b>	<b>1,017.18</b>	<b>614.93</b>	<b>144.51</b>	<b>98.00</b>	

		<b>Annexure 17</b>			
<b>STATEMENT OF LONG TERM LOANS &amp; ADVANCES</b>		(Amount in INR lakhs, unless otherwise stated)			
<b>Particulars</b>	<b>As at</b>				
	<b>30-09-2023</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>	
Capital Advances	163.33	163.33	-	-	
<b>Total</b>	<b>163.33</b>	<b>163.33</b>	<b>-</b>	<b>-</b>	

## STATEMENT OF INVENTORIES

Particulars	(Amount in Lakhs, Unless Otherwise Stated)			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
(As taken, valued and certified by the Management)				
(Valued at Cost or Market value, whichever is lower)				
Raw Materials and Packing Material	162.41	-	-	5.05
Finished Goods	2,156.50	5,721.80	3,282.63	4,941.77
Stock of Stores & Spares	1,208.48	1,137.21	1,165.55	406.85
Bagasse	372.92	372.92	63.71	33.92
Pressmud	23.67	24.67	19.27	1.49
Molasses Stock	151.25	1.52	88.08	328.66
Scrap Stock	245.43	-	-	-
Dairy products	149.24	-	-	-
<b>Total</b>	<b>4,469.90</b>	<b>7,258.12</b>	<b>4,619.24</b>	<b>5,717.74</b>

## STATEMENT OF TRADE RECEIVABLES

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>Unsecured</b>				
-Considered good	53.84	1.18	2.22	0.70
Less :				
Provision for doubtful debts	-	-	-	-
<b>Total</b>	<b>53.84</b>	<b>1.18</b>	<b>2.22</b>	<b>0.70</b>

The trade receivables ageing schedule for the period September 30, 2023 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed trade receivables – considered good	53.84	-	-	-	-	53.84
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

The trade receivables ageing schedule for the year March 31, 2023 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed trade receivables – considered good	1.18	-	-	-	-	1.18
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

The trade receivables ageing schedule for the year March 31, 2022 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed trade receivables – considered good	2.22	-	-	-	-	2.22
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

The trade receivables ageing schedule for the year March 31, 2021 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed trade receivables – considered good	0.70	-	-	-	-	0.70
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

## STATEMENT OF CASH &amp; CASH EQUIVALENTS

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Cash on hand (As Certified by Management)	0.51	0.20	1.32	1.93
Balances with banks				
- In Current Accounts	16.16	62.84	13.27	121.32
<b>Total</b>	<b>16.67</b>	<b>63.05</b>	<b>14.58</b>	<b>123.26</b>

**STATEMENT OF SHORT- TERM LOANS AND ADVANCES****Annexure 21**

(Amount in INR lakhs, unless otherwise stated)

<b>Particulars</b>	<b>As at</b>			
	<b>30-09-2023</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Advances to Supplier	1,510.02	690.32	185.57	19.46
Contractor Advance	18.27	10.48	9.21	-
Business Advance	585.58	10.24	506.38	-
Staff Advance	43.45	-	-	25.29
<b>Total</b>	<b>2,157.33</b>	<b>711.04</b>	<b>701.16</b>	<b>44.75</b>

**Annexure 22****STATEMENT OF OTHER CURRENT ASSETS**

(Amount in Lakhs, Unless Otherwise Stated)

<b>Particulars</b>	<b>As at</b>			
	<b>30-09-2023</b>	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
Balance With Revenue Authority	3.36	13.25	7.68	18.55
Deposit	10.24	-	-	10.14
Interest Receivable	13.73	-	-	-
IPO Prepaid expenses	13.75	-	-	-
Prepaid Expenses	1.52	-	-	-
<b>Total</b>	<b>42.60</b>	<b>13.25</b>	<b>7.68</b>	<b>28.69</b>

## STATEMENT OF REVENUE FROM OPERATIONS

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the period ended		For the year ended	
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Sales of products	6,792.40	9,327.65	13,067.11	2,283.40
<b>Total</b>	<b>6,792.40</b>	<b>9,327.65</b>	<b>13,067.11</b>	<b>2,283.40</b>
<b>Bifurcation of Revenue Major Product Wise</b>				
Sugar Sale	4,186.09	2,750.46	4,984.45	1,281.65
Raw Sugar	-	2,663.99	5,176.62	-
Bagase Sale	-	87.10	96.74	21.59
Pressmud Sale	1.00	3.96	4.61	5.10
Ash Sales	-	1.38	1.45	0.59
Molasses Sales	37.03	1,812.43	1,588.38	974.47
Cane Seed Sales	1,008.53	2,004.18	1,103.62	-
Scrap Sale	-	4.15	111.23	-
Dairy Sales	779.88			
<b>Total</b>	<b>6,012.52</b>	<b>9,327.65</b>	<b>13,067.11</b>	<b>2,283.40</b>



## STATEMENT OF OTHER INCOME

Particulars	(Amount in Lakhs, Unless Otherwise Stated)			
	For the period ended 30-09-2023	31-03-2023	For the year ended 31-03-2022	31-03-2021
Bullock Cart Rent	-	2.44	1.99	0.96
Burnt Cane	-	21.49	33.65	21.69
Dividend Received	0.03	9.60	3.78	-
Interest Income	29.80	31.07	8.52	-
Miscellaneous Income	1.91	0.69	0.70	1.39
Sugar Sale Damage Recovery	-	-	147.24	275.41
Rent Received	0.10	0.69	0.57	0.26
<b>Total</b>	<b>31.84</b>	<b>65.98</b>	<b>196.45</b>	<b>299.70</b>

## Annexure 25

## COST OF RAW MATERIAL CONSUMED

Particulars	For the period ended 30-09-2023	(Amount in Lakhs, Unless Otherwise Stated)		
		For the period ended		
		31-03-2023	31-03-2022	31-03-2021
<b>Opening Stock- A</b>				
Stock of raw material, packing material and consumables at the beginning of the year	52.82	-	5.05	
<b>Purchases of Raw Material- B</b>				
Cane Purchase	0.05	6,053.68	5,878.74	4,924.54
Molasses Purchase	174.73	-	-	-
Packing Material	25.26	93.61	99.29	90.62
Milk purchase	667.69	-	-	-
<b>Direct Expenses- C</b>				
Cane Supply Expenses	1.83	695.99	1,132.19	0.61
Harvesting Expenses	-	710.14	674.10	600.12
Transporting Expenses	11.76	1,005.10	878.70	772.10
H& T Labour Transportation Expenses	-	21.82	15.48	22.89
Cane H & T Commission Expenses	-	331.12	293.11	290.50
Bullockcart & Tyre Repairing Expenses	-	4.50	5.24	6.69
Cane Seed Plot Expenses	-	3.71	1.51	5.50
<b>Closing Stock- D</b>				
Stock of raw material, packing material and consumables at the end of the year	162.41	-	-	5.05
<b>Total (A+B+C-D)</b>	<b>771.74</b>	<b>8,919.68</b>	<b>8,983.42</b>	<b>6,708.52</b>

## Annexure 26

## OTHER MANUFACTURING EXPENSES

Particulars	30-09-2023	(Amount in Lakhs, Unless Otherwise Stated)		
		For the period ended		
		31-03-2023	31-03-2022	31-03-2021
Power Fuel & Water	70.31	84.92	73.67	30.29
Repairs & Maintenance of Factory	83.16	337.03	393.28	185.19
Freight & Transportaion	3.51	53.43	46.07	43.21
<b>Total</b>	<b>156.98</b>	<b>475.38</b>	<b>513.02</b>	<b>258.69</b>

## Annexure 27

## CHANGES IN INVENTORIES OF STOCK-IN-TRADE

Particulars	30-09-2023	(Amount in Lakhs, Unless Otherwise Stated)		
		For the period ended		
		31-03-2023	31-03-2022	31-03-2021
<b><u>Inventories at the end of the year</u></b>				
<b>Finished Goods</b>				
Sugar	2156.50	5,721.80	3,282.63	4,941.77
Bagasse	372.92	372.92	63.70	33.92
Molasses	151.25	1.52	88.08	328.66
Pressmud	23.67	24.67	19.27	1.49
Dairy products	149.24	-	-	-
<b><u>Inventories at the beginning of the year</u></b>				
Finished Goods				
Sugar	5,721.80	3,282.63	4,941.77	-
Bagasse	372.92	63.70	33.92	-
Molasses	1.52	88.08	328.66	-
Pressmud	24.67	19.27	1.49	-
Dairy products	120.25	-	-	-
<b>Net (Increase)/decrease</b>	<b>3,387.58</b>	<b>(2,667.23)</b>	<b>1,852.15</b>	<b>(5,305.84)</b>

## Annexure 28

## EMPLOYEE BENEFITS EXPENSES

Particulars	(Amount in Lakhs, Unless Otherwise Stated)			
	30-09-2023	For the period ended		
		31-03-2023	31-03-2022	31-03-2021
a) Salaries and wages				
To others	277.38	611.54	459.19	209.86
To related parties	7.50	3.75	-	-
b) Gratuity Expenses	3.98	6.13	4.93	1.85
c) Other employee benefit expenses	-	3.47	19.93	18.75
d) Contribution to various funds	14.29	23.96	20.94	8.07
<b>Total</b>	<b>303.15</b>	<b>648.85</b>	<b>504.99</b>	<b>238.53</b>

## Annexure 29

## FINANCE COST

Particulars	(Amount in Lakhs, Unless Otherwise Stated)			
	30-09-2023	For the period ended		
		31-03-2023	31-03-2022	31-03-2021
Interest paid ;				
To banks	517.00	894.83	580.81	270.09
To related parties	-	-	-	-
Other Interest Expense	61.85	0.37	-	3.80
Other Finance cost	14.96	47.38	24.20	29.35
<b>Total</b>	<b>593.81</b>	<b>942.59</b>	<b>605.01</b>	<b>303.24</b>

## Annexure 30

## DEPRECIATION AND AMORTIZATION

Particulars	(Amount in Lakhs, Unless Otherwise Stated)			
	30-09-2023	For the period ended		
		31-03-2023	31-03-2022	31-03-2021
Depreciation	164.03	227.24	179.09	45.07
<b>Total</b>	<b>164.03</b>	<b>227.24</b>	<b>179.09</b>	<b>45.07</b>

## Annexure 31

## OTHER EXPENSES

Particulars	(Amount in Lakhs, Unless Otherwise Stated)			
	30-09-2023	For the period ended		
		31-03-2023	31-03-2022	31-03-2021
Advertisement Expenses	1.30	5.43	6.76	0.52
Agril Staff Travelling Expenses	4.01	9.57	8.08	4.20
Audit Fees	3.13	8.75	8.75	8.75
Boiler Agni Pradippan Samarambh	-	1.62	1.87	1.96
Caneyard Cleaning Expenses	-	13.58	7.38	8.55
CM Relief Fund	-	13.12	12.84	11.26
Donation Expenses	-	10.50	0.20	10.00
Dress & Uniform	0.06	2.18	0.28	0.21
General Expense	3.70	-	-	-
Gopinath Munde H&T Labour Fund Exp.	-	8.52	-	-
Grampanchayat Tax Expenses	1.50	-	-	-
Guest And Hospitality Expenses	0.82	2.20	1.80	0.66
Inspection Charges	-	2.11	0.30	-
Insurance	2.77	10.40	7.49	4.91
Licenses & Inspection Fees	4.57	-	-	-
Manufacturing Expenses	-	27.91	13.96	13.36
Meeting & Caremony Expnses	-	2.85	1.28	2.17
Miscellaneous Expenses	1.90	4.07	5.20	3.31
Mobile Bill	1.01	2.84	0.93	0.29
Non Agriculture Charges	-	6.84	2.96	2.96
Nursery Expenses	13.71	36.26	10.79	0.47
Over rate amount	6.12	-	-	-
Plant exp	14.27	-	-	-
Postage & Telegram Expenses	-	1.53	0.02	-
Power & Fuel Expenses	20.30	35.17	25.54	9.37
Printing & Stationery	1.62	8.86	5.58	1.23
Process & Chemical Expenses	0.14	101.21	50.77	47.34
Profession Fees	11.70	11.20	8.32	1.37
Rent, Rates & Taxes	1.80	11.58	11.67	7.25
Staff Travelling Expenses	-	2.07	1.10	0.11
Staff Training & Welfare	-	1.61	-	-
Sakhar Sankul Fund	-	1.31	-	1.13
Vehicle Repair & Maintenance	5.12	2.37	3.05	1.97
Vehicle Hire Charges	-	10.18	9.97	4.17
VSI Relief Fund	-	-	1.28	2.01
<b>TOTAL</b>	<b>99.51</b>	<b>355.82</b>	<b>208.17</b>	<b>149.52</b>

## Annexure 31.1

## PAYMENT TO AUDITORS AS:

Particulars	(Amount in Lakhs, Unless Otherwise Stated)			
	30-09-2023	For the period ended		
		31-03-2023	31-03-2022	31-03-2021
Payment to auditors				
- Audit fees	3.13	8.75	8.75	8.75
<b>Total</b>	<b>3.13</b>	<b>8.75</b>	<b>8.75</b>	<b>8.75</b>

## STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs Rs., except per share data and number of share)

Particulars	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Net Worth (A)	1,767.74	1,337.67	960.22	640.41
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,293.56	1,595.15	1,005.37	233.96
Restated profit after tax (B)	430.07	377.45	319.81	140.41
Number of equity share outstanding as on the end of year/period - Refer Note 1	50,00,000	50,00,000	50,00,000	50,00,000
Weighted average number of equity shares outstanding during the year/period (D) - Refer Note 1	50,00,000	50,00,000	50,00,000	41,97,342
Weighted average number of diluted equity shares outstanding during the year/period (E) - Refer Note 1	50,00,000	50,00,000	50,00,000	41,97,342
Current assets (E)	6,740.33	8,046.63	5,344.88	5,915.14
Current liabilities (F)	8,206.40	9,401.39	6,616.29	7,137.37
Basic earning per share (INR) (B/D)	8.60	7.55	6.40	3.35
Diluted earning per share (INR) (B/E)	8.60	7.55	6.40	3.35
Return on net worth (%) (B/A)	27.70%	32.85%	39.96%	35.48%
Net asset value per share - (A/C) (Face value of Rs. 10 each)	35.35	26.75	19.20	12.81
Current ratio (E/F)	0.82	0.86	0.81	0.83

Note - 1) The ratios have been computed as below:

(a) 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

(b) Diluted earnings per share (Rs.): Net profit after tax, as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year

(c) Return on net worth (%): Net profit after tax, as restated / Average Net worth at the end of the period or year and previous year

(d) Net assets value per share (Rs.) -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) Net worth has been calculated as sum of Equity Share Capital and Reserves and surplus.

**The Company has issued 5000000 Equity Shares of Rs. 10 each on December 19, 2023, through a bonus share issue in the ration of 1:1 of existing equity share capital, bonus share issued via general reserve of the company hence adjustments were made to ratios presented above, adjusted ratio as as below:-**

Particulars	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Adjusted Net Worth (A)	1,767.74	1,337.67	960.22	640.41
Restated Profit after tax (B)	430.07	377.45	319.81	140.41
Adjusted Number of Equity Share outstanding as on the end of Year/Period (C) - Refer Note 2	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
Adjusted Weighted average no of Equity shares at the time of end of the year (D) -Refer Note 2	1,00,00,000	1,00,00,000	1,00,00,000	83,94,684
Adjusted Weighted average number of diluted equity shares outstanding during the year/period (E) - Refer Note 2	1,00,00,000	1,00,00,000	1,00,00,000	83,94,684
Adjusted Restated Basic earning per share (INR) (B/D)	4.30	3.77	3.20	1.67
Adjusted Diluted earning per share (INR) (B/E)	4.30	3.77	3.20	1.67
Adjusted Net asset value per share (A/C) (Face Value of Rs. 10 Each)	17.68	13.38	9.60	6.40

Note -2) The adjusted ratios have been computed as below:

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

(b) Diluted earnings per share (Rs.): Net profit after tax, as restated for calculating diluted EPS / Adjusted Weighted average number of equity shares outstanding at the end of the period or year

(c) Net assets value per share (Rs.) -: Net Worth at the end of the period or year / Adjusted Total number of equity shares outstanding at the end of the period or year

(d) Net worth has been calculated as sum of Equity Share Capital and Reserves and surplus (comprising of Securities Premium and Surplus of Profit and Loss Account)

## STATEMENT OF RELATED PARTY TRANSACTION

## 1. Names of the related parties with whom transaction were carried out during the years and description of relationship:

a)	Name of related parties by whom control is exercised	Marotrao V. Kawale - Managing Director Kishanrao V. Kawale -Director Ganeshrao V. Kawale -Director Sagarbai M. Kawale -Director Sandip M. Kawale - CFO
b)	Wholly owned Subsidiary	Sai Krupa Dairy & Food Products Private Limited (w.e.f 01/04/2023)
c)	Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise:	VPK Agro Food Product Pvt. Ltd. - Group Company Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd. - Group Company Sandip Tractors - Sister Concern Shiv Venkateshwara Krishi Seva Kendra, Naigaon Proprietorship Firm (Prop. Ganesh Kawale) Sister Concern

## 2. Transaction with Key Management Personnel/Directors

Sr. No.	Nature of Transaction	(Amount in Lakhs, Unless Otherwise Stated)			
		30-Sep-23	31-Mar-23	31-Mar-22	31-Mar-21
1	<b>Remuneration</b> Sandip M. Kawale	7.50	3.75		
2	<b>Loans Taken</b> Sandip Tractors VPK Agro Food Product Pvt. Ltd. Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd. Sai Krupa Dairy & Food Products Private Limited	8.03 5.33 263.92 -	26.30 1,978.82 1,229.89 2,248.00	13.03 1,237.08 917.53 0.23	3.89 606.57
3	<b>Loans Repaid</b> Sandip Tractors VPK Agro Food Product Pvt. Ltd. Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd. Sai Krupa Dairy & Food Products Private Limited	8.94 37.68 80.07 -	97.45 2,076.95 611.69 51.36	52.56 1,223.60 1,073.25 80.03	74.90 371.91 156.10 -
4	<b>Purchase of Goods</b> VPK Agro Food Product Pvt. Ltd. Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd. Sai Krupa Dairy & Food Products Private Limited	328.26 220.38 -	18.15 1,156.37 92.68	1,447.28 - 289.61	- - -
5	<b>Sales of Goods</b> VPK Agro Food Product Pvt. Ltd. Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd.	7.35 1.45	8.37 6.42	3.46 5.20	16.56 0.48

## 3. Balances Outstanding at the end of the Year

Sr. No.	Particulars	(Amount in Lakhs, Unless Otherwise Stated)			
		30-Sep-23	31-Mar-23	31-Mar-22	31-Mar-21
1	VPK Agro Food Product Pvt. Ltd.	29,07,289	-	98.14	85.66
		Debit. Bal		Credit Bal.	Credit Bal.
2	VPK Agro Food Product Pvt. Ltd.		23.65	15.85	14.81
			Debit. Bal	Debit. Bal	Debit. Bal
3	Dr. Shankarrao Chavan Jaggery & Agro Product Pvt. Ltd	490,22,056	306.37	311.83	156.10
		Credit Bal.	Credit Bal.	Debit. Bal	Debit. Bal
4	Sai Krupa Dairy & Food Products Private Limited	-	2,116.83	79.80	-
			Credit Bal.	Debit. Bal	
5	Sai Krupa Dairy & Food Products Private Limited- Creditors	-	14.61	14.61	-
			Credit Bal.	Credit Bal.	
6	Sandip M. Kawale	0.35	1.85	0.39	0.09
		Credit Bal.	Credit Bal.	Credit Bal.	Debit. Bal
7	Sandip Tractors	182.91	183.50	110.12	70.92
		Debit. Bal	Debit. Bal	Debit. Bal	Debit. Bal
8	Sagarbai M. Kawale	20.52	20.52	20.52	-
		Credit Bal.	Credit Bal.	Credit Bal.	
9	Ganeshrao V. Kawale	4.67	4.67	4.67	-
		Credit Bal.	Credit Bal.	Credit Bal.	
10	Kishanrao V. Kawale	5.42	5.42	5.42	-
		Credit Bal.	Credit Bal.	Credit Bal.	
11	Marotrao V. Kawale	13.02	13.02	13.02	-
		Credit Bal.	Credit Bal.	Credit Bal.	

## STATEMENT OF TAX SHELTER

Particulars	(Amount in Lakhs, Unless Otherwise Stated)			
	For the period ended	For the year ended		
		30-09-2023	31-03-2023	31-03-2022
<b>A</b> Profit before taxes as restated	<b>567.55</b>	<b>491.30</b>	<b>417.72</b>	<b>185.35</b>
- Taxable at normal Rate	<b>567.55</b>	<b>491.30</b>	<b>417.72</b>	<b>185.35</b>
- Taxable at special Rate	-	-	-	-
<b>B</b> Normal Tax Rate Applicable %	25.17%	25.17%	25.17%	25.17%
Special Tax Rate Applicable %				
<b>C</b> Tax Impact (A*B)	142.84	123.65	105.13	46.65
<b>D Adjustments:</b>				
Difference in depreciation	(79.66)	(267.21)	(250.63)	(119.18)
Gratuity	3.98	6.13	6.73	1.85
Other deduction	(27.45)			
<b>Total</b>	<b>(103.14)</b>	<b>(261.07)</b>	<b>(243.90)</b>	<b>(117.33)</b>
<b>E Unabsorbed Loss/(Carried Forward Loss Set off)</b>	-	-	-	-
<b>F Net Adjustment (F) = (D+E)</b>	<b>(103.14)</b>	<b>(261.07)</b>	<b>(243.90)</b>	<b>(117.33)</b>
<b>G Tax Expenses/ (Saving) thereon</b>	(25.96)	(65.71)	(61.39)	(29.53)
<b>I Deferred Tax (Annexure 34.1)</b>	20.59	66.95	62.30	29.53
<b>J Total tax expenses (H+I)</b>	<b>137.48</b>	<b>124.89</b>	<b>106.05</b>	<b>46.65</b>

## STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES AS RESTATED

## Annexure 34.1

Particulars	(Amount in Lakhs, Unless Otherwise Stated)			
	30-09-2023	As at		
		31-03-2023	31-03-2022	31-03-2021
<b>A</b> WDV as per Companies Act, 2013	4,865.42	4,957.31	4,367.70	3,625.36
<b>B</b> WDV as per Income tax Act, 1961	4,148.77	4,320.29	3,997.88	3,506.17
Difference in WDV (A-B)	716.65	637.02	369.81	119.18
<b>C Deferred Tax (Asset)/ Liability</b>	<b>180.37</b>	<b>160.33</b>	<b>93.07</b>	<b>30.00</b>
<b>Gratuity Expenses</b>	3.98	6.13	4.93	1.85
<b>D Total</b>	3.98	6.13	4.93	1.85
<b>E Deferred Tax (Asset)/ Liability (E)</b>	<b>(1.00)</b>	<b>(1.54)</b>	<b>(1.24)</b>	<b>(0.47)</b>
<b>F Total Deferred Tax (Asset)/ Liability (C+E)</b>	179.36	158.78	91.83	29.53
<b>Restated Closing Balance of Deferred Tax (Asset)/ Liability</b>	<b>179.36</b>	<b>158.78</b>	<b>91.83</b>	<b>29.53</b>
<b>Deferred Tax (Assets)/ Liability as per Balance sheet of Previous Year</b>	<b>158.78</b>	<b>91.83</b>	<b>29.53</b>	-
<b>Deferred Tax (Assets)/ Liability should be charged to Profit &amp; Loss</b>	<b>20.59</b>	<b>66.95</b>	<b>62.30</b>	<b>29.53</b>

## Notes:

1. The aforesaid statement of tax shelters has been prepared as per the restated summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax return respective years stated above.

2. The effect of Tax Shelter i.e. short/excess provision for Income Tax has not been given effect in Annexure 2 - Restated Statement of Profit and Loss account. Provision for Income Tax given in Annexure 2 is based on the Income Tax Return/Audited Financial Statement only.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures 1,2,3 and 4.

## STATEMENT OF CAPITALISATION

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	Pre Issue 31.03.2023	Post Issue
<b>Debt</b>		
Short Term Debt	4,594.90	4,594.90
Long Term Debt	4,561.20	4,561.20
<b>Total Debt</b>	<b>9,156.10</b>	<b>9,156.10</b>
<b>Shareholders' Fund (Equity)</b>		<b>1549.00</b>
Share Capital	500.00	6,876.67
Reserves & Surplus	837.67	-
Less: Miscellaneous Expenses not w/off	-	8,425.67
<b>Total Shareholders' Fund (Equity)</b>	<b>1,337.67</b>	
<b>Long Term Debt/Equity</b>	<b>3.41</b>	<b>0.50</b>
<b>Total Debt/Equity</b>	<b>6.84</b>	<b>1.09</b>

**Notes:**

1. Short term debts represents the debts which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term debts represent debts other than Short term debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of assets and liabilities of the Company as at 31st, March 2023.

**Annexure 36****CONTINGENT LIABILITIES & COMMITMENTS**

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	As At			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Income Tax Demand	12.33	4.65	-	-
TDS Demand	2.20	1.67	1.26	0.19
Corporate guarantee*	1,280.00	-	-	-

Our company has provided a corporate guarantee to Union Bank of India, supporting 170 individuals who have availed themselves of individual loans for harvest and transportation needs. This guarantee assures the bank that, in the event individuals are unable to meet their loan repayments, the company will cover these payments, totaling up to Rs 1500.00 Lacs and outstanding of loan as of 30/09/2023 Rs. 1280.00 lacs.



## STATEMENT OF OTHER FINANCIAL RATIOS

(Amount in Lakhs Rs., except per share data)

Particulars	As At			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Current Ratio (No of Times)	0.82	0.86	0.81	0.83
Debt Equity Ratio (No of Times)	3.55	6.84	6.25	11.71
Debt Service Coverage Ratio (No of Times)	0.59	0.30	0.45	0.13
Return On Equity Ratio (%)	27.70%	32.85%	39.96%	43.85%
Inventory Turnover Ratio (No Of Times)	1.03	1.57	2.53	0.40
Trade Receivable Turnover Ratio (No Of Times)	218.57	5,483.76	8,947.04	3,268.16
Trade Payable Turnover Ratio (No Of Times)	0.71	3.28	4.02	2.17
Net Capital Turnover Ratio (No Of Times)	(4.26)	(7.10)	(10.48)	(1.87)
Net Profit Ratio (%)	7.15%	4.05%	2.45%	6.15%
Return On Capital Employed (%)	14.09%	13.44%	14.49%	5.98%
Return On Investment/Total Assets (%)	2.91%	2.44%	2.76%	1.23%

Details of numerator and denominator for the above ratio are as under

- (1) Current Ratio = Current Assets / Current Liabilities.
- (2) Debt- equity ratio = Total debt / Shareholders' equity.
- (3) Debt service coverage ratio = (Net Profit After Tax+ Depreciation+Interest)/(Principal + Interest).
- (4) Return on equity ratio= Net profit after taxes / Avg Shareholder's Equity.
- (5) Inventory turnover ratio= Revenue from operation /Average inventory.
- (6) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.
- (7) Trade payables turnover ratio=Purchase/Average trade payables.
- (8) Net Capital turnover ratio=Net sales/Average working capital.
- (9) Net profit ratio=Net profit after taxes/Total Revenue.
- (10) Return on capital employed=Earnings before interest and taxes/Capital employed.
- (11) Return on investment/Total Assets=PAT/Total Assets. Shares have been not been considered .

ANNEXURE 38  
RATIO ANALYSIS

Particulars	Numerator	Denominator	30-Sep-23	31-Mar-2023	Variance % ( Mar-23- Sept23)
Current Ratio (no. of times)	Current Assets	Current Liabilities	0.82	0.86	Figures are not annualised therefore we are unable to determine the reasons for such deviations.
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	0.28	0.33	
Debt-Equity Ratio	Total Borrowings	Shareholder's Equity	3.55	6.84	
Debt Service Coverage Ratio	Earning interest, depreciation and taxes	before Debt Service	0.59	0.30	
Trade Receivables ratio (no. of times)	turnover Net Credit Sales	Average trade receivables	218.57	5483.76	
Trade payables ratio (no. of times)	turnover Net Credit Purchases	Average trade payables	0.71	3.28	
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	1.03	1.57	
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	-4.26	-7.10	
Net profit ratio (%)	Net Profits after taxes	Net Sales	7.15%	4.05%	
Return on Capital employed (%)	Earning interest and taxes	before Capital Employed	14.09%	13.44%	

Particulars	Numerator	Denominator	31-Mar-2023	31-Mar-2022	Variance % ( Mar-23-Mar-22)	Reason for Major Deviation (Mar-23-Mar-22)
Current Ratio (no. of times)	Current Assets	Current Liabilities	0.86	0.81	5.95%	NA
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	32.85%	39.96%	-17.79%	NA
Debt-Equity Ratio	Total Borrowings	Shareholder's Equity	6.84	6.25	9.52%	NA
Debt Service Coverage Ratio	Earning interest, depreciation and taxes	before Debt Service	0.30	0.45	-33.12%	Due to interest increase
Trade Receivables ratio (no. of times)	turnover Net Credit Sales	Average trade receivables	5483.76	8947.04	-38.71%	Due to trade receivable decrease and sales increase
Trade payables ratio (no. of times)	turnover Net Credit Purchases	Average trade payables	3.28	4.02	-18.34%	NA
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	1.57	2.53	-37.88%	Due to sales decrease from last year.
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	-7.10	-10.48	-32.22%	Decrease in working capital caused the ratio to increase.
Net profit ratio (%)	Net Profits after taxes	Net Sales	0.04	2.45%	65.34%	Rise in net profits with simultaneous increase in sales caused the ratio to increase.
Return on Capital employed (%)	Earning interest and taxes	before Capital Employed	0.13	14.49%	-7.19%	NA

Particulars	Numerator	Denominator	31-Mar-2022	31-Mar-2021	Variance % ( Mar-22-Mar-21)	Reason for Major Deviation (Mar-22-Mar-21)
Current Ratio (no. of times)	Current Assets	Current Liabilities	0.81	0.83	-2.52%	NA
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	39.96%	43.85%	-8.87%	NA
Debt-Equity Ratio	Total Borrowings	Shareholder's Equity	6.25	11.71	-46.61%	Increase in total borrowings cause the ratio to have drastic increase.
Debt Service Coverage Ratio	Earning interest, depreciation and taxes	before Debt Service	0.45	0.13	249.91%	Fall in EBITDA with simultaneous increase in Debt service caused the ratio to decline.
Trade Receivables ratio (no. of times)	turnover Net Credit Sales	Average trade receivables	8947.04	3268.16	173.76%	Increase in average trade receivables and sales increase caused the ratio to decline.
Trade payables ratio (no. of times)	turnover Net Credit Purchases	Average trade payables	4.02	2.17	84.98%	Increase in average trade payables caused the ratio to decline.
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	2.53	0.40	533.08%	Increase in average inventory caused the ratio to decline.
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	-10.48	-1.87	460.98%	Increase in working capital caused the ratio to decline.
Net profit ratio (%)	Net Profits after taxes	Net Sales	2.45%	6.15%	-60.20%	Fall in net profits with simultaneous increase in sales caused the ratio to decline.
Return on Capital employed (%)	Earning interest and taxes	before Capital Employed	14.49%	5.98%	142.17%	Fall in EBIT with simultaneous increase in sales caused the ratio to decline.

ANNEXURE 39  
EMPLOYEE BENEFITS

I. Defined contribution plans

The Company has classified the various benefits provided to employees as under:

a. Employee Provident Fund

The expense recognised during the year / period towards defined contribution plan -

Particulars	For the period ended	For the year ended		
	30-Sep-23	31-Mar-23	31-Mar-22	31-Mar-21
Employers Contribution to Employee Provident Fund	14.29	23.96	20.94	8.07

II. Defined benefit plans

Gratuity

The Company should provide for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of INR 20,00,000/-.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the period ended	For the year ended		
	30-Sep-23 Gratuity (Unfunded)	31-Mar-23 Gratuity (Unfunded)	31-Mar-22 Gratuity (Unfunded)	31-Mar-21 Gratuity (Unfunded)
<b>I Expenses recognised in statement of profit and loss during the year / Period:</b>				
Current service cost	3.19	5.70	4.81	-
Past service cost	-	-	-	-
Expected return on plan assets	-	-	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	0.48	0.51	0.14	-
Net actuarial loss/ (gain)	0.30	(0.08)	(0.02)	-
Loss (gain) on curtailments	-	-	-	-
<b>Total expenses included in Employee benefit expenses</b>	<b>3.98</b>	<b>6.13</b>	<b>4.93</b>	<b>-</b>

II Net asset / (liability) recognised as at balance sheet date:

Present value of defined benefit obligation	(16.89)	(12.91)	(6.78)	(1.85)
Fair value of plan assets	-	-	-	-
<b>Funded status [surplus/(deficit)]</b>	<b>(16.89)</b>	<b>(12.91)</b>	<b>(6.78)</b>	<b>(1.85)</b>

III Movements in present value of defined benefit obligation

Present value of defined benefit obligation at the beginning of the year	12.91	6.78	1.85	-
Current service cost	3.19	5.70	4.81	-
Past service cost	-	-	-	-
Interest cost	0.48	0.51	0.14	-
Actuarial (gains) / loss	0.30	(0.08)	(0.02)	-
Benefits paid	-	-	-	-
<b>Present value of defined benefit obligation at the end of the year</b>	<b>16.89</b>	<b>12.91</b>	<b>6.78</b>	<b>1.85</b>

Classification

Current liability	0.05	0.04	0.02	0.01
Non-current liability	16.84	12.87	6.76	1.85

V Sensitivity analysis method

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

Particulars	For the year ended	For the year ended 31-Mar-23	For the year ended	For the year ended
Increase / (decrease) on present value of defined benefit obligation at the end of the year	16,88,869 @ Salary Increase Rate : 5%, and discount rate	12,91,192 @ Salary Increase Rate : 5%, and discount rate	6,77,788 @ Salary Increase Rate : 5%, and discount rate	1,85,137 @ Salary Increase Rate : 5%, and discount rate
(i) +1% increase in discount rate	15,57,221; x=1.00% [Change	11,90,283; x=1.00% [Change	6,22,905; x=1.00% [Change	1,69,656; x=1.00% [Change
(ii) -1% decrease in discount rate	18,41,517; x=1.00% [Change	14,08,035; x=1.00% [Change	7,41,488; x=1.00% [Change	2,03,143; x=1.00% [Change
(iii) +1% increase in rate of salary increase	18,43,442; x=1.00% [Change	14,09,805; x=1.00% [Change	7,42,453; x=1.00% [Change	2,03,417; x=1.00% [Change
(iv) -1% decrease in rate of salary increase	15,53,411; x=1.00% [Change	11,87,120; x=1.00% [Change	6,21,190; x=1.00% [Change	1,69,173; x=1.00% [Change
(v) +1% increase in rate of withdrawal rate increase	16,74,756; x=1.00% [Change	12,76,784; x=1.00% [Change	6,64,290; x=1.00% [Change	1,79,819; x=1.00% [Change
(vi) +1% decrease in rate of withdrawal rate	16,98,836; x=1.00% [Change	13,02,069; x=1.00% [Change	6,89,344; x=1.00% [Change	1,89,943; x=1.00% [Change

VII Actuarial assumptions:

Particulars	As at			
	30-Sep-23	31-Mar-23	31-Mar-22	31-Mar-21
Expected Return on Plan Assets	-	-	-	-
Discount rate	7.50 % per annum	7.50 % per annum	7.50 % per annum	7.50 % per annum
Expected rate of salary increase	5.00%	5.00%	5.00%	5.00%
Mortality Rate During Employment	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Retirement age	60 years	60 years	60 years	60 years

Notes:

- The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.
- The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**ANNEXURE 40  
SEGMENT REPORTING**

**(i) Business Segment**

The accounting policies adopted for segment reporting are in line with the accounting policies of their Company. Revenues, expenses, assets and liabilities have been identified into segments on the basis of their relationship to operating activities of segments (taking into account the nature of products and services and the risk and rewards associated with them) and internal management information systems and the same is reviewed from time to time to realign the same to conform to the business units of the Company. Revenues, expenses, assets, and liabilities, which are common to the enterprise as a whole and are not allocable to the segments on a reasonable basis, have been treated as "Common Revenues/Expenses/Assets/Liabilities", as the case may be.

Particulars	For the period ended 30-September-2023		
	Sugarcane and by products	Dairy Products	Total
<b>Revenue</b>			
External Sales	5,232.64	779.88	6,012.52
Inter Segment Sales	-	-	-
<b>Total Revenue</b>	<b>5,232.64</b>	<b>779.88</b>	<b>6,012.52</b>
<b>Results</b>			
Segment Revenue	5,232.64	779.88	6,012.52
Segment Expenses	4,192.07	690.92	4,882.99
<b>Segment Results</b>	<b>1,040.57</b>	<b>88.96</b>	<b>1,129.53</b>
Unallocated Corporate Expenses	-	-	-
<b>Operating Profit</b>			1,129.53
Interest Income	15.34	79.71	95.05
Other Income	0.18	1.86	2.04
Interest Expenses	549.61	109.45	659.06
Income Taxes	128.02	9.47	137.49
<b>Profit from Ordinary Activities</b>	<b>378.46</b>	<b>51.61</b>	<b>430.07</b>
Extra-ordinary loss	-	-	-
<b>Net Profit</b>	<b>378.46</b>	<b>51.61</b>	<b>430.07</b>
<b>Other Information</b>			
Segment Assets	13,994.14	3,537.68	17,531.82
Segment Liabilities	12,278.01	3,486.07	15,764.08
Capital Expenditure			
Depreciation	139.58	24.45	164.03

Note : - With effective from 01/04/2023 Sai Krupa Dairy & Food Products Private Limited becomes wholly owned subsidiary of MVK Agro Food Product Limited and due to segment reporting applicable as of 30/09/2023.

**(ii) Geographical Segment**

The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

**ANNEXURE 41**

**EVENTS AFTER REPORTING DATE**

There have been no events after the reporting date that require disclosure in these financial statements except the Bonus equity shares that has been issued on 19/12/2023 and total no. of shares issued are 50,00,000 of Rs.10 each.

**ANNEXURE 42**

**TRANSACTIONS IN FOREIGN CURRENCY**

Particulars	Currency	For the period ended 30-Sep-23	(Amount in Lakhs, figures in INR)		
			45,016.00	For the year ended 31-Mar-22	31-Mar-21
<u>Expense in Foreign Currency</u>		-	-	-	-
<u>Income in Foreign Currency</u>		-	-	-	-

**ANNEXURE 43**  
**OTHER RELEVANT DISCLOSURES**

**Additional regulatory information required by Schedule III of Companies Act, 2013:**

- A.** Balance of Debtors & Creditors & Loans & advances Taken & giving are subject to confirmation and subject to consequential adjustments, if any. Debtors & creditors balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.
- B.** The company has no transactions, which are not recorded in the books of accounts and which are surrendered or disclosed as income during the year in the tax assessment or in search or survey or under any other relevant provision of the Income Tax Act, 1961.
- C.** The Company has not traded or invested in crypto currency or virtual currency for the period ended September 2023 and year ended March 2023, March 2022 and March 2021.
- D.** The Company do not had any transaction for the period ended September 2023 and for the year ended March 2023, March 2022 and March 2021 with the companies which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- E.** The company has not been declared as willful defaulter by any bank or from any other lender for the period ended September 2023 and for the year ended March 2023, March 2022 and March 2021.
- F.** The company has registered all the charges which are required to be registered under the terms of the loan and liabilities and submitted Documents with ROC within the period as required by Companies Act, 2013.
- G.** As per the information & detail available on records and the disclosure given by the management, the company has complied with the number of layers prescribed under clause (87) of section 2 of the companies act read with the Companies (Restriction on number of layers) Rules 2017.
- H.** As per the Information & details available on records and the disclosure given by the management, the company has not advanced, loaned or invested to any other person or entity or foreign entitles with the understanding that the intermediary shall directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company or provided any guarantee, security or like to or on behalf of the company. Further the company has not received any funds from any person, entity including the foreign entity with the understanding that the company shall directly or indirectly lend, invest or guarantee, security or like manner on behalf of the funding party.
- I.** Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- J.** The said provisions of Corporate Social Responsibility under section 135 of Companies Act, 2013 are not applicable to the company.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*The following discussion is intended to convey management's perspective on our financial condition and results of operations for the six month period ended September 30, 2023 and for the financial years ended March 31, 2023, 2022 and 2021. 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" on page 179 of the 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 24 of this 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 15 of this 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 M.V.K. Agro Food Product Limited, our Company and our Subsidiary, Sai Krupa Dairy & Food Products Private Limited. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for six months ended September 30, 2023 and the financial years ended March 31, 2023, 2022 and 2021 included in this Prospectus beginning on page 179 of this Prospectus*

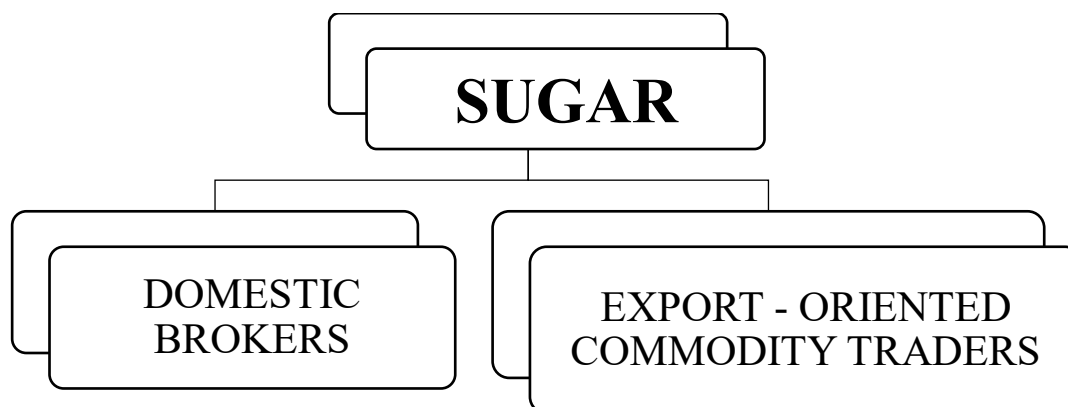
### BUSINESS OVERVIEW

We are an integrated sugar and other allied products manufacturing company operating from Nanded District in the State of Maharashtra. We operate a single location sugar unit having licensed crushing capacity of 2,500 TCD. In addition to sugar we also commercialise and sell our by-products and waste products, namely, Molasses, Bagasse and Pressmud. We are also engaged in the generation of Power for captive consumption. Our business can hence be broken up into two segments, namely Sugar and its by-products/waste products. In the year 2020, we commenced operations of manufacturing of Sugar. In the year 2020, our Company implemented backward integration and began commercial operations of the by-products and waste products of Sugar along with Co-Generation capabilities. Our Company has in the Fiscal 2023, completed three crushing seasons, *i.e.*, 2020-21, 2021-22 and 2022-23. Over the years, we have expanded the production / manufacturing capacities of all our products. Our present licensed manufacturing capacity for our various products is given below:

S. No.	Product	Current Approved Capacity
1.	Sugar	2,500 Tones Cane per day (TCD)
2.	Molasses	120 Tones per day
3.	Bagasse	750 Tones per day
4.	Pressmud	90 Tones per day

Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and Bio-CNG and Fertilizer. Ethanol is produced after fermentation and distillation of Molasses and can be further purified into Fuel Ethanol, by removing the water content. We intend to create an additional revenue stream using backward integration of our waste material, *i.e.*, Molasses for manufacturing Ethanol and marketing and selling the same for industrial usage. Further, in the said greenfield unit, we propose to set up a separate bio CNG bottling and fertiliser plant for bio-gas generation and bottling. The by-product generated from the manufacturing of bio-gas is mainly used as a fertiliser, therefore our Company proposes to market and sell such by-product as a fertilizer to third parties. We propose to generate bio-gas by processing Bagasse and Pressmud further marketing and selling the same for industrial usage. Accordingly, our Company proposes to utilise an amount of ₹ 3,488.17 lakhs and ₹ 1,750.00 lakhs from the Net Proceeds of this Issue towards setting up the aforementioned manufacturing unit for Ethanol and Bio-CNG and Fertilizer, respectively, and expanding our product portfolio.

Our Company follows a diversified marketing approach for marketing and selling its products. We market and sell our products through domestic brokers and export-oriented commodity traders.



*Domestic Brokers:* We market and sell our Sugar through brokers, with whom we share long term relationship. Our brokers further market and sell Sugar to institutional confectionary manufactures, such as PepsiCo Holdings India Private Limited, Parle Biscuits Private Limited and Britannia Industries Limited, *etc.* Our products are used as a raw materials by the institutional manufacturers for manufacturing finished products such as biscuits, rusk and other bakery products. Our brokers also market and sell our products directly to wholesalers and large retailers, all over India. We believe that the marketing initiatives of our brokers have enabled us in creating a brand presence in the domestic market.

*Export-oriented commodity traders:* In addition to our association with brokers, we also sell our products to export oriented commodity traders, such as, Sakuma Exports Limited, Indian Sugar Exim Corporation, Garden Court and HRMM Agro Overseas Private Limited. Our commodity traders have built long-standing relationships with international buyers of various grades of raw sugar, and therefore we sell Sugar in bulk quantities to our commodity traders, who further market and sell it in both bulk and containerised forms in global markets.

We have achieved complete integration by marketing and selling by-products and waste products produced while manufacturing sugar. Our sugar manufacturing unit is an integrated production facility, which first crushes sugarcane to extract juice and processes the juice to produce Sugar. The Sugar manufactured is then graded and packed based on the size of crystals and quality of the sugarcane. After extracting the juice from sugarcane, the residual fibre leftover called Bagasse is used by our Company as raw material for in-house power generation, for captive consumption. During the manufacture of Sugar, bagasse, molasses and pressmud are accumulated as by-products and waste material. We commercialise the said products to third party bio-coal and ethanol manufacturers, thereby achieving complete integration.

We have a successful track record which has enabled us to develop an effective business model with stringent control over processes, including raw material procurement, manufacturing operations, inventory management and management of distribution logistics. We adhere to stringent product quality standards and closely track consumer preferences across segments from cross-section of markets. Our Company runs a zero wastage manufacturing unit, wherein waste material generated from our divisions is either sold or processed in power generation. We further market and sell our by-product, bagasse, molasses and pressmud, and therefore commercialise our by-product as well as waste material. The commercialisation of our waste material makes our manufacturing unit a zero wastage unit or a zero discharge unit. The revenue earned from the sale of our products, including by-products during the six months period ended September 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

Particulars	Six month period ended September 30, 2023		Fiscal					
			2023		2022		2021	
	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*	Revenue earned in (₹ in lakhs)	% of total revenue*
<b>Sugar</b>								
Brokers	4186.09	69.62%	2750.46	29.49%	4984.45	38.14%	1281.65	56.13%
Export-oriented commodity traders	-	-	2663.99	28.56%	5176.63	39.61%	-	0.00%
<b>By-Products</b>								
Bagasse	-	0.00%	87.1	0.93%	96.74	0.74%	21.59	0.94%
Cane Seed & others	1008.53	16.77%	2009.8	21.55%	1216.3	9.31%	0.59	0.03%
Molasses	37.03	0.62%	1812.43	19.43%	1588.38	12.16%	974.47	42.68%
Pressmud	1.00	0.02%	3.96	0.04%	4.61	0.04%	5.1	0.22%
<b>Milk products</b>								
Milk Products	779.87	12.97%	-	-	-	-	-	-

\* As a percentage of consolidated turnover.

We believe our complete integration of operations and in-house generation of Power for captive consumption has helped us in achieving sustainability in our business operations. Our manufacturing unit is completely operated through the power generated through waste material collected during the sugar manufacturing process. We do not rely on any third party power sources to run our manufacturing process. Furthermore, our manufacturing operations are seasonal in nature, owing to our dependence on harvesting and cultivation of sugarcane. Therefore we run our manufacturing unit on a 24 hour basis from November until March and manufacture and stock the sugar in adequate quantities to sustain the demands of our customers from April to October. Our cyclical operations are in line with the harvesting season and therefore supplements the natural cycle of production of sugarcane. Our cyclical operations also ensure adequate demand of sugarcane for the farmers and therefore also sustains their livelihood during the harvest period. In addition to the above, our Company has adopted a circular manufacturing process, wherein by-products and waste material are either used in power generation or are commercialised to third parties for manufacturing sustainable products such as, bio-coal and bio-gas. Our integrated operations make us a sustainable 'zero-discharge' unit.

Production of sugar and power requires our Company to adopt stringent Quality Assurance and Quality Control standards (QA/QC). We have formed a quality control and quality assurance division ("**Quality Division**") set-up an in-house laboratory in our manufacturing unit which ensures that quality of raw material used in the production process and also the finished goods delivered to our customers is subject to various tests. To access and facilitate compliance with applicable requirements, our Quality Division regularly reviews the quality systems to determine their effectiveness and identify areas for improvement. This helps in improving our procurement process thus reducing wastages, returns and other related costs.

Our business model and our products are completely sustainable in nature. We source our raw materials directly from farmers to ensure that we use absolutely natural ingredients in our products. Our business model ensures that the farmers receive complete benefit of their produce without having to share their revenue with market intermediaries. Since, we source our raw materials directly from the farmers, we are able to offer our products at a lower range than our competitors, thereby having a unique pricing model. We source our raw materials from local farmers to ensure that we do not increase the carbon footprint in transporting products from different states in our manufacturing unit. In addition to this, we have also set up a '*Farmer Development Division*', wherein agricultural experts from our team train local farmers farming techniques and methods to ensure that their produce is healthy and matches with our quality standards. We also sponsor the education of our Farmers by sending them to farming institutes and colleges, to enable them to obtain technical farming knowledge and expertise.

Our Company is promoted by Marotrao Vyankatrao Kawale, Ganeshrao Vyankatrao Kawale, Kishanrao Vyankatrao Kawale and Sagarbai Marotrao Kawale, who are Directors and by Sandip Marotrao Kawale, who is the Chief Financial Officer of our Company. Marotrao Vyankatrao Kawale started his career as a school teacher and was previously associated with Nutan Vidyalaya Education Society in the capacity of an assistant teacher. He has vast knowledge and experience in the field on management and manufacturing of sugar, jaggery, ethanol, milk product and dairy for over



20 years. He has played a key role in growth and development of our Company. Our Company and our Promoters are aided by a team of experienced personnel. The team comprises of personnel having technical, operational and business development experience. We believe that our management team's experience and their understanding of the sugar production & derived product manufacturing business will enable us to continue to take advantage of both current and future market opportunities. It is also expected that our management personnel's experience will help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent agents, and fluctuations in sugar and sugarcane prices. Our team includes senior executives and managers, many of whom are having vast experience in the engineering and sugar industry. We believe our management and executive team has the long-term vision to provide stability and continuity to our businesses.

Our revenues from operations for the six months period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021 were ₹ 6,012.52 lakhs, ₹ 9,327.65 lakhs, ₹ 1,3067.11 lakhs and ₹ 2,283.40 lakhs, respectively. Our EBITDA for the six months period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021 were ₹ 1,325.39 lakhs, ₹ 1,661.13 lakhs, ₹ 1,201.82 lakhs and ₹ 533.66 lakhs, respectively. Our profit after tax for the six months period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021 were ₹ 430.07 lakhs, ₹ 377.45 lakhs, ₹ 320.87 lakhs and ₹ 139.43 lakhs, respectively. For further details, please refer to the section titled "*Financial Information*" on page 179 of this Prospectus.

For detailed information on the business of our Company please refer to "*Our Business*" beginning on page numbers 115 of this Prospectus.

### **Products Offered by our Company**

Our products can be broadly classified as under:

#### **SUGAR**

Our Company is involved in the process of production of sugar, with a total capacity crushing capacity of 2,500 tonnes per day. Sugarcane being a seasonal crop, the sugar manufacturing majorly takes place during the sugarcane period of November to March known as Crushing Season. We use modern technology which enables us to optimally utilize the available resources to ensure maximum crushing capacity and thereby maximize the production of sugar. We have a total licensed sugarcane crushing capacity of 2,500 TCD and installed sugarcane crushing capacity of 2,500 TCD. The sugar produced by us is differentiated on the basis of the size of the sugar crystals. These types are termed as M30, SS30 and S30 which are in descending order of the size of the crystals. Since the de-regularization of Sugar, our Company has developed a robust and long term relationship with brokers and export oriented commodity traders who have liaisons with various major brands. Through our brokers, we have sold our sugar produce to major brands such as PepsiCo Holdings India Private Limited, Parle Biscuits Private Limited and Britannia Industries Limited; among others, who use sugar for manufacture of various biscuits, confectionery and beverages.

#### **BY-PRODUCTS**

*Bagasse:* Bagasse is the fibrous residual material that is left after juice has been extracted from sugarcane. The bio-fuel is used for the boilers which generates steam. This high pressure steam is blown through the turbines which and is responsible for rotation of turbines. The rotation of turbines generates electricity. Out of the total bagasse produced as a result of the cane crushing process, we use ~85% in the electricity generation process and the balance is sold to local traders.

*Press Mud:* Pressmud is used as manure in sugarcane fields to increase the fertility of the soil and ensure improved yields. Press mud is produced from the residue which comes out from the factory after the filtration of sugarcane juice. The clarification process separates the juice into a clear juice that rises to the top and goes for manufacture, and a mud that collects at the bottom. However Press Mud is also sold to farmers who use it as organic fertilizers, etc.

*Molasses:* Molasses is used in the manufacturing of ethanol and spirit. Molasses is produced from the residue which comes out from the factory after the centrifugation of massecuite. We sell this to domestic ethanol manufacturers.

## **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED FINANCIALS**

After the date of last Audited accounts i.e. September 30, 2023, the Directors of our Company confirm that, there have not been any significant material developments.

## **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 24 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. We cannot assure you that the manufacturing unit proposed to be set up by us will become operational as scheduled, or at all, or operate as efficiently as planned. If we are unable to commission our new manufacturing unit in a timely manner or without cost overruns, it may adversely affect our business, results of operations and financial condition.
2. As on date we have not obtained any of the approvals, clearances and permissions as may be required from the relevant authorities for the proposed manufacturing unit. In the event we are unable to obtain such approvals and permits, our business, results of operations, cash flows and financial condition could be adversely affected.
3. Our Company has limited experience of manufacturing Ethanol and Bio-CNG and Fertilizer. Hence, we have limited exposure in manufacturing products outside of our existing product portfolio, which may make it difficult to evaluate our past performance and prospects with respect to the same.
4. We cannot assure that we shall be able to utilize our proposed manufacturing unit to its full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition.
5. There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution.
6. Our Company is yet to place orders for 100% of the plant and machinery. Any delay in placing orders or procurement of such plant and machinery, may further delay the schedule of implementation and increase the cost of commissioning the manufacturing unit.
7. We depend on our domestic brokers and export-oriented commodity traders for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key intermediaries may adversely affect our business and results of operations.
8. Our business is subject to seasonal variations that could result in fluctuations in our results of operations.
9. Sugarcane is the principal raw material used for the production of sugar. Our business depends on the availability of sugarcane and any shortage of sugarcane may adversely affect our business and results of operations.
10. The improper handling, processing or storage of raw materials or products, or spoilage of and damage to such raw materials and products, or any real or perceived contamination in our products, could subject us to regulatory and legal action, damage our reputation and have an adverse effect on our business, results of operations and financial condition.

## **DISCUSSION ON RESULT OF OPERATION**

### ***Our Significant Accounting Policies***

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “*Restated Financial Statements*” beginning on page 179 of the 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 engaged in the manufacturing of Sugar. In addition to sugar we also commercialise and sell our by-products and waste products, namely, Molasses, Bagasse and Pressmud.

#### ◆ Other Income

Our other income mainly consists of profit on sale of Interest and other miscellaneous income.

(₹ In Lakhs)

Particulars	For the period ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Income</b>				
Revenue from Operations	6,012.52	9,327.65	13,067.11	2,283.40
% of total revenue	99.47%	99.30%	98.52%	88.40%
Other income	31.84	65.98	196.45	299.70
% of total revenue	0.53%	0.70%	1.48%	11.60%
<b>Total Revenue</b>	<b>6,044.36</b>	<b>9,393.63</b>	<b>13,263.56</b>	<b>2,583.10</b>

### Expenditure

Our total expenditure primarily consists of Cost of material consumed, Manufacturing Expense, Changes in inventories of finished goods and stock-in-trade, Employee Benefit Expenses, Depreciation and amortization Expenses, Finance Costs and Other Expenses.

#### ◆ Employment Benefit Expenses

It includes salaries, wages, bonus and allowances, contributions to welfare funds, provision for gratuity and other expenses.

#### ◆ Cost of materials Consumed

This relates to the cost of material consumed in manufacturing, packing material and consumables, change in inventory of raw material and cost of consumable consumed.

#### ◆ Manufacturing Expense

This relates to the cost of Power Fuel & Water, Repairs & Maintenance and Freight & Transportation of raw material.

#### ◆ Changes in Inventories of finished goods

This relates to the change in inventory of finish good.

#### ◆ Other Expenses

It includes Profession Fees, Vehicle Repair & Maintenance, Nursery Expenses, Advertisement Expenses, Mobile Bill, Printing & Stationery, Audit Fees and Other Audit Expenses, Insurance, Rent, Rates & Taxes, Licenses & Inspection Fees, Plant expenses, Power & Fuel Expenses, General Expense, Agri Staff Travelling Expenses and other expenses.

#### ◆ Finance Costs

Our finance costs mainly include processing charges and interest.

#### ◆ Depreciation

Depreciation includes depreciation and amortization.

### RESULTS OF OUR OPERATION

(₹ In Lakhs)

Particulars	30-Sep-23	31-Mar-23	31-Mar-22	31-Mar-21
<b>Incomes:</b>				
Revenue from Operations	6,012.52	9,327.65	13,067.11	2,283.40
% of total revenue	99.47%	99.30%	98.52%	88.40%
% Increase/(Decrease)	-	-28.62%	472.27%	-
Other income	31.84	65.98	196.45	299.70
% of total revenue	0.53%	0.70%	1.48%	11.60%
% Increase/(Decrease)	-	-66.41%	-34.45%	-
<b>Total Revenue</b>	<b>6,044.36</b>	<b>9,393.63</b>	<b>13,263.56</b>	<b>2,583.10</b>
% Increase/(Decrease)	-	(29.18%)	(413.48%)	-
<b>Expenses:</b>				
Cost of raw material consumed	771.75	8,919.68	8,983.42	6,708.52
% of total revenue	12.77%	94.95%	67.73%	259.71%
% Increase/(Decrease)	-	-0.71%	33.91%	-
Manufacturing Expense	156.98	475.38	513.02	258.69
% of total revenue	2.60%	5.06%	3.87%	10.01%
% Increase/(Decrease)	-	-7.34%	98.31%	-
Changes in inventories of finished goods, and stock-in-trade	3,387.58	-2,667.23	1,852.15	-5,305.84
% of total revenue	56.05%	-28.39%	13.96%	-205.41%
% Increase/(Decrease)	-	(244.01%)	(134.91%)	-
Employee Benefit expenses	303.15	648.85	504.99	238.53
% of total revenue	5.02%	6.91%	3.81%	9.23%
% Increase/(Decrease)	-	28.49%	111.70%	-
Other expenses	99.51	355.82	208.17	149.52
% of total revenue	1.65%	3.79%	1.57%	5.79%
% Increase/(Decrease)	-	70.93%	39.23%	-
<b>Total Expense</b>	<b>4,718.97</b>	<b>7,732.50</b>	<b>12,061.74</b>	<b>2,049.43</b>
% of total revenue	78.07%	82.32%	90.94%	79.34%
% Increase/(Decrease)	-	(35.89%)	488.54%	-
<b>Profit before Interest, Depreciation and Tax</b>	<b>1,325.39</b>	<b>1,661.13</b>	<b>1,201.82</b>	<b>533.67</b>
% of total revenue	21.93%	17.68%	9.06%	20.66%
Depreciation and amortization Expenses	164.03	227.24	179.09	45.07
% of total revenue	2.71%	2.42%	1.35%	1.74%
% Increase/(Decrease)	-	26.89%	297.40%	-
<b>Profit before Interest and Tax</b>	<b>1,161.36</b>	<b>1,433.88</b>	<b>1,022.73</b>	<b>488.60</b>
% of total revenue	19.21%	15.26%	7.71%	18.92%
Financial Charges	593.81	942.59	605.01	303.24

% of total revenue	9.82%	10.03%	4.56%	11.74%
% Increase/(Decrease)	-	55.80%	99.52%	-
<b>Profit before Tax and Extraordinary Expenses</b>	<b>567.55</b>	<b>491.30</b>	<b>417.72</b>	<b>185.36</b>
% of total revenue	9.39%	5.23%	3.15%	7.18%
Extraordinary Expenses	-	-	-	-
% of total revenue	-	-	-	-
% Increase/(Decrease)	-	-	-	-
<b>Restated Profit/(Loss) before tax</b>	<b>567.55</b>	<b>491.30</b>	<b>417.72</b>	<b>185.36</b>
% of total revenue	9.39%	5.23%	3.15%	7.18%
% Increase/(Decrease)	-	17.61%	125.35%	-
<b>Tax expenses/(income)</b>				
Current and prior years Tax (net)	116.89	46.89	35.61	15.41
Provisions for Deferred Tax	20.59	66.95	62.30	29.53
<b>Total tax expenses</b>	<b>137.48</b>	<b>113.84</b>	<b>97.91</b>	<b>44.94</b>
% of total revenue	2.27%	1.21%	0.74%	1.74%
<b>Restated profit/(loss) after Tax</b>	<b>430.07</b>	<b>377.46</b>	<b>319.81</b>	<b>140.42</b>
% of total revenue	7.12%	4.02%	2.41%	5.44%
% Increase/(Decrease)	-	17.67%	127.75%	-

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

*(₹ in lacs)*

Particulars	September 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%
Top five customers	2,144.27	35.48%	4,767.37	50.75%	6,010.88	45.32%	1,111.34	43.02%
Top ten customers	2,578.23	42.66%	5,416.67	57.66%	7,205.06	54.32%	1,262.1	48.86%

## REVIEW OF OPERATIONS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

### Income from Operations

Our revenue from operations for the period ended September 30, 2023 was ₹ 6,012.52 Lakhs which was about 99.47% of the total revenue and which comprises of revenue from sale of Sugar and its by-products Bagase Sale, Pressmud Sale, and Molasses Sales, and sale of dairy products by subsidiary Cane Seed Sales, Scrap Sale, Dairy Sales.

### Other Income

Our other income for the period ended September 30, 2023 was ₹ 31.84 Lakhs which was about 0.53% of the total revenue and which includes income and other miscellaneous income.

### Expenditure

#### Cost of Material Consumed

The cost of material consumed for the period ended September 30, 2023 were ₹ 771.75 Lakhs which has about 12.77% of the total revenue.

#### Manufacturing Expense

The Manufacturing Expense for the period ended September 30, 2023 were ₹ 156.98 Lakhs which has about 2.60% of the total revenue.

### **Changes in inventories of finished goods, and stock-in-trade**

The changes in inventories of finished goods, and stock-in-trade for the period ended September 30, 2023 were ₹3,387.58 Lakhs.

### **Employee Benefits expenses**

The employee benefits expenses for the period ended September 30, 2023 were ₹ 303.15 Lakhs which was about 5.02% of the total revenue and which includes salaries, wages, bonus and allowances, contributions to welfare funds, provision for gratuity and other expenses.

### **Other Expenses**

Other Expenses for the period ended September 30, 2023 were ₹ 99.51 Lakhs which was about 1.65% of the total revenue and which includes Profession Fees, Vehicle Repair & Maintenance, Nursery Expenses, Advertisement Expenses, Mobile Bill, Printing & Stationery, Audit Fees and Other Audit Expenses, Insurance, Rent, Rates & Taxes, Licenses & Inspection Fees, Plant expenses, Power & Fuel Expenses, General Expense, Agri Staff Travelling Expenses and other expenses.

### **EBIDTA**

Our EBITDA for the period ended September 30, 2023 were ₹ 1,325.39 Lakhs.

### **Financial Costs**

Financial costs for the period ended September 30, 2023 were ₹ 593.81 Lakhs which was about 9.82% of the total revenue and which consists of interest and other finance charges.

### **Depreciation**

Depreciation for the period ended September 30, 2023 were ₹ 164.03 Lakhs which was about 2.71% of the total revenue and which consists of depreciation and amortization expenses.

### **Profit /(Loss) after Tax**

PAT for the period ended September 30, 2023 was ₹ 430.07 Lakhs.

## **REVIEW OF OPERATIONS FOR THE PERIOD ENDED MARCH 31, 2023**

### **Income from Operations**

Our revenue from operations for the fiscal year ended March 31, 2023 was ₹ 9,327.65 Lakhs which was about 99.30% of the total revenue and which comprises of revenue from sale of finish product i.e. sugar and its by-products Bagase Sale, Pressmud Sale, and Molasses Sales, and sale of dairy products by subsidiary Cane Seed Sales, Scrap Sale, Dairy Sales.

### **Other Income**

Our other income for the fiscal year ended March 31, 2023 was ₹ 65.98 Lakhs which was about 0.70% of the total revenue and which includes interest income and other miscellaneous income.

### **Expenditure**

#### **Cost of Materials Consumed**

The cost of materials consumed for the year ended March 31, 2023 were ₹ 8,919.68 Lakhs which has about 94.95% of the total revenue.

#### **Cost of Materials Consumed**

The Manufacturing Expense for the year ended March 31, 2023 were ₹ 475.38 Lakhs which has about 5.06% of the total revenue.

#### **Changes in inventories of finished goods, and stock-in-trade**

The changes in inventories of finished goods, and stock-in-trade for the year ended March 31, 2023 were ₹ (2,667.23) Lakhs.

#### **Employee Benefits expenses**

The employee benefits expenses for the fiscal year ended March 31, 2023 were ₹ 648.85 Lakhs which was about 6.91% of the total revenue and which includes salaries, wages, bonus and allowances, contributions to welfare funds, provision for gratuity and other expenses.

#### **Other Expenses**

Other Expenses for the fiscal year ended March 31, 2023 were ₹ 355.82 Lakhs which was about 3.79% of the total revenue and which includes Profession Fees, Vehicle Repair & Maintenance, Nursery Expenses, Advertisement Expenses, Mobile Bill, Printing & Stationery, Audit Fees and Other Audit Expenses, Insurance, Rent, Rates & Taxes, Licenses & Inspection Fees, Plant expenses, Power & Fuel Expenses, General Expense, Agri Staff Travelling Expenses and other expenses.

#### **EBIDTA**

Our EBITDA for the fiscal year ended March 31, 2023 were ₹ 1,661.13 Lakhs.

#### **Financial Costs**

Financial costs for the year ended March 31, 2023 were ₹ 942.59 Lakhs which was about 10.03% of the total revenue and which consists of interest and other finance charges.

#### **Depreciation**

Depreciation for the fiscal year ended March 31, 2023 were ₹ 227.24 Lakhs which was about 2.42% of the total revenue and which consists of depreciation and amortization expenses.

#### **Profit /(Loss) after Tax**

### **FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022**

#### **Income**

Total revenue has decreased by ₹3,739.46 Lakhs and 28.62%, from ₹ 13,067.11 Lakhs in the fiscal year ended March 31, 2022 to ₹ 9,327.65 Lakhs in the fiscal year ended March 31, 2023. The decrease in revenue was on account of decrease in manufacturing of finished products due lack of availability of sugar canes on account of lack of rainfall in the western part of India.

#### **Expenditure**

Total Expenditure decreased by ₹3,943.51 Lakhs and 30.70%, from ₹ 12,845.84 Lakhs in the fiscal year ended March 31, 2022 to ₹ 8,902.33 Lakhs in the fiscal year ended March 31, 2023. Overall expenditure was decreased mainly due to decrease in manufacturing of finished products i.e. sugar.

### **Cost of materials Consumed**

Cost of materials consumed decreased by ₹63.74 Lakhs and 0.71%, from ₹ 8,983.42 Lakhs in the fiscal year ended March 31, 2022 to ₹ 8,919.68 Lakhs in the fiscal year ended March 31, 2023. Cost of Materials Consumed was decreased mainly due to decrease volume of production.

### **Manufacturing Expense**

Manufacturing Expense decreased by ₹ 37.64 Lakhs and 7.34%, from ₹ 513.02 Lakhs in the fiscal year ended March 31, 2022 to ₹ 475.38 Lakhs in the fiscal year ended March 31, 2023. Manufacturing Expense was decreased mainly due to decrease volume of production.

### **Changes in inventories of finished goods, and stock-in-trade**

Changes in inventories of finished goods, and stock-in-trade decreased by ₹2,667.23 Lakhs in the fiscal year ended March 31, 2023 as against increase of ₹ 1,852.15 Lakhs in the fiscal year ended March 31, 2022. Decrease in inventories of finished goods, and stock-in-trade was mainly due to lower volume of production of sugar.

### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value and percentage increased by ₹ 143.86 Lakhs and 28.49% from ₹504.99 Lakhs in the fiscal year ended March 31, 2022 to ₹ 648.85 Lakhs in the fiscal year ended March 31, 2023. Overall employee cost was increased due to increase in increase staff strength and general increment in salary and incentives to employees.

### **Other Expenses**

Other Expenses in terms of value and percentage increased by ₹ 147.65 Lakhs and 70.93% from ₹ 208.17 Lakhs in the fiscal year ended March 31, 2022 to ₹ 355.82 Lakhs in the fiscal year ended March 31, 2023. Other Expenses was increased mainly due to increase Nursery Expenses, Vehicle Hire Charges, Insurance, Donation Expenses, other manufacturing expenses, Process & Chemical Expenses and others.

### **EBIDTA**

Profit before Interest, Depreciation and Tax has increased by ₹ 459.31 Lakhs and 38.22% from ₹ 1,201.82 Lakhs in the fiscal year ended March 31, 2022 to ₹ 1,661.13 Lakhs in the fiscal year ended March 31, 2023. Profit before Interest, Depreciation and Tax was increased due to lower production and reduction in inventories of finished goods, and stock-in-trade.

### **Finance Costs**

Finance Costs in terms of value and percentage increased by ₹ 337.58 Lakhs and 55.80% from ₹ 605.01 Lakhs in the fiscal year ended March 31, 2022 to ₹ 942.59 Lakhs in the fiscal year ended March 31, 2023. Finance Costs was increased mainly due to higher interest outgo and increased borrowings.

### **Depreciation & Amortization Expenses**

Depreciation in terms of value increased by ₹ 48.15 Lakhs and 26.89% from ₹ 179.09 Lakhs in the fiscal year ended March 31, 2022 to ₹ 227.24 Lakhs in the fiscal year ended March 31, 2023. Increase in depreciation is due to increase



in assets and is general in nature.

### **Net Profit after Tax and Extraordinary items**

Net Profit has increased by ₹ 57.65 Lakhs and 18.03% from profit of ₹ 319.81 Lakhs in the fiscal year ended March 31, 2022 to profit of ₹ 377.46 Lakhs in the fiscal year ended March 31, 2023. There was a decrease in revenue on account of decrease in manufacturing of finished products due lack of availability of sugarcane on account of lack of rainfall in the western part of India in FY2023. Thus, the closing inventory of finished goods of FY2022, which had a comparatively lower cost as compare to cost of production in FY2023, were sold in FY2023. This has resulted in a higher profitability.

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

#### **Income**

Total revenue has increased by ₹ 10,783.71 Lakhs and 472.27%, from ₹ 2,283.40 Lakhs in the fiscal year ended March 31, 2021 to ₹ 13,067.11 Lakhs in the fiscal year ended March 31, 2022. The unit was taken over in September 2020, thus the production was there only for a period of 6 months in FY2021. However, in FY2022 we had full year of operations. Further, the revenue has increased on account of higher manufacturing of finished products due to better sugarcane production on account of good rainfall in the western part of India in FY2022. This has resulted in higher production of finish product and higher sale volume.

#### **Expenditure**

Total Expenditure increased by ₹ 10,448.11 Lakhs and 435.75%, from ₹ 2,397.73 Lakhs in the fiscal year ended March 31, 2021 to ₹ 12,845.84 Lakhs in the fiscal year ended March 31, 2022. Overall expenditure was increased mainly due to higher production of finished products.

#### **Cost of Material Consumed**

Cost of Material Consumed increased by ₹ 2,274.90 Lakhs and 33.91%, from ₹ 6,708.52 Lakhs in the fiscal year ended March 31, 2021 to ₹ 8,983.42 Lakhs in the fiscal year ended March 31, 2022. Cost of Material Consumed was increased mainly due to increase in material consumed on account of increased production of finish goods.

#### **Manufacturing Expense**

Manufacturing Expense increased by ₹ 254.33 Lakhs and 98.31%, from ₹ 258.69 Lakhs in the fiscal year ended March 31, 2022 to ₹ 513.02 Lakhs in the fiscal year ended March 31, 2023. Manufacturing Expense was increased mainly due to increase volume of production.

#### **Changes in inventories of finished goods, and stock-in-trade**

Changes in inventories of finished goods, and stock-in-trade increased by ₹ 7,157.99 Lakhs in the fiscal year ended March 31, 2022 as against decrease of ₹5,305.84 Lakhs in the fiscal year ended March 31, 2021. Increase in inventories of finished goods, and stock-in-trade was mainly due to higher volume of production.

#### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value and percentage increase by ₹ 266.45 Lakhs and 111.70% from ₹238.53 Lakhs in the fiscal year ended March 31, 2021 to ₹ 504.99 Lakhs in the fiscal year ended March 31, 2022. Overall employee cost was increase in number of man-hours in manufacturing process, increase staff strength and general increment in salary and incentives to employees.

#### **Other Expenses**

Other Expenses in terms of value and percentage increase by ₹ 58.65 Lakhs and 39.23% from ₹ 149.52 Lakhs in the fiscal year ended March 31, 2021 to ₹ 208.17 Lakhs in the fiscal year ended March 31, 2022. Other Expenses was increased mainly due to increase in Nursery Expenses, Vehicle Hire Charges, Insurance, Donation Expenses, other manufacturing expenses, Process & Chemical Expenses and others.

## EBIDTA

Profit Before Interest, Depreciation and Tax has increased by ₹ 668.15 Lakhs and 125.20% from ₹ 533.67 Lakhs in the fiscal year ended March 31, 2021 to ₹ 1,201.82 Lakhs in the fiscal year ended March 31, 2022. Profit Before Interest, Depreciation and Tax was decreased due to increase in production of finished products.

## Finance Costs

Finance Costs in terms of value and percentage increased by ₹ 301.77 Lakhs and 99.52% from ₹ 303.24 Lakhs in the fiscal year ended March 31, 2021 to ₹ 605.01 Lakhs in the fiscal year ended March 31, 2022. Finance Costs was increased mainly due to higher interest outgo and increased borrowings.

## Depreciation & Amortization Expenses

Depreciation in terms of value increased by ₹ 134.03 Lakhs and 297.40% from ₹ 45.07 Lakhs in the fiscal year ended March 31, 2021 to ₹ 179.09 Lakhs in the fiscal year ended March 31, 2022. Increase in depreciation is due to increase in assets andis general in nature.

## Net Profit after Tax and Extraordinary items

Net Profit has increased by ₹ 179.38 Lakhs and 127.75% from profit of ₹ 140.42 Lakhs in the fiscal year ended March 31, 2021 to profit of ₹ 319.81 Lakhs in the fiscal year ended March 31, 2022. Net profit was increased due to increase in revenue from operations and sales volume.

## Cash Flows

(Amount ₹ in lacs)

Particulars	For the six months period ended September 30, 2023	For the year ended March 31,		
		2023	2022	2021
Net Cash from Operating Activities	3,909.58	(1,395.89)	2,873.84	(1,926.79)
Net Cash from Investing Activities	(370.38)	(720.95)	(846.89)	(5,477.62)
Net Cash used in Financing Activities	(3,468.68)	2,212.20	(2,100.02)	7,542.09

### Cash Flows from Operating Activities

Net cash from operating activities for the six months ended September 30, 2023 was ₹ 3,909.58 lacs as compared to the Profit Before Tax at ₹ 567.55 lacs. Net cash from operating activities for fiscal 2023 was at ₹ (1,395.89) lacs as compared to the Profit Before Tax at ₹ 491.30 lacs, while for fiscal 2022, net cash from operating activities was at ₹ 2,873.84 lacs as compared to the Profit Before Tax at ₹ 417.72 lacs. For fiscal 2021, the net cash from operating activities was ₹ (1,926.79) lacs compared to Profit before Tax of ₹ 185.36 lacs.

### Cash Flows from Investment Activities

Net cash from investing activities for the Six months ended September 30, 2023 was ₹ (370.38) lacs. This high cash outflow is attributed to increase in Fixed Assets in Manufacturing Facility. Net cash from investing activities for fiscal 2023 was at ₹ (720.95) lacs while for fiscal 2022, net cash from investing activities was at ₹ (846.89) lacs due to additions in increase in Fixed Assets. For fiscal 2021, the net cash from investing activities was ₹ (5,477.62) lacs due to investment in fixed Assets.

### *Cash Flows from Financing Activities*

Net cash from financing activities for the six months ended September 30, 2023 was ₹ (3,468.68) lacs. Net cash from financing activities for fiscal 2023 was at ₹ 2,212.20 lacs due to increase in borrowings, while for fiscal 2022, net cash from financing activities was at ₹ (2,100.02) lacs also due to repayment of short term borrowings. For fiscal 2021, the net cash from financing activities was ₹ 7,542.09 lacs due to increase in borrowings.

## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled *“Financial Information”* and chapter titled *“Management’s Discussion and Analysis of Financial Conditions and Results of Operations”*, beginning on Page 179 and 226 respectively of this Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled *“Risk Factors”* and *“Management’s Discussion and Analysis of Financial Conditions and Result of Operations”*, beginning on Page 24 and 226 respectively of this Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

### **4. Future relationship between Costs and Income**

Other than as described in the chapter titled *“Risk Factors”* beginning on Page 24 of this Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

### **5. Competition Conditions**

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, product quality and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

## OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company as at and for the six months period ended September 30, 2023 and as at and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021, together with all annexures, schedules and notes thereto (“**Audited Financial Statements**”) are available at [www.mvkagrofood.com](http://www.mvkagrofood.com). Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of the Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any LM, nor any of their respective employees, directors, shareholders, affiliates, agents, advisors or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein. The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(In Lakhs)

Particulars	As At			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Current Ratio (No of Times)	0.82	0.86	0.81	0.83
Debt Equity Ratio (No of Times)	3.55	6.84	6.25	11.71
Debt Service Coverage Ratio (No of Times)	0.59	0.30	0.45	0.13
Return On Equity Ratio (%)	27.70%	32.85%	39.96%	43.85%
Inventory Turnover Ratio (No Of Times)	1.03	1.57	2.53	0.40
Trade Receivable Turnover Ratio (No Of Times)	218.57	5,483.76	8,947.04	3,268.16
Trade Payable Turnover Ratio (No Of Times)	0.71	3.28	4.02	2.17
Net Capital Turnover Ratio (No Of Times)	(4.26)	(7.10)	(10.48)	(1.87)
Net Profit Ratio (%)	7.15%	4.05%	2.45%	6.15%
Return On Capital Employed (%)	14.09%	13.44%	14.49%	5.98%
Return On Investment/Total Assets (%)	2.91%	2.44%	2.76%	1.23%

*"Details of numerator and denominator for the above ratio are as under:*

- (1) Current Ratio = Current Assets / Current Liabilities.
- (2) Debt- equity ratio = Total debt / Shareholders' equity.
- (3) Debt service coverage ratio = (Net Profit After Tax+ Depreciation+Interest)/(Principal + Interest).
- (4) Return on equity ratio= Net profit after taxes / Avg Shareholder's Equity.
- (5) Inventory turnover ratio= Revenue from operation /Average inventory.
- (6) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.
- (7) Trade payables turnover ratio=Purchase/Average trade payables.
- (8) Net Capital turnover ratio=Net sales/Average working capital.
- (9) Net profit ratio=Net profit after taxes/Total Revenue.
- (10) Return on capital employed=Earnings before interest and taxes/Capital employed.
- (11) Return on investment/Total Assets=PAT/Total Assets. Shares have been not been considered ."

6) Net Asset Value per Equity Share = Net worth less preference share capital derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of year as per Restated Financial Statements after adjustment for Bonus Shares issued during the year.

7) The figures disclosed above are based on the Restated Financial Statements.

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## FINANCIAL INDEBTEDNESS

Our Company and our Subsidiary avail loans in the ordinary course of its business for the purposes of capital expenditure, working capital, vehicle loan and other business requirements. For details of the borrowing powers of our Board, please see the chapter entitled 'Our Management - Borrowing Powers of our Board' on page 158.

Our Company has obtained the necessary consents required under the loan agreements entered into in connection with and for undertaking activities in relation to the Issue, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

A brief summary of the financial indebtedness of our outstanding borrowings, on a consolidated basis, as on November 30, 2023 is set out below:

Set out below are brief details of the term loan facilities availed by our Company and our Subsidiary from its lenders:

Sr. No.	Purpose	Amount Sanctioned (in ₹ lakhs)	Amount Outstanding (as on November 30, 2023) (in ₹ lakhs)	Rate of Interest/ Commission	Tenure / Tenor	Security
<b>Company</b>						
<b>HDFC Bank</b>						
1.	Working Capital term loan -1	3,486	3,412.74	Floating interest rate of 9.75% per annum with monthly reset	100 months	<b>Primary security:</b> i. Stock in trade both present and future; ii. Book Debts and receivables; iii. FD of 450 Lacs; iv. Advances to Farmers and Transporters; v. Stock Under Facility; and vi. Plant And Machinery.  <b>Collateral security:</b> Industrial property – GUT NO.42, 42/ 1,43/ 1,43/ 3,44/ 1,44/1/2, 44/1/3, 44/1/4, 44/2, 44/4, WAGHALWADA 45, 46, 46/1/1, 46/2/1, 48/1, 48/1/1, 48/2/1, 48/2/3, 49/1,50/1.50/1/1,51431807 Umri  Personal/Corporate guarantee of : • V.P.K. Agro Food Product Private Limited; • Dr Shankarrao Chavan Jaggery and Agro Product Private Limited; • Sai Krupa Dairy & Food Products Private Limited; • Marotrao Vyankatrao Kawale; • Sagarbai Marotrao Kawale; • Ganeshrao Vyankatrao Kawale; and • Kishanrao Vyankatarao Kawale.
2.	Working Capital term loan -2	971	971.00		84 months	
3.	Seasonal cash credit	1,200	1181.59		12 months	
4.	Cash credit (pledge)	5,000	-		330 months	
<b>Unsecured Loans</b>						
5.	Unsecured loan	-	640.14	-	Repayable on demand	-
<b>Subsidiary</b>						
<b>Union Bank of India</b>						
6.	Union Parivahan Term Loan	20.00	14.52	EBLR+2% Interest will be charged at 8.80% p.a. with monthly rests	59 months	Two Commercial Vehicles (Eicher Pro 2049 CBC 10ft. BS-6) Personal/Corporate guarantee of : • Marotrao Vyankatrao Kawale; • Ganeshrao Vyankatrao Kawale; and • Kishanrao Vyankatarao Kawale.
7.	Corporate Guarantee in favour of Dr	4,500	Nil	-	-	-

Sr. No.	Purpose	Amount Sanctioned (in ₹ lakhs)	Amount Outstanding (as on November 30, 2023) (in ₹ lakhs)	Rate of Interest/ Commission	Tenure / Tenor	Security
	Shankarrao Chavan Jaggery and Agro Product Private Limited to secure the cash credit and term loan facilities					
	<b>Total</b>	<b>15,177</b>	<b>6,219.99</b>	-	-	-

Principal terms of the financial arrangements entered into by our Company and our Subsidiary are disclosed below:

1. **Penal Interest:** The terms of financing facilities availed by our Company and our Subsidiary prescribes penalties for non-compliance of certain obligations by our Company and our Subsidiary. These include, *inter alia*, delay in payment of or non-payment of instalments or interest, irregularity in cash credit, non-submission / delay in stock statement, non-submission of renewal data, non-compliance with covenants, use of funds for anything other than the purpose for which the loan was availed, non-payment / non acceptance of demand / usance bills of exchange on presenting at due dates etc.
2. **Pre-payment:** The terms of facilities availed by our Company and our Subsidiary have prepayment provisions which allow for pre-payment of the outstanding loan amount, subject to such prepayment penalties as laid down in the facility agreements.
3. **Events of Default:** The financing arrangements entered into by our Company and our Subsidiary contain standard events of default, including:
  - i. Default in performance of covenants, conditions or agreements in respect of the loan;
  - ii. Default in payment of EMIs or any other amounts due to the lender;
  - iii. Any unauthorized modification in the shareholding pattern of our Company and our Subsidiary including issuance of new shares in the share capital of our Company and our Subsidiary;
  - iv. Non payment of any amount under any court order or decree or judgement against the borrower that would have a material adverse effect;
  - v. Any action taken or legal proceedings initiated for winding up, dissolution, or reorganisation or for appointment of receiver, trustee or similar officer of any of Company's and our Subsidiary's assets;
  - vi. Any information provided by our Company and our Subsidiary for financial assistance found to be misleading or incorrect in any material respect;
  - vii. For the period of overdue interest/instalment in respect of Term Loans and over drawings above the drawing power/limit in Fund Based Working Capital accounts on account of interest/devolvement of letters of credit/bank guarantee, insufficient stocks and receivables etc.;
  - viii. Non-adherence by the borrower to financial ratios, parameters, financial covenants as stipulated by the bank;
  - ix. Cessation, or providing notice to cease carrying on the business the Company and our Subsidiary carries on at the date hereof to any statutory regulatory authority and/or the Bank.
  - x. Occurrence of any act or circumstances which could materially jeopardize, in any way, the Security created in favour of the Bank; and
  - xi. Opening new current or other accounts, with banks outside the lending arrangement without obtaining Bank's NOC, or maintaining any current with any bank would amount to an event of default.

The details above are indicative and there are additional terms that may amount to an event of default under the financing arrangements entered into by our Company and our Subsidiary. Our Company and our Subsidiary are required to ensure that the aforementioned events of default and other events of default, as specified under the agreements relating to the financing arrangements entered into by our Company and our Subsidiary, are not triggered.

4. **Consequences of Events of Default:** The financing arrangements entered into by our Company and our Subsidiary set

out the consequences of occurrence of events of default, including:

- i. Obligation on part of the lender to make or continue to make the loan available, stands terminated;
- ii. The lender may demand all or any part of the amount due together with accrued interest and all other amounts accrued shall become due and payable immediately;
- iii. The lender may, without any prior notice to our Company and our Subsidiary, enforce any and/or all security created in its favour;
- iv. The lender may levy additional/ default interest;
- v. The lender may apply or appropriate or set off any credit balance standing on our Company's and our Subsidiary's account with the lender towards satisfaction of any sum due;
- vi. The lender may exercise powers to recall the advance and take recovery action including action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002;
- vii. The lender may invoke guarantees of the guarantors or any other contractual comfort that may have been provided;
- viii. The lender may cancel the undrawn commitment and suspend withdrawals under the facility; or
- ix. The lender will have the right to appoint a nominee and/or observer on the Board.
- x. In case of default on his part to deliver possession, it shall be lawful for the Bank and its officers to take possession of the Hypothecated Vehicle from him and sell the same by private contract or otherwise as pledgee/hypothecate/mortgagee for adjustment of the Loan account.
- xi. In the event of default on our part in honoring the guarantee hereby provided for repayment of the Bank's dues, despite having sufficient means, the Bank shall be entitled to proceed against us to declare us as 'Willful defaulter' in accordance with guidelines/instructions issued by RBI from time to time".

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific financing arrangements entered into by our Company and our Subsidiary.

5. **Restrictive Covenants:** Certain financing arrangements entered into by us contain restrictive covenants. An indicative list of such restrictive covenants is disclosed below. Our Company and our Subsidiary shall not without the prior approval of the lenders:

- i. Enter into borrowing arrangements either secured or unsecured with any other bank/financial institutions, or otherwise or accept deposits apart from the existing arrangement;
- ii. The Borrower agrees not to induct any person in its board of director who has been identified as willful defaulter as per directions/guidelines of RBI or Bank
- iii. Invest by way of share capital in or lend or advance funds to or place deposits with any concern: normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended;
- iv. Transfer of the controlling interest or making any drastic change in the management set-up including resignation of promoters directors (includes key managerial personnel);
- v. Payment of commission to the guarantor for guaranteeing the credit facilities sanctioned by the Bank.
- vi. Mortgage, lease, surrender or alienation of property or any part thereof;
- vii. Enter into any agreement or arrangement with any person, institution or local or government body for the use, occupation or disposal of the property or any part thereof during the pendency of the loan;
- viii. Enter into any scheme of merger, demerger, acquisition, reorganisation, scheme of arrangement or reconstruction;
- ix. Declare any dividend if it fails to meet its interest payment obligations, make any investments by way of share capital or debentures and/ or advance funds to any party other than in the normal course of business;
- x. Recognize or register any transfer of shares in our Company's and our Subsidiary's shareholding pattern/capital made or to be made by the Promoters and their associates;
- xi. Change or cause to change its shareholding pattern/ extent and nature of holding of the body corporate and/ or its directors/ partners/ designated partner and/or its constituent documents in the nature of Memorandum of Association etc.;
- xii. Permit any significant change in the nature of business of our Company and our Subsidiary, ownership or control of our Company and our Subsidiary;
- xiii. Repay/ prepay or service any unsecured/ secured loans from the Promoter Group/ Directors and such loans from the Promoter Group/ Directors shall, during the tenor of the credit facility availed;

The details provided above are indicative and there may be additional terms, conditions and requirements under the

specific financing arrangements entered into by our Company and our Subsidiary.

For further details pertaining to our indebtedness, see '*Restated Financial Statements*' on page 179.



## CAPITALISATION STATEMENT

(in ₹ lakhs)

Particulars	Pre Issue (As on March 31, 2023)	Post Issue
<b>Borrowings</b>		
Short- term	4,594.90	4,594.90
Long- term (including current maturities) (A)	4,561.20	4,561.20
<b>Total Borrowings (B)</b>	<b>9,156.10</b>	<b>9,156.10</b>
<b>Shareholders' funds</b>		
Share capital	500.00	1549.00
Reserves and surplus	837.67	6,876.67
Less: Miscellaneous Expenses not w/off	-	-
<b>Total Shareholders' funds (C)</b>	<b>1,337.67</b>	<b>8,425.67</b>
<b>Long- term borrowings/ equity* {(A)/(C)}</b>	<b>3.41</b>	<b>0.50</b>
<b>Total borrowings / equity* {(B)/(C)}</b>	<b>6.84</b>	<b>1.09</b>

\*equity= total shareholders' funds

**Notes:**

1. Short term debts represents the debts which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term debts represent debts other than Short term debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of assets and liabilities of the Company as at 31st, March 2023.

1.

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of this Prospectus, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) claims related to any direct or indirect taxes; or (iv) other pending litigations, as determined to be material by our Board as per the Materiality Policy; in each case involving our Company, our Subsidiary, our Promoters or our Directors (“**Relevant Parties**”). Further, except as stated in this section, there are no disciplinary actions, including penalties imposed by SEBI or stock exchanges, against our Promoters in the last five Fiscals immediately preceding the date of this Prospectus, including any outstanding action. There are no outstanding litigation proceedings that are so major that our survival is dependent on the outcome of such pending litigation.*

*For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated December 19, 2023, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Prospectus, if:*

- a.) The aggregate monetary claim/ dispute amount/ liability made by or against our Company or our Subsidiary in any such pending litigation (individually or in aggregate), is equivalent to or above 10% of the restated turnover of our Company, as per the latest completed fiscal year of the Restated Financial Statements (amounting to ₹ 932.77 lakhs);*
- b.) Any such pending litigation / arbitration proceeding involving the Directors or Promoters of our Company or our Subsidiary, which may have a material adverse impact on the business, operations, performance, prospects, financial position or reputation our Company; and*
- c.) any such litigation wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in (a) or (b) above, as applicable, or wherein our Company is not a party, but the outcome of which could, nonetheless, have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company.*

*It is clarified that for the purposes of the above, pre-litigation notices received by any of Relevant Parties, from third parties (other than show cause notices issued by statutory / regulatory / tax authorities or notices threatening criminal action or the first information reports) have not, and shall not, unless otherwise decided by our Board, be considered as material litigation until such time that such Relevant Party, as the case may be, is impleaded as a defendant/s in proceedings before any judicial / arbitral forum.*

*Further in terms of the Materiality Policy, creditors of our Company to whom amount due by our Company is equal to or in excess of 10% of the restated trade payables of our Company as at the end of the last period included in the Restated Financial Statements, would be considered as material creditors. Accordingly, a creditor has been considered ‘material’ by our Company if the amount due to such creditor exceeds ₹ 139.09 lakhs.*

*Unless stated to the contrary, the information provided below is as of the date of this Prospectus. All terms defined herein in a particular litigation disclosure pertain to that litigation only.*

#### **1. LITIGATION INVOLVING OUR COMPANY**

##### **i. Litigation against our Company**

###### **1. Criminal Proceedings**

Nil

###### **2. Actions taken by Statutory/Regulatory Authorities**

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

(₹ in lacs)

<b>Particulars</b>	<b>Number of cases</b>	<b>Amount involved*</b>
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Company	6	14.52
Cases filed by our Company	Nil	Nil
<b>Total</b>	<b>6</b>	<b>14.52</b>

\*To the extent quantifiable

4. *Other Material Litigations*

Nil

5. *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*

Nil

6. *Legal Notices*

Nil

**ii. Litigation by our Company**

1. *Criminal Proceedings*

Nil

2. *Civil and other Material Litigations*

Nil

**2. LITIGATION INVOLVING OUR PROMOTERS**

***Cases filed against our Promoters***

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

### 3. Tax Proceedings

Below are the details of pending tax cases involving our Promoters, specifying the number of cases pending and the total amount involved:

(₹ in lacs)

Particulars	Number of cases	Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Promoters <sup>^</sup>	1	1.70
Cases filed by our Promoters	Nil	Nil
<b>Total</b>	<b>1</b>	<b>1.70</b>

\*To the extent quantifiable

<sup>^</sup>Includes litigation filed against the Promoters

### 4. Other Material Litigations

Nil

### 5. Legal Notices

Nil

#### **Cases filed by our Promoters**

#### 1. Criminal Proceedings

Nil

#### 2. Other Material Litigations

Nil

#### **Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Fiscals**

As on date of this Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoters in the last five Fiscals including any outstanding action.

### 3. LITIGATION INVOLVING OUR DIRECTORS

#### **Cases filed against our Directors**

#### 1. Criminal Proceedings

Nil

#### 2. Actions taken by Statutory/Regulatory Authorities

Nil

### 3. Tax Proceedings

Below are the details of pending tax cases involving our Directors, specifying the number of cases pending and the total amount involved:

(₹ in lakhs)

Particulars	Number of cases	Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Director <sup>^</sup>	4	3.41
Cases filed by our Director	Nil	Nil
<b>Total</b>	<b>4</b>	<b>3.41</b>

\*To the extent quantifiable

<sup>^</sup>Includes cases filed against our Promoters.

### 4. Disciplinary action by SEBI or any stock exchange in the last five Fiscals

Nil

### 5. Other Material Litigations

Nil

### 6. Legal Notices

Nil

### **Cases filed by our Directors**

#### 1. Criminal Proceedings

Nil

#### 2. Other Material Litigations

Nil

### **4. LITIGATION INVOLVING OUR SUBSIDIARY**

#### **Cases filed against our Subsidiary**

#### 1. Criminal Proceedings

Nil

#### 2. Actions taken by Statutory/Regulatory Authorities

Nil

### 3. Tax Proceedings

Below are the details of pending tax cases involving our Subsidiary, specifying the number of cases pending and the total amount involved:

(₹ in lacs)

Particulars	Number of cases	Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Subsidiary	4	3.52
Cases filed by our Subsidiary	Nil	Nil
<b>Total</b>	<b>4</b>	<b>3.52</b>

\*To the extent quantifiable

### 3. Disciplinary action by SEBI or any stock exchange in the last five Fiscals

Nil

### 4. Other Material Litigations

Nil

### 5. Legal Notices

Nil

#### **Cases filed by our Subsidiary**

##### 1. Criminal Proceedings

Nil

##### 2. Other Material Litigations

Nil

## **5. LITIGATION INVOLVING OUR GROUP COMPANIES**

#### **Cases filed against our Group Companies**

##### 1. Criminal Proceedings

Nil

##### 2. Actions taken by Statutory/Regulatory Authorities

Nil

##### 3. Tax Proceedings

Below are the details of pending tax cases involving our Subsidiary, specifying the number of cases pending and the total amount involved:

(₹ in lacs)

Particulars	Number of cases	Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Group Companies	5	37.03
Cases filed by our Group Companies	Nil	Nil
<b>Total</b>	<b>5</b>	<b>37.03</b>

\*To the extent quantifiable

4. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

5. *Other Material Litigations*

Nil

6. *Legal Notices*

Nil

**Cases filed by our Group Companies**

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

**6. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

In terms of the Materiality Policy dated December 19, 2023, our Company has Nil material creditor, as on date of this Prospectus.

Details of amounts outstanding to material creditors and other creditors as on September 30, 2023, is as follows:

(₹ in lacs)

Particulars	No. of Creditors	Amount
Outstanding dues to material creditors	Nil	Nil
Outstanding dues to MSME	87	262.94
Outstanding dues to other creditors	4,906	782.70
<b>Total outstanding dues</b>	<b>4,993</b>	<b>1,045.64</b>

## **7. MATERIAL DEVELOPMENT SINCE SEPTEMBER 30, 2023**

There have not arisen, since the date of the last financial statements disclosed in this Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page 226 of this Prospectus.



## GOVERNMENT AND OTHER STATUTORY APPROVALS

*We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. Our Company and our Subsidiary have obtained the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. For details in connection with the regulatory and legal framework within which we operate, please refer the chapter “Key Industrial Regulations and Policies” on page 135 of this Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects of our Company and our Subsidiary enable our Company and our Subsidiary to carry out its respective activities.*

*The following statements set out the details of licenses, permissions and approvals taken by our Company and our Subsidiary under various central and state laws for carrying out the business:*

### ***I. Issue related Approvals***

For the approvals and authorizations obtained by our Company in relation to the Issue, see “*Other Regulatory and Statutory Disclosures – Authority for the Issue*” on page 260 of this Prospectus.

### ***II. Approvals from the Stock Exchanges***

- a) Our Company has received an in-principle approval from Emerge Platform of National Stock Exchange of India Limited dated February 16, 2024 for listing of Equity Shares issued pursuant to the Issue.
- b) Our Company’s ISIN is INE0SGC010105.

### ***A. Licenses and Approvals required to be obtained by our Company***

#### ***I. General Approvals***

- a) Certificate of Incorporation dated February 2, 2018 under the Companies Act, 2013 issued by Registrar of Companies, Central Registration Centre.
- b) Industrial Entrepreneurs Memorandum dated September 30, 2010 and February 3, 2021 bearing number 3307/SIA/IMO/2010 issued by Department For Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India, acknowledging the memorandum of our Company for manufacturing and refining of sugar (vacuum pan sugar factories).
- c) Letter dated December 15, 2020 issued by Employees’ Provident Fund Organisation for the purpose of issuing code number NGAUR2260046000 under Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.
- d) Certificate issuing legal entity identification number, 335800FW8ITA1PU46Z39 to our Company, which is valid until December 30, 2023.
- e) Udyog Aadhaar registration certificate dated October 5, 2020 bearing Udyog Aadhaar number UDYAM-MH-21-0001789 issued by Ministry of Micro, Small & Medium Enterprises, Government of India.

#### ***II. Tax Related Approvals***

- a) Our Company’s permanent account number issued by the Income Tax Department is AALCM5956B.
- b) Our Company’s tax deduction and collection certificate dated February 6, 2018 issued by the Income Tax Department is NSKM11180B.

- c) Registration certificate of Goods and Services Tax bearing registration number 27AALCM5956B1ZA dated July 8, 2020 issued by the Government of India.
- d) Professional tax registration and enrolment certificate bearing number 27561835074P and 99104247596P dated February 7, 2023 and April 1, 2021, respectively issued under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

### III. Business Related Approvals

As mentioned hereinabove, we require various approvals, licenses, registrations and permits to carry on our operations in India. Some of these may expire in the ordinary course of business and applications for renewal of such approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the material approvals required by our Company for conducting our operations is provided below.

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
1.	Certificate of registration of factory under the limits specified in the Factories Act, 1948.	Directorate of Industrial Safety and Health (Labour Department), Government of Maharashtra.	121101072100878	May 27, 2023	December 31, 2025
2.	License to manufacture food products under the provisions of Food Safety and Standards Act, 2006 (Central License)	Food Safety and Standards Authority of India, Government of India	10015022004427	October 26, 2021	November 4, 2026
3.	License for possession and sale of molasses under the Bombay Prohibition Act, 1949	Collector of State Excise, Nanded.	05/2023-24	April 1, 2023	March 31, 2024
4.	License to store petroleum class A and B under the Petroleum Rules, 2002	Controller of Explosives, Petroleum & Explosives Safety Organisation, Ministry of Commerce & Industry	P/WC/MH/14/5664	January 03, 2024	December 31, 2028
5.	Consent to establish a manufacturing unit under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the	Maharashtra Pollution Control Board	Format1.0/CC/UAN No. MPCB-2111000786 Consent No.: 0000116024/CE	November 18, 2021	November 17, 2026

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
	Air (Prevention & Control of Pollution) Act, 1981 and Authorization under Rule 6 of the Hazardous & Other Wastes (Management & Transboundary Movement) Rules 2016				
6.	Consent to operate for sugar unit under Section 26 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorization under Rule 6 of the Hazardous & Other Wastes (Management & Transboundary Movement) Rules 2016	Maharashtra Pollution Control Board	Format1.0/CC/UAN No. MPCB-CONSENT 0000172386/CR/2310000503	October 8, 2023	July 31, 2024
7.	License for crushing cane as under Maharashtra Sugar Factories (Reservation of areas and Regulation of Crushing and Sugarcane Supply) Order, 1984.	Commissioner of Sugar, Government of Maharashtra	038/2023-24	November 1, 2023	March 31, 2024
8.	Certificate for use of a Boiler with registry number MR/11439 under the Boilers Act, 1923	Joint Director, Maharashtra State, Solapur, Directorate of Steam Boilers	2371605310023060	<b>Date of issue:</b> October 17, 2023 <b>Date of effect:</b> September 12, 2023	September 11, 2024
9.	Certificate for use of a Boiler with registry number MR/11438 under the Boilers Act, 1923	Joint Director, Maharashtra State, Solapur, Directorate of Steam Boilers	2371605310023057	<b>Date of issue:</b> October 17, 2023	September 11, 2024

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
				<b>Date of effect:</b> September 12, 2023	
10.	No Objection certificate for manufacturing sugar during the crushing season 2023-2024	Sarpanch and Gram Sevak, Gram Panchayat, Umri	-	May 26, 2023	March 31, 2024
11.	Certificate of verification issued under the Legal Metrology Act, 2009 & The Maharashtra Legal Metrology (Enforcement) Rules, 2011 issued in relation to the NAWI-Electronics Scale	Inspector of Legal Metrology, Bhokar Division	LCR Number: CLM25312885 Serial Number: 9120232618141	December 23, 2023	December 22, 2024
12.	Permission to commission the 166.25*2 Nos. KVA DG set as per Rule 47(A) of the electricity Rules, 1956	Office of the Electrical Inspector, I.E. & L. Dept. Inspection Din. Jivan Pradhikaran Bldg., Workshop Road - Nanded.	EIN/PA/TS/219/08/09	April 9, 2008	Valid until cancelled
13.	Permission to commission 1875 KVA turbo generator sets under Indian Electricity Rules, 1956	Electrical Inspector, Office of the Electrical Inspector, I.E. & L. Department, Government of Maharashtra	EIN/PA/TS/219/08/09	April 9, 2008	Valid until cancelled
14.	Permission to commission 500 KVA transformer under Indian Electricity Rules, 1956	Electrical Inspector, Office of the Electrical Inspector, I.E. & L. Department, Government of Maharashtra	EIN/PA/TS/219/08/09	April 9, 2008	Valid until cancelled

**IV. Intellectual Property Related Approvals**

As on date of this Prospectus, our Company has not registered any intellectual property rights.

**V. Licenses/ Approvals for which applications have been made by our Company and are pending:**

Nil

**VI. Licenses / approvals which have expired and for which renewal applications have not been made by our Company.**

Nil

**VII. Licenses / Approvals which are required but not yet applied for by our Company:**

- a) Our Company is yet to apply for a Fire NOC for its manufacturing unit.
- b) Our Company proposes to further diversify its product portfolio by setting up a greenfield unit for manufacturing Ethanol and generation of Bio-CNG and Fertilizer. In relation to the above, our Company shall apply the following government and other approvals for setting up the new manufacturing unit:

S. No.	Particulars of licenses	Tentative Time Period of application
1.	Industrial Entrepreneurs Memorandum issued by Secretariat of Industrial Assistance, Ministry of Commerce & Industry, Government of India	After Commissioning of manufacturing unit
2.	License to work a factory under Section 6(1) of the Factories Act, 1948	After Commissioning of manufacturing unit
3.	Consent to Establish under section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	Before start of civil works
4.	Consent to operate under Section 25 / 26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	Before trial run of manufacturing unit
5.	Certificate of verification of weights and measures issued under the Legal Metrology Act, 2009	After Installation of weights, etc.
6.	Building Plan Approval	After complete plan is ready

**B. Material Licenses and Approvals obtained by our Subsidiary**

**Sai Krupa Dairy & Food Products Private Limited**

**General Approvals**

- a) Certificate of incorporation dated January 14, 2013 under the Companies Act, 1956 issued by the Assistant Registrar of Companies, Registrar of Companies, Maharashtra at Pune.
- b) Certificate issuing legal entity identification number, 984500A7ADF5ABBAD738 to our Subsidiary, which is valid until December 29, 2024.
- c) Udyog Aadhaar registration certificate dated December 29, 2023 bearing Udyog Aadhaar number UDYAM-MH-21-0059421 issued by Ministry of Micro, Small & Medium Enterprises, Government of India.

**Tax Related Approvals**

- d) Permanent Account Number dated February 1, 2013 issued by the Income Tax Department is AASCS5649G.
- e) Our Subsidiary's GST registration certificate dated July 29, 2018 issued by the Government of India is 27AASCS5649G1ZP (Maharashtra).
- f) Professional tax registration and enrolment certificate bearing number 27825266403P and 99752077397P dated January 1, 2013 and June 20, 2013, respectively issued under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

**Business Related Approvals**

As mentioned hereinabove, our Subsidiary requires various approvals, licenses, registrations and permits to carry on our operations in India. Some of these may expire in the ordinary course of business and applications for renewal of such approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the material approvals required by our Subsidiary for conducting its operations is provided below.

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
1.	License to manufacture food products under the provisions of Food Safety and Standards Act, 2006 (State License)	Designated Office, Food Safety and Standards Authority of India, Government of Maharashtra	11516048000049	December 11, 2020	January 24, 2026
2.	Consent to establish a manufacturing unit under Section 26 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorization under Rule 6 of the Hazardous & Other Wastes (Management & Transboundary Movement) Rules 2016	Maharashtra Pollution Control Board	MPCB/ ROA/ ND/ E/ CC-206/ 1125	October 8, 2013	Valid until cancelled
3.	Consent to operate manufacturing unit under Section 26 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorization under Rule 6 of the Hazardous & Other Wastes (Management & Transboundary Movement) Rules 2016	Maharashtra Pollution Control Board	RO-AURANGABAD/ CONSENT/ 2205000043	May 2, 2022	June 30, 2026

***Licenses/ Approvals for which applications have been made by our Subsidiary and are pending:***

Our Subsidiary has made the following applications, which are pending as on date of this Prospectus:

- 1) Application dated December 29, 2023 before the Income Tax Department for obtain a tax deduction and collection number and registration certificate.
- 2) Application dated January 19, 2024 under Section 6(1) of the Factories Act, 1948 for obtaining a license to work a factor

***Licenses / Approvals which are required but not yet applied for by Sai Krupa Dairy & Food Products Private Limited:***

Our Subsidiary is yet to obtain the following approvals:

- a) License to work a factory under Section 6(1) of the Factories Act, 1948;
- b) Certificate of verification issued under the Legal Metrology Act, 2009 & The Maharashtra Legal Metrology (Enforcement) Rules, 2011 issued in relation to the NAWI-Electronics Scale;
- c) Fire NOC under applicable municipal laws; and
- d) Annual inspection certificate issued by annually inspected by officers of Director of Steam Boilers under the Indian Boiler Regulations, 1950.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

This Issue in terms of this Prospectus has been authorized by the Board of Directors pursuant to a resolution dated December 20, 2023 and by the shareholders pursuant to a special resolution in an EGM held on December 27, 2023 under section 62 (1) (c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the Emerge Platform of NSE for using its name in the Prospectus pursuant to letter dated February 16, 2024. NSE is the Designated Stock Exchange.

### **Prohibition by the SEBI or other Governmental Authorities**

Our Company, our Promoters, our Promoter Group, our Directors, Person in control of our Company, have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

### **Association with Securities Market**

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

### **Prohibition by RBI**

Neither our Company, our subsidiary, our Promoters, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Prospectus.

### **Eligibility for the Issue**

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor any of its Promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.



- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our directors, are Wilful Defaulters or a fraudulent borrower.
- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue paid-up capital shall be more than ten crore rupees and upto twenty five crore rupees, and can issue Equity Shares to the public and propose to list the same on the EMERGE Platform of National Stock Exchange of India Limited.

We further confirm that:

- In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
- In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, 2018 the Lead Manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Lead Manager and the EMERGE Platform of NSE. Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of prospectus shall also be furnished to the SEBI in a soft copy.

- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated February 20, 2024 with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the EMERGE Platform of NSE.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE, which are as under:**

**1. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company is incorporated under the Companies Act, 2013.

**2. The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.**

The present paid-up capital of our Company is ₹ 100 Lakh and we are proposing issue of 54,90,000 Equity Shares of ₹ 10/- each at Issue price of ₹ 120/- per Equity Share including share premium of ₹ 110/- per Equity Share, aggregating to ₹ 6,588 Lakhs. Hence, our Post Issue Paid up Capital will be ₹ 1,549.00 lakhs which is less than ₹ 25.00 Crore.

**3. Track Record**

**A. The company should have a track record of at least 3 years.**

Our Company was incorporated on February 2, 2018 under the name and style of '*M.V.K. Agro Food Product Limited*', a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation

dated February 2, 2018 issued by the Deputy Registrar of Companies, Central Registration Centre. Therefore, we are in compliance with criteria of having track record of 3 years.

**B. The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.**

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

Particulars	For the year ended			For the period ended on
	March 31, 2021	March 31, 2022	March 31, 2023	September 30, 2023
Operating profit (earnings before interest, depreciation and tax and other income) from operations	233.96	1,005.37	1,595.15	1,293.55
Net Worth as per Restated Financial Statement	640.41	960.22	1,337.67	1,767.74

**4. Other Requirements**

We confirm that;

- i. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

**5. The Company has a website:** www.mvkagrofood.com

**6. Disclosures**

We confirm that:

- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting companies of the Company.
- ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting Company(ies) during the past three years.

**In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten by the LM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by LM, please refer to Section titled “General Information” beginning on page no. 57 of this Prospectus.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “General Information” beginning on page no. 57 of this Prospectus.
3. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, 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 eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable

to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the Issue document and LM shall ensure the same.

4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Issue Document through LM immediately up on registration of the Issue Document with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on our Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE LEAD MERCHANT BANKER, HORIZON MANAGEMENT PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, HORIZON MANAGEMENT PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 20, 2024.**

**THE FILING OF THE 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 TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.**

*Note:*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Maharashtra at Mumbai in terms of sections 26, 32 and 33 of the Companies Act.*

#### **Disclaimer from our Company and the Lead Manager**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the Agreement entered between the LM (Horizon Management Private Limited) and our Company on December 29, 2023 and the Underwriting Agreement dated February 20, 2024 entered into between the Underwriters and our Company and the Market Making Agreement

dated February 20, 2024 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

### **Disclaimer in Respect of Jurisdiction**

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, VCFs, FVCIs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), NBFCSIs or trusts under registered applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted non-residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Maharashtra, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.**

**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.**

Applicants are advised to ensure that any Applications from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicants will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

### **Disclaimer Clause of the Emerge Platform of NSE**

As required, a copy of the Draft Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Prospectus, has been included in this Prospectus:

*“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/3295 dated February 16, 2024, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

*Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”*

### **Filing**

The Draft Prospectus was not filed with SEBI, nor did SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of this Prospectus is being filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Prospectus, is also being filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of this Prospectus, along with the material contracts, documents is also being filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Listing**

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

The Emerge Platform of NSE has given its in-principle approval for using its name in our Offer documents vide its letter February 16, 2024.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed 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 mentioned above are taken within three Working Days from the Issue Closing Date

### **Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Company has received written consent dated December 27, 2023 from the Statutory Auditors to include their name as required under 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 December 27, 2023 on our restated financial information; and (ii) its report dated December 27, 2023 on the statement of special tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

#### **Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or abroad the five (5) years preceding the date of this Prospectus except as disclosed in this Prospectus.

#### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 67 of this Prospectus.

#### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

#### **Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

#### **Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies/ Subsidiaries and Associates of our Company**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 67 of this Prospectus our Company has not undertaken any previous public or rights issue. Our Company does not have any group companies and the securities of our Subsidiary are not listed on any stock exchange in India or abroad.

#### **Performance vis-a-vis objects - Last Issue of Group/Associate Companies**

As of date of this Prospectus, our Company does not have any Associate companies or group companies.

#### **Performance Vis-À-Vis Objects –Public/ Rights Issue Of Subsidiaries/ Listed Promoters**

As on the date of this Prospectus, our Company does not have any listed subsidiary or listed Promoters.

#### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Prospectus.

### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

### **Option to Subscribe**

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

### **Stock Market Data of the Equity Shares**

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

### **Mechanism for Redressal of Investor Grievances**

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on December 20, 2023. For further details on the Stakeholders Relationship Committee, please refer to section titled "*Our Management*" beginning on page 154 of this Prospectus.

**Our Company has appointed Swapna Rajaram Bansode , Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

GUT No. 44 and 46, Kusumnagar,  
Waghalwada, TQ. Umri, Dist. Nanded- 431 807,  
Maharashtra, India

**Telephone:** +91 862 309 4480

**E-mail:** cs@mvkagrofood.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

### **Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.



## Price Information of past issues handled by the Lead Manager

Price Information of past issues handled by the Lead Manager

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
1.	Cosmic CRF Limited	57.21	314	June 30, 2023	251.20	3.54%	2.80%	(1.83%)	1.71%	NA	NA
2.	Baba Food Processing (India) Limited	32.88	76	November 15, 2023	76.00	(11.58)	7.66%	NA	NA	NA	NA

## Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day*		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	2	90.09	Nil	Nil	1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Break -up of past issues handled by Horizon Management Private Limited:

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2023-24	2	Nil

Notes:

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
2. Source: www.bseindia.com and www.nseindia.com

For details regarding the track record of the Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Lead Manager as set forth in the table below:

Sr. No.	Name of the Lead Manager	Website
1	Horizon Management Private Limited	<a href="http://www.horizonmanagement.in">www.horizonmanagement.in</a>

## SECTION VII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Prospectus, this Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

For details in relation to Issue expenses, see “*Objects of the Issue*” and “*Other Regulatory and Statutory Disclosures*” on pages 79 and 260, respectively.

#### **Authority for the Issue**

The present Public Issue of upto 54,90,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on December 20, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on December 27, 2023 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “*Description of Equity shares and terms of the Articles of Association*” on page 331 of the Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “*Dividend Policy*” on page 178 of the Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a Face Value of ₹10.00 each are being offered in terms of the Prospectus at the price of ₹ 120/- per equity Share (including premium of ₹ 110/- per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “*Basis for Issue Price*” on page 88 of the Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **Compliance with SEBI (ICDR) Regulations**

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

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled “*Description of Equity Shares and terms of the Articles of Association*” beginning on page 331 of the Prospectus.

#### **Allotment only in Dematerialised Form**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

1. Tripartite agreement dated December 26, 2023 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
2. Tripartite agreement dated December 20, 2023 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

#### **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 Emerge Platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1,200 Equity Shares and is 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.

*Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.*

#### **Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be 50 shareholders in case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

#### **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.

## **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## **Withdrawal of the Issue**

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

## **Period of Operation of Subscription List of Public Issue**

<b>ISSUE OPENS ON</b>	Thursday, February 29, 2024
<b>ISSUE CLOSES ON</b>	Monday, March 4, 2024

## **Minimum Subscription**

*In accordance with Regulation 260 (1) 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 offer through the Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267*

*(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than Rs. 1,00,000 (Rupees One Lakh) per application.*

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of 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 Offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within four days from the closure of the issue, if there is a delay beyond such time, 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 as prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and applicable laws.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of issue.

In accordance with Regulation 260 (1) 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 this Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.

#### **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 SME Exchange.

#### **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 Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed in the section titled “*Capital Structure*” beginning on page 67 of the 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 331 of the Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the 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.

### **Migration to Main Board**

<b>Parameter</b>	<b>Migration policy from NSE SME Platform to NSE Main Board</b>
Paid up Capital & Market Capitalisation	The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores** ** Explanation For this purpose capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares
Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT)	The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
Listing period	The applicant should have been listed on SME platform of the Exchange for at least 3 years.
Other Listing conditions	<ul style="list-style-type: none"> <li>• The applicant Company has not referred to the Board of Industrial &amp; Financial Reconstruction (BIFR) &amp;/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.</li> <li>• The company has not received any winding up petition admitted by a NCLT.</li> <li>• The net worth* of the company should be at least 50 crores</li> </ul> <p>*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018</p>
Public Shareholders	Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1,000.
The applicant desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:	<ul style="list-style-type: none"> <li>• The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.</li> <li>• Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.</li> <li>• Redressal mechanism of Investor grievance</li> <li>• PAN and DIN no. of Director(s) of the Company</li> <li>• Change in Control of a Company/Utilization of funds raised from public</li> </ul>

## **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India 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 National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 57 of this Prospectus.

## **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

## **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Maharashtra.

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.

## ISSUE STRUCTURE

This Issue 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 shall be more than ten crore rupees and upto twenty five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 270 and 279 of the Prospectus.

Our Company is proposing the public issue of upto 54,90,000 Equity Shares of face value of ₹ 10/- each of M.V.K. Agro Food Product Limited (the “**Company**” or the “**Issuer**”, and such equity shares the “**Equity Share**”) for cash at a price of ₹ 120/- per Equity Share including a share premium of ₹ 110/- per Equity Share (the “**Issue Price**”) aggregating to ₹ 6,588 lakhs (the “**Issue**”), of which 2,74,800 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ 120/- per Equity Share including a share premium of ₹ 110/- per Equity Share aggregating to ₹ 329.76 lakhs 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 52,15,200 Equity Shares of face value of ₹ 10/- each at a price of ₹ 120/- per Equity Share including a share premium of ₹ 110/- per Equity Share aggregating to ₹ 6,258.24 lakhs is herein after referred to as the “**Net Issue**”. The Issue and the Net Issue will constitute 35.44% and 33.67%, respectively, of the post issue paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

The Issue is being made by way of Fixed Price Issue Process

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	52,15,200.00 Equity Shares	2,74,800 Equity Shares
Percentage of Issue Size available for allocation	94.99% of the Issue Size	5.01% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 1,200 Equity Shares and further allotment in multiples of 1,200 Equity Shares each. For further details please refer to “ <i>Issue Procedure</i> ” on page 279 of this Prospectus.	Firm Allotment
Mode of Application	All the applications shall make the application (Online or Physical) through ASBA Process Only	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	<p><b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of 2,400 Equity Shares at an Issue price of ₹ 120/- each, such that the Application Value exceeds ₹ 2,00,000/-.</p> <p><b><u>For Retail Individuals Investors:</u></b> 1,200 Equity Shares at an Issue price of ₹ 120/- Each</p>	2,74,800 Equity Shares
Maximum Application Size	<p><b><u>For Other than Retail Individual Investors:</u></b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.</p> <p><b><u>For Retail Individuals Investors:</u></b></p>	2,74,800 Equity Shares



	Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value does not exceed ₹2,00,000/-	
Trading Lot	1,200 Equity Shares	1,200 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Application lot Size	1,200 Equity Shares thereafter Equity Shares and in multiples of 1,200	
Terms of Payment	The entire Application Amount shall be blocked by the SCSBs in the bank account of the Applicants, or by the Sponsor Banks through UPI mechanism (for RIs using the UPI Mechanism) at the time of the submission of the Application Form	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “*Issue Structure*” on page 276 of the Prospectus.

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue ‘the allocation’ in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
  - (i) Individual Applicant other than retail Individual Investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

#### **Withdrawal of the Issue**

The Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after 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 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 the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Prospectus after it is filed with the RoC.

#### **Issue Programme:**

<b>ISSUE OPENING DATE</b>	Thursday, February 29, 2024
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<b>ISSUE CLOSING DATE</b>	Monday, March 4, 2024
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Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.  
Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications 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 applications received up to the closure of timings and reported by LM 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 application form of that Bidder may be taken as the final data for the purpose of allotment.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Applicants shall review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, 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 SEBI Regulations.

The General Information Documents will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, had introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”) and this phase was to continue till March 31, 2020 and post which reduced timeline from T+6 days to T+3 days was to be made effective using the UPI Mechanism for applications by RIBs. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 (“T+3 SEBI Circular”). The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular

*SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Prospectus. SEBI, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application size are up to ₹5 lakhs shall use the UPI Mechanism. Subsequently, 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). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Prospectus.*

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process.*

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated as per applicable law. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

*Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.*

*Further, our Company is not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

## **FIXED PRICE ISSUE 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 Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at Issue Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.**

#### **PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR**

SEBI has issued UPI Circular in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 and till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and the continuation of this phase has been extended until March 31, 2020. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

**Phase III/T+3:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 vide T+3 Press Release. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Press Release as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The issuers are 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 Bidders into the UPI Mechanism.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the Lead Manager.

### **Electronic registration of Bids**

a) The Designated Intermediary registered the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries uploaded the Bids till such time as were permitted by the Stock Exchanges and as disclosed in this Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

### **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. An electronic copy of the Application Form will also be available for download on the website of the Stock Exchange (NSE) i.e. [www.bsesme.com](http://www.bsesme.com) at least one day prior to the Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue through intermediaries shall use only UPI payment mechanism for application. The application form submitted by NIIs and QIBs must provide applicant's bank account details and authorization to block funds in the relevant space provided in the Application Form. Further, Retail Individual Investors submitting application form using UPI shall mention the UPI of his/her own Bank account in the application form in the relevant space. The Application Forms that do not contain applicant's bank account details or UPI of own Bank Account, as the case may be, are liable to be rejected. All the investors were also required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Bid Amount which could have been blocked by the SCSB.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Applications made by the

RIIs using third party bank account or using third party linked bank account UPI ID were liable for rejection.

The prescribed colour of the Application Form for various categories is as follows:

<b>Category</b>	<b>Colour of Application Form*</b>
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

*\*excluding electronic Application Forms downloaded by the Applicants.*

### **SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS**

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked Bank Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained
- ii. A syndicate member (or sub-syndicate member)
- iii. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- iv. A depository participant (“DP”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. A registrar to an issuer and share transfer agent (“RTA”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), shall enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors (other than</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they

<b>Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:</b>	shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange(s) shall validate the electronic application details with depository's records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) 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 application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or Subsequent notice of such changes to the Applicants.

#### **WHO CAN APPLY?**

**As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. 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 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 to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

#### **Subject to the above, an illustrative list of Applicants is as follows:**

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta".



Applications by HUFs would be considered at par with those from individuals;

- 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) QIBs;
- e) Mutual Funds registered with SEBI;
- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) 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);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;

- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

*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.*

**PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER**

The Lead Manager shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Lead Manager, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoters and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

**APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

**APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company.

Provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds.

- No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications 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.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications, provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

#### **APPLICATIONS BY ELIGIBLE NRIS ON REPATRIATION BASIS**

##### **ELIGIBLE NRIS APPLYING ON A REPATRIATION BASIS ARE ADVISED TO USE THE APPLICATION FORM MEANT FOR NON-RESIDENTS (BLUE IN COLOUR).**

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application on a repatriation basis by using the Non Resident Forms, should authorize their SCSSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) or ASBA Accounts.

**Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSSB to block their Non Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.**

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

#### **APPLICATIONS BY ELIGIBLE FPIs INCLUDING FIIs ON REPATRIATION BASIS**

##### **FPIs INCLUDING FIIs WHO WISH TO PARTICIPATE IN THE ISSUE ARE ADVISED TO USE THE APPLICATION FORM FOR NON- RESIDENTS (BLUE IN COLOUR).**

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial

Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - (a). A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - (b). Nothing contained in clause (a) shall apply to:
    - i. Any transactions in derivatives on a recognized stock exchange;
    - ii. Short selling transactions in accordance with the framework specified by the Board;
    - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - iv. Any other transaction specified by the Board.
  - (c). No transaction on the stock exchange shall be carried forward;
  - (d). The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board;

Provided nothing contained in this clause shall apply to:

- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
  - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - iii. sale of securities in response to an offer made by any promoters or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
  - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
  - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
  - vi. Any Application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
  - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - viii. Any other transaction specified by the Board.
- (e). A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
  - (a). Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
  - (b). Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
15. The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.
17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.
18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Further, the SEBI, AIF Regulations prescribes, among others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicants on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all such Applicants will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The “IRDA Investment Regulations”), are broadly set forth below:

- (a.) 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;
- (b.) The entire group of the investee Company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c.) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI’s, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our

Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a.) With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b.) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c.) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.
- d.) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

***The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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.***

## **INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE**

### **ASBA PROCESS**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.



<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

#### CHANNELS OF SUBMISSION OF APPLICATION FORMS

From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the	Not Applicable

Category of Investor	Channel I	Channel II	Channel III	Channel IV
			application form to Designated Branch of the concerned SCSB for blocking of funds.	

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR**

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

##### **Application and validation process**

- (a). submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- (b). RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- (c). The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.
- (d). Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- (e). Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.

- (f). SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

### **The Block Process**

- (a). Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- (b). The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- (c). The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- (d). The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IPO.
- (e). Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs’ bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- (f). The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- (g). The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- (h). RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

### **NUMBER OF APPLICATIONS PER BANK ACCOUNT**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

### **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. 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 may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **MODE OF PAYMENT**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and all related circulars issued thereafter, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

### **UNBLOCKING OF ASBA ACCOUNT**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application or Application made through UPI Mechanism, as the case may be.

### **MAXIMUM AND MINIMUM APPLICATION SIZE**

The applications in this Issue, being a fixed price issue, will be categorized into two;

#### **1. For Retail Individual Applicants**

The Application must be for a minimum of 1,200 Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

#### **2. For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of 1,200 Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1,200 Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.**

### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

**INFORMATION FOR THE APPLICANTS**

- a.) The Company will file the Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
- b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

**PRE-ISSUE ADVERTISEMENT**

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations.

**SIGNING OF UNDERWRITING AGREEMENT**

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Underwriters on February 20, 2024.

**FILING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 32 of Companies Act, 2013.

**INFORMATION FOR THE APPLICANTS**

- a.) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b.) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall make necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

- c.) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d.) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 5 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within two working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue 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 5 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## **INTEREST AND REFUNDS**

### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured. 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.

### **GROUND FOR REFUND**

#### **NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In case, our Company fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within seven days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities. The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within eight days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

## **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the “Stated Minimum Amount” has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Prospectus including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

## **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

## **MODE OF REFUND**

Within six Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

## **LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 6 Working Days of the Issue Closing Date.

## **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.



3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## GENERAL INSTRUCTIONS

### Do's:

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicants in case of joint Applications, is included in the Application Forms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their Application by using UPI mechanism for payment.
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicants whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Application;
- Ensure that you have funds equal to the Application Amount in the Bank Account maintained with the SCSB before submitting the 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 Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

- Ensure that the category and the investor status is indicated;
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock 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 Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
- 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;
- Ensure that you have correctly signed the authorization/undertaking box in the 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 Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not make Application for Application Amount exceeding ₹ 2,00,000 (for Applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Net Issue Size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;

- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not make Application if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit Application 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 Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

## **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

Applicants may note that forms not filled completely or correctly as per instructions provided in this Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the LM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below;

### **A. INSTRUCTION FOR FILLING THE APPLICATION FORM**

<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXX	Application Form No. _____
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	

<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	<b>6. INVESTOR STATUS</b>
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	<input type="checkbox"/> Individual(s)      • IND <input type="checkbox"/> Non-Resident Indians (Non-Repatriation Basis)      • NRI <input type="checkbox"/> Hindu Undivided Family*      - HUF <input type="checkbox"/> Bodies Corporate      - CO <input type="checkbox"/> Banks & Financial Institutions      - FI <input type="checkbox"/> Mutual Funds      - MF <input type="checkbox"/> National Investment Funds      - NIF <input type="checkbox"/> Insurance Funds      - IF <input type="checkbox"/> Insurance Companies      - IC <input type="checkbox"/> Venture Capital Funds      - VCF <input type="checkbox"/> Alternative Investment Funds      - AIF <input type="checkbox"/> Others (Please Specify)      - OTH
<b>4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")</b>	<b>5. CATEGORY</b>
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share <sup>1</sup> <input type="checkbox"/> "Cut-Off" Price	<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
(In Figures) _____ (In Words) _____	
<b>ALLOTMENT WILL BE IN DEMAT MODE ONLY<sup>2</sup></b>	
<small><sup>1</sup> Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.  <sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.</small>	

<b>7. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : Full Payment</b>
Amount Blocked (₹ in Figures) _____ (₹ in words) _____	
ASBA Bank A/c No. _____	
Bank Name & Branch _____	
OR	
UPI Id _____ (Maximum 45 characters)	
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.	

<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: _____, 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1) _____	
	2) _____	
	3) _____	

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<b>LOGO</b>	<b>XYZ LIMITED INITIAL PUBLIC ISSUE - R</b>	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No. _____
DPID / CLID _____	ASBA Bank & Branch _____	PAN of Sole/First Applicant _____	
Amount Blocked (₹ in figures) _____	ASBA Bank A/c No./UPI Id _____	Stamp & Signature of SCSB Branch _____	
Received from Mr./Ms. _____	Telephone / Mobile _____ Email _____		

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<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>		In Figures	In Words	<b>Stamp &amp; Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA</b>	<b>Name of Sole / First Applicant</b>
	No. of Equity Shares				
	Amount Blocked (₹)				
	ASBA Bank A/c No. / UPI Id: _____ Bank & Branch: _____				
<b>Acknowledgement Slip for Applicant</b>					Application Form No. _____

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX	Application Form No. _____
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ _____ _____ Address _____ _____ Email _____ _____ Tel. No (with STD code) / Mobile _____
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	

<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	<b>6. INVESTOR STATUS</b>
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	<input type="checkbox"/> Non-Resident Indians - NRI (Repatriation basis)
<b>4. APPLICATION DETAILS (Only Retail Individual investor can apply at "Cut-Off")</b>	<input type="checkbox"/> Foreign Institutional Investor - FII/
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [*/- per share <sup>1</sup> <input type="checkbox"/> "Cut-Off" Price	<input type="checkbox"/> Foreign Portfolio Investor - FPI
(In Figures) _____ (In Words) _____	<input type="checkbox"/> Foreign Venture Capital Investor - FVCI
<b>ALLOTMENT WILL BE IN DEMAT MODE ONLY<sup>2</sup></b>	<input type="checkbox"/> FII Sub Account Corporate / Individual - FIISA
<sup>1</sup> Please note that applications must be made in minimum of [*] shares and further multiples of [*] shares accordingly.	<input type="checkbox"/> Others - OTH (please specify)
<sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.	<input type="checkbox"/> QIB

<b>7. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : Full Payment</b>
Amount Blocked (₹ in Figures) _____ (₹ in words) _____	
ASBA Bank A/c No. _____	
Bank Name & Branch _____	
OR	
UPI Id _____	
(Maximum 45 characters)	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: _____, 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1) _____	
	2) _____	
	3) _____	

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<b>LOGO</b>	<b>XYZ LIMITED INITIAL PUBLIC ISSUE - NR</b>	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No. _____
DPID / CL ID _____			PAN of Sole/First Applicant _____
Amount Blocked (₹ in figures) _____	ASBA Bank & Branch _____	<b>Stamp &amp; Signature of SCSB Branch</b>	
ASBA Bank A/c No./UPI Id _____			
Received from Mr./Ms. _____			
Telephone / Mobile _____	Email _____		

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<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>		In Figures	In Words	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	<b>Name of Sole / First Applicant</b>
	No. of Equity Shares				
	Amount Blocked (₹)				
	ASBA Bank A/c No. / UPI Id: _____				
Bank & Branch: _____					<b>Acknowledgement Slip for Applicant</b>
				<b>Application Form No.</b>	_____

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

## **1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:**

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a.) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- b.) **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

## **2. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:**

- a.) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b.) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Application on behalf of the Central or State Government, Application by officials appointed by the courts and Application by Applicant residing in Sikkim ("PAN Exempted Applicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c.) The exemption for the PAN Exempted Applicant is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d.) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e.) Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

## **3. FIELD NUMBER 3: APPLICANT'S DEPOSITORY ACCOUNT DETAILS**

- a.) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- b.) Applicants should ensure that the beneficiary account provided in the Application Form is active.

- c.) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- d.) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

#### 4. FIELD NUMBER 4: APPLICATION OPTIONS

- a.) Since, this is the Fixed Price Issue and the Price has already been disclosed in the Prospectus, the Applicants should make application at the Issue Price only. For the purpose of this Issue, the Price has been Determined as ₹ 120/- per equity shares (including premium of ₹ 110/- per equity share).
- b.) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can make application at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at the Issue Price as determined in terms of Prospectus. Making Application at the Cut-off Price is prohibited for QIBs and NIIs and such Applications from QIBs and NIIs may be rejected.
- c.) **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors, minimum application of 1,200 Equity Shares to ensure that the minimum Application value is not exceeding ₹ 2,00,000 and not less than ₹ 1,00,000. For Application made by QIBs and Non – Institutional Investors, minimum application of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter to ensure that the minimum Application value is exceeding ₹ 2,00,000.
- d.) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum application Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage.

#### Maximum and Minimum Application Size

- e.) The Applicants may apply for the desired number of Equity Shares in multiple of 1,200 equity shares at Issue Price. Applications by Retail Individual Investors and Retail Individual Shareholders must be for 1,200 equity shares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹ 2,00,000.

In case the Application Amount exceeds ₹ 2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected.

For NRIs, Application Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.

- f.) Application by QIBs and NIIs must be for 1,200 equity shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1,200 Equity Shares thereafter, as may be disclosed in the Application Form and the Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to make application at Cut off Price.
- g.) RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after making application and are required to pay the Application Amount upon submission of the Application.

- h.) In case the Application Amount reduces to ₹ 2,00,000 or less due to a revision of the Price, Application by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- i.) An Application cannot be submitted for more than the net issue size.
- j.) The maximum application by any applicant including QIB applicant should not exceed the investment limits prescribed for them under the applicable laws.

#### **Multiple Applications**

- k.) Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.
- l.) Applicants are requested to note the following procedures that may be followed by the Registrar to the Issue to detect multiple Applications:
  - i. All Applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple Application by Applicants and may be rejected.
  - ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Application on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. Such Applications which have the same DP ID and Client ID may be treated as multiple applications and are liable to be rejected.
- m.) **The following Applications may not be treated as multiple Applications:**
  - i. Applications by Reserved Categories making application in their respective Reservation Portion as well as application made by them in the Issue portion in public category.
  - ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
  - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **5. FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a.) The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b.) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR) Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c.) The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to various categories of Application in an issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.
- d.) For Issue specific details in relation to allocation, Applicants may refer to the Prospectus.

#### **6. FIELD NUMBER 6: INVESTOR STATUS**



- a.) Each Applicants should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.
- b.) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c.) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d.) Applicants should ensure that their investor status is updated in the Depository records.

**7. FIELD NUMBER 7: PAYMENT DETAILS**

- a.) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b.) The full Application Amount shall be blocked based on the authorization provided in the Application Form.
- c.) RIIs who make application at Cut-off price shall be blocked on the Cap Price.
- d.) All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- e.) RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- f.) Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

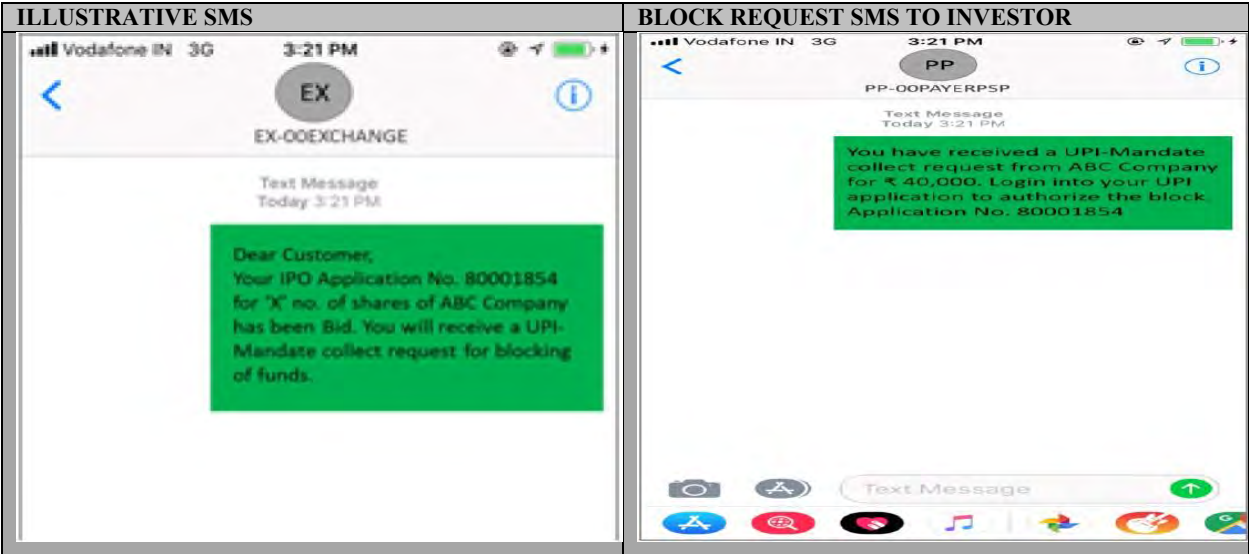
**Payment instructions for Applicants (other than Anchor Investors)**

- a.) From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

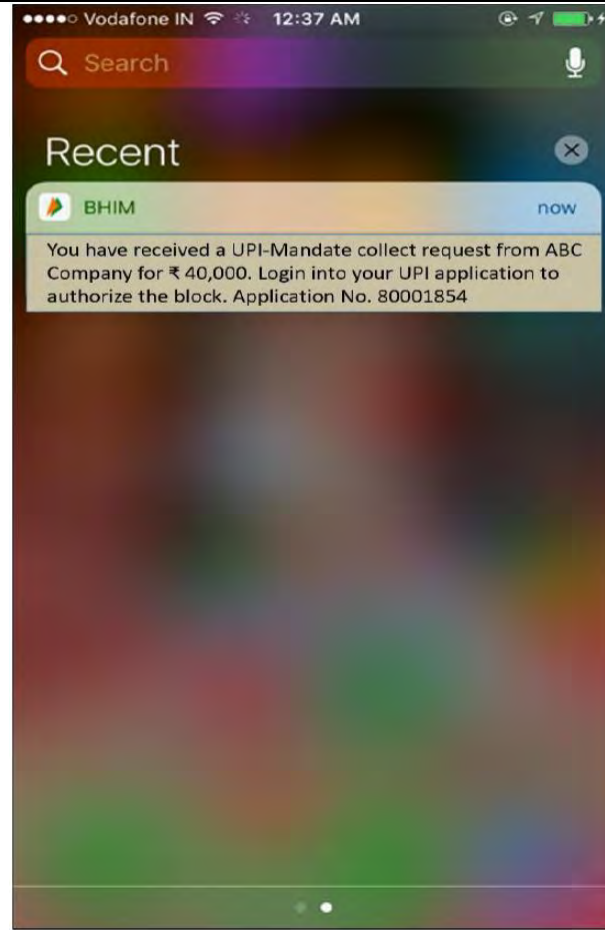
Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.		RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII)	For such applications the existing process of uploading the Application and blocking of funds in the		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.	Not Applicable

Category of Investor	Channel I	Channel II	Channel III	Channel IV
	RIs account by the SCSB would continue.		For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	

Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:

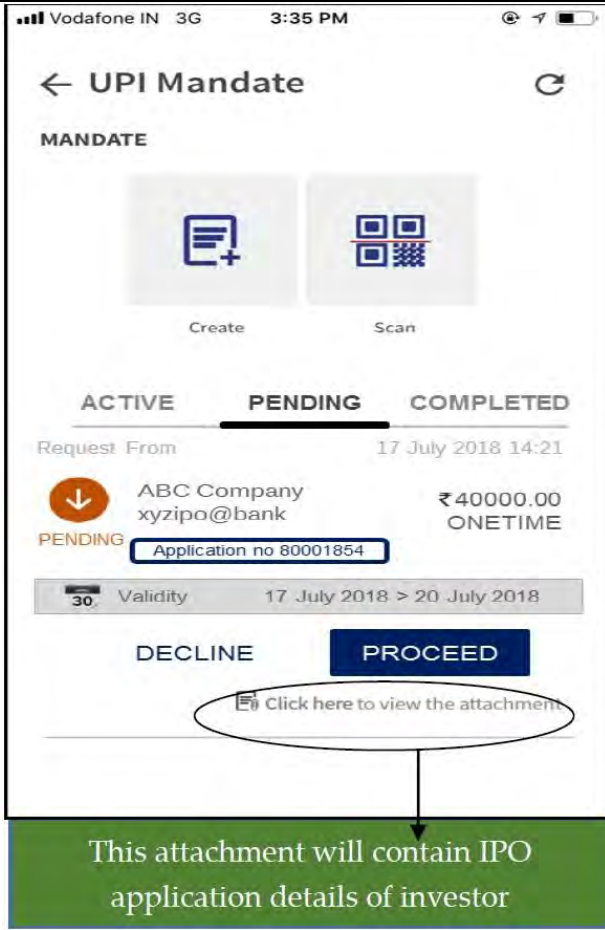


**BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION**



**SAMPLE OF IPO DETAILS IN ATTACHMENT**

**BLOCK REQUEST SMS TO INVESTOR**



**POST VERIFICATION OF DETAILS ABOVE**

**BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION**

Secure | https://

1 Enter Details

Investor Details

Depository Name	DP ID	Client ID
NSDL	IN300513	14871468
Beneficiary No.	PAN Card	Investor's Name
-	AAMPF7581P	SHYAM SHARAM

IPO Details

Company Name	IPO Symbol	Bid Lot
IPO	SUPREMEENG	40000
Face Value	Maximum Price	Minimum Price
10.00	₹ 32.00	₹ 27.00
Cut Off Price	IPO Start Date	IPO End Date
₹ 32.00	20 July 2018	27 July 2018
Discount Amount	Discount Category	
NA	-	

**BLOCK REQUEST SMS TO INVESTOR**

Vodafone IN 3G 5:43 PM

← **Create Mandate**

TO

ABC Company

✓ xyzipo@bank **Verified Merchant**

Mandate Amount

**₹ 40000.00**

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs

Frequency

**ONETIME**

Validity

31 Start Date > 31 End Date  
**20 JULY 2018** > **27 JULY 2018**

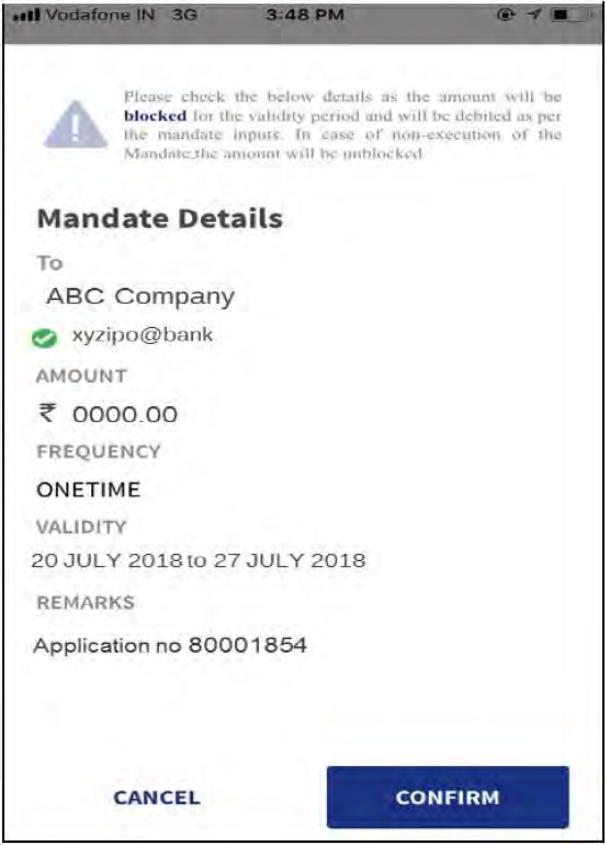

Users account will be debited within validity period.

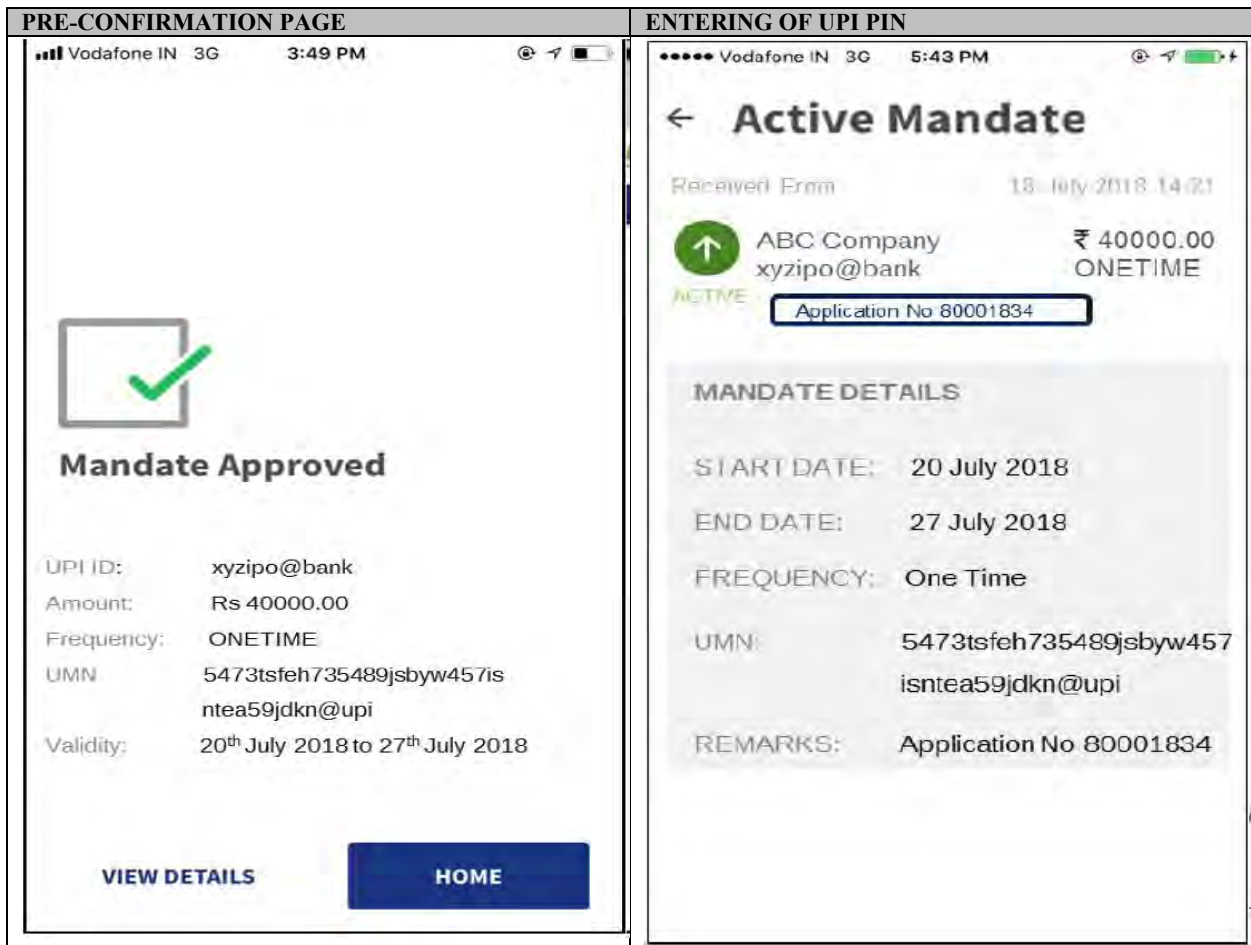
REMARKS

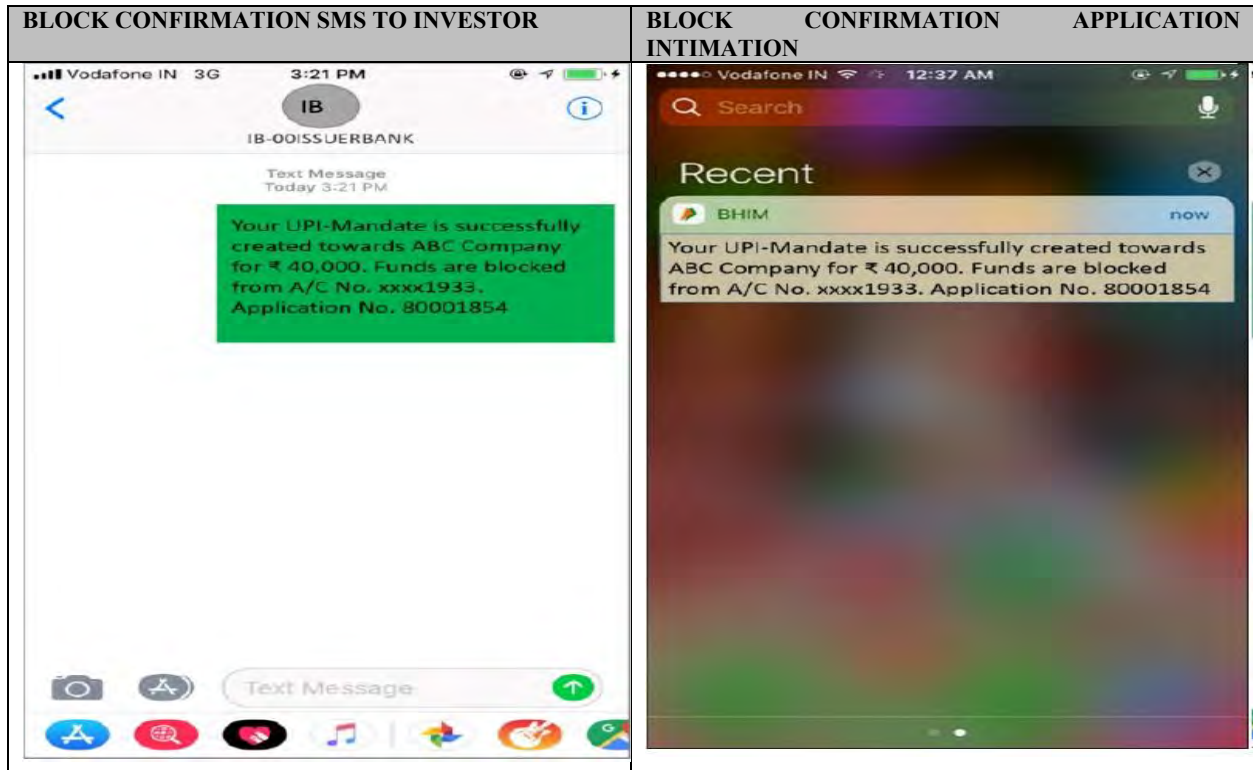
Application no 80001834

📎 Click here to view the attachment

**PROCEED**

PRE-CONFIRMATION PAGE	ENTERING OF UPI PIN												
 <p>Vodafone IN 3G 3:48 PM</p> <p>Please check the below details as the amount will be <b>blocked</b> for the validity period and will be debited as per the mandate inputs. In case of non-execution of the Mandate, the amount will be unblocked.</p> <p><b>Mandate Details</b></p> <p>To ABC Company</p> <p>xyzipo@bank</p> <p>AMOUNT ₹ 0000.00</p> <p>FREQUENCY ONETIME</p> <p>VALIDITY 20 JULY 2018 to 27 JULY 2018</p> <p>REMARKS Application no 80001854</p> <p>CANCEL CONFIRM</p>	 <p>Vodafone IN 3G 1:39 AM</p> <p>CANCEL</p> <p>STATE BANK OF INDIA</p> <p>ABC Company ₹ 40000</p> <p>UPI</p> <p>ENTER UPI PIN</p> <p>-----</p> <table border="1"> <tbody> <tr> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>7</td> <td>8</td> <td>9</td> </tr> <tr> <td>✕</td> <td>0</td> <td>SUBMIT</td> </tr> </tbody> </table>	1	2	3	4	5	6	7	8	9	✕	0	SUBMIT
1	2	3											
4	5	6											
7	8	9											
✕	0	SUBMIT											
CONFIRMATION PAGE	APPROVED MANDATES VISIBLE IN UPI APPLICATION												





- b.) QIB and NII Applicants may submit the Application Form either;
- i. to SCSB in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or
  - ii. in physical mode to any Designated Intermediary.
- c.) Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- d.) Applicants should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- e.) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- f.) Applicants should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centers, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- g.) **Applicants making application through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

- h.) **Applicants making application directly through the SCSBs** should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i.) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- j.) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and for application directly submitted to SCSB by investor, may enter each application details into the electronic bidding system as a separate application.
- k.) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.
- l.) Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form, please refer to graphical illustrative process of the investor receiving and approving the UPI mandate request provided in clause (a).
- m.) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- n.) SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; else their Applications are liable to be rejected.

## **8. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT**

- a.) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.
- b.) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful Applicants to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c.) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Application Amount in the Relevant Account within four Working Days of the Issue Closing Date.

### **Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI mechanism**



- d.) Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/her bank account where the funds equivalent to the application amount is available.
- e.) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
- f.) RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.
- g.) The Designated Intermediary upon receipt of the Application Form will upload the application details along with UPI ID in the stock exchange bidding platform.
- h.) Once the application has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- i.) Once the application details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the application details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- j.) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- k.) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the application are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bank to block the application Amount mentioned in the Application Form and Subsequent debit in case of allotment.
- l.) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- m.) RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For each modification of the application, the RII will submit a revised application and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- n.) RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.
- o.) Post closure of the Issue, the stock exchange will share the application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

**Discount: NOT APPLICABLE**

**Additional Payment Instruction for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **9. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

- a.) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b.) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- c.) Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder is liable to be rejected.

#### **10. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a.) Applicant should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediary or SCSB, as applicable, for submission of the Application Form.
- b.) All communications in connection with Application made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicant should contact the Registrar to the Issue.
  - ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicant should contact the relevant Designated Branch of the SCSB.
  - iii. Applicants may contact the Company Secretary and Compliance Officer or Lead Manager in case of any other complaints in relation to the Issue.
  - iv. In case of queries relating to uploading of Application by a Syndicate Member, the Applicant should contact the relevant Syndicate Member.
  - v. In case of queries relating to uploading of Application by a Registered Broker, the Applicant should contact the relevant Registered Broker
  - vi. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.
  - vii. In case of Application submitted to the DP, the Applicant should contact the relevant DP.
  - viii. In case of queries relating to uploading of Application through the UPI Mechanism, the Applicant should contact the Sponsor Bank;
- c.) The following details (as applicable) should be quoted while making any queries –
  - i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.
  - ii. name and address of the Designated Intermediary, where the Application was submitted; or

- iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment of Application Amount through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.
- iv. For further details, Applicants may refer to the Prospectus and the Application Form.

**B. INSTRUCTIONS FOR FILLING THE REVISION FORM**

- a.) During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their Application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b.) RII may revise / withdraw their Application till closure of the Issue period.
- c.) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- d.) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had made the original Application. It is clarified that RIIs whose original Application is made using the UPI mechanism, can make revision(s) to their Application using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies of the blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

COMMON APPLICATION REVISION FORM

**XYZ LIMITED - INITIAL PUBLIC ISSUE - R**

Registered Office:  
Tel. No.: Fax No.: Email: Website:  
Contact Person: CIN:

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,  
THE BOARD OF DIRECTORS  
XYZ LIMITED

**FIXED PRICE SME ISSUE**  
ISIN : XXXXXXX

Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/CDP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	2. PAN OF SOLE/FIRST APPLICANT _____
		3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS NSDL _____ CDSL _____ <small>For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID</small>

PLEASE CHANGE MY APPLICATION  PHYSICAL

**4. FROM (as per last Application or Revision)**

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share) (In Figures)	Price per Equity Share (₹) [•]			"Cut-off" (Please ✓ tick)
		Issue Price	Discount, if any	Net Price	
Option 1	ORIGINAL APPLICATION	ORIGINAL APPLICATION			
(OR) Option 2					
(OR) Option 3					

**5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")**

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share) (In Figures)	Price per Equity Share (₹) [•]			"Cut-off" (Please ✓ tick)
		Issue Price	Discount, if any	Net Price	
Option 1	REVISED APPLICATION	REVISED APPLICATION			
(OR) Option 2					
(OR) Option 3					

**6. PAYMENT DETAILS** PAYMENT OPTION : Full Payment

Additional Amount Blocked (₹ in Figures) \_\_\_\_\_ (₹ in words) \_\_\_\_\_

ASBA Bank A/c No. \_\_\_\_\_  
Bank Name & Branch \_\_\_\_\_  
OR  
UPI Id \_\_\_\_\_  
(Maximum 45 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE / FIRST APPLICANT  Date: _____, 2019	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue</small> 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
--	---	--

----- TEAR HERE -----

LOGO	<b>XYZ LIMITED</b> REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgment Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No.
DPID / CLID			PAN
Additional Amount Blocked (₹ in figures)	ASBA Bank & Branch	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No./UPI Id			
Received from Mr./Ms.			
Telephone / Mobile	Email		

----- TEAR HERE -----

XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R	Option 1	Option 2	Option 3	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Name of Sole / First Applicant
	No. of Equity Shares				
	Issue Price				
	Additional Amount Blocked (₹)				
ASBA Bank A/c No. / UPI Id: _____					Application Form No.
Bank & Branch: _____					

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

**COMMON APPLICATION REVISION FORM**

**XYZ LIMITED - INITIAL PUBLIC ISSUE - NR**

FOR ELIGIBLE NRIs, FIIs/FPiIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS

Registered Office:  
Tel. No.: Fax No.: Email: Website:  
Contact Person: CIN:

<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXX	Application Form No.
-------------	--	--	----------------------

<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>
		Mr. / Ms.
		Address
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	Tel. No (with STD code) / Mobile
		<b>2. PAN OF SOLE/FIRST APPLICANT</b>
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> NSDL <input type="checkbox"/> CDSL <input type="checkbox"/>
		For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION  PHYSICAL

**4. FROM (as per last Application or Revision)**

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share)							Price per Equity Share (₹) [•]							"Cut-off" (Please ✓ tick)
	(In Figures)							(In Figures)							
	1	0	9	8	7	6	5	1	0	9	8	7	6	5	
Option 1	ORIGINAL APPLICATION							ORIGINAL APPLICATION							
(OR) Option 2															
(OR) Option 3															

**5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")**

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share)							Price per Equity Share (₹) [•]							"Cut-off" (Please ✓ tick)
	(In Figures)							(In Figures)							
	1	0	9	8	7	6	5	1	0	9	8	7	6	5	
Option 1	REVISED APPLICATION							REVISED APPLICATION							
(OR) Option 2															
(OR) Option 3															

**6. PAYMENT DETAILS** PAYMENT OPTION : Full Payment

Additional Amount Blocked (₹ in Figures) \_\_\_\_\_ (₹ in words) \_\_\_\_\_

ASBA Bank A/c No. \_\_\_\_\_

Bank Name & Branch \_\_\_\_\_

OR

UPI Id \_\_\_\_\_ (Maximum 45 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

<b>7A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: _____, 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
	1) _____	
	2) _____	
	3) _____	

TEAR HERE

<b>LOGO</b>	<b>XYZ LIMITED</b> REVISION FORM - INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No.
DPID / CLID		PAN	
Additional Amount Blocked (₹ in figures)	ASBA Bank & Branch	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No./UPI Id			
Received from Mr./Ms.			
Telephone / Mobile	Email		

TEAR HERE

<b>XYZ LIMITED</b> REVISION FORM - INITIAL PUBLIC ISSUE - NR	Option 1	Option 2	Option 3	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Name of Sole / First Applicant
	No. of Equity Shares				
	Issue Price				
	Additional Amount Blocked (₹)				
ASBA Bank A/c No. / UPI Id: _____					<b>Acknowledgment Slip for Applicant</b>
Bank & Branch: _____					
Application Form No.					

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

## **11. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading “Instructions for Filling the Application Form”.

## **12. FIELDS 4 AND 5: APPLICATION OPTIONS REVISION ‘FROM’ AND ‘TO’**

- a.) Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form. For example, if Applicant has applied for 1,200 equity shares in the Application Form and such applicant is changing number of shares applied for in the Revision Form, the applicant must fill the details of 1,200 equity shares, in the Revision Form. The Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- b.) In case of revision, applicants’ options should be provided by applicants in the same order as provided in the Application Form.
- c.) In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, Subsequent to revision, does not exceed ₹ 200,000. In case the Application Amount exceeds ₹ 200,000 due to revision of the Application or for any other reason, the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given only to the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply for and purchase the Equity Shares at the Issue Price.
- d.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application will be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the RII does not either revise the Application or make additional payment and the Issue Price is higher than the price disclosed in the Prospectus, the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised application at Cut-off Price.
- e.) In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revise their application or the excess amount paid at the time of application may be unblocked in case of applicants.

## **13. PAYMENT DETAILS**

- a.) All Applicants are required to make payment of the full Application Amount along with the Application Revision Form.
- b.) Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant had placed the original application to enable the relevant SCSB to block the additional Application Amount, if any.
- c.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application may be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the Applicant does not either revise the application or make additional payment and the Price is higher than Issue price disclosed in the Prospectus prior to the revision, the number of Equity Shares applied for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the applicant is deemed to have approved such revised application at the Cut-off Price.

- d.) In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at the Cut-off Price, could either revise their application or the excess amount paid at the time of application may be unblocked.

#### **14. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 9 above under the heading “Instructions for Filling the Application Form” for this purpose.

#### **APPLICANT’S DEPOSITORY ACCOUNT AND BANK DETAILS**

*Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

*Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.*

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code, occupation (hereinafter referred to as ‘Demographic Details’) or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants’ sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

#### **OTHER INSTRUCTIONS**

#### **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

#### **MULTIPLE APPLICATIONS**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- I. All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN



allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration (“GIR”) number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB’s in the ASBA system, without any fault on the part of Applicant.**

## **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 1,200;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations for “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;

- Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- Submission of Application Form(s) using third party ASBA Bank Account;
- Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;
- In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

1. Tripartite agreement dated December 26, 2023 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
  2. Tripartite agreement dated December 20, 2023 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.
- a.** The Company's shares bear an ISIN: INE0SGC010105
- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
  - b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
  - c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
  - d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
  - e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
  - f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
  - g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
  - h) The trading of the Equity Shares of our Company would be only in dematerialized form.

### **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;**

GUT No. 44 and 46, Kusumnagar, Waghalwada, TQ. Umri, Dist. Nanded- 431 807, Maharashtra, India <b>Telephone:</b> +91 862 309 4480 <b>E-mail:</b> cs@mvkagrofood.com	<b>To the Registrar to the Issue</b> T-34, 2nd Floor, Okhla Industrial Area, Phase-II New Delhi- 110 020 <b>Telephone:</b> +91 112 638 7281/83 <b>Facsimile:</b> +91 112 638 7384 <b>E-mail:</b> ipo@masserv.com
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#### **DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY**

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

#### **IMPERSONATION**

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

- a) **‘Any person who: makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) **Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.**

***Section 447 of the Companies Act, 2013, is reproduced as below:***

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:*

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.*

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 1,200 equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted 1,200 equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,200 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,200 equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;
  - (a). minimum fifty per cent. to retail individual investors; and
  - (b). remaining to:
    - i) individual applicants other than retail individual investors; and
    - ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

**Explanation:** If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled "BASIS OF ALLOTMENT".

"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 the Emerge Platform of NSE .

## **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Emerge Platform of NSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

## **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within three working days of closure of the Issue;
3. that funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. Adequate arrangements shall be made to collect all Application forms.

## **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;

- 5) Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

#### **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion) (“DPIIT”).

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular and shall be subject to FEMA Rules.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

The foreign investment in our Company is governed by inter alia the FEMA, as amended, the FEMA Rules, the FDI Policy issued and amended by way of press notes. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent 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 warrant. 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.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. The above information is given for the benefit of the Bidders. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## SECTION VIII - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Article No.	Articles	Particulars
1.	<b>Table F Applicable.</b>	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.
<b>CAPITAL</b>		
3.	<b>Authorized Capital.</b>	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.
4.	<b>Increase of capital by the Company how carried into effect</b>	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.
5.	<b>New Capital same as existing capital</b>	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
6.	<b>Non-Voting Shares</b>	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
7.	<b>Redeemable Preference Shares</b>	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.
8.	<b>Voting rights of preference shares</b>	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
9.	<b>Provisions to apply on issue of Redeemable Preference Shares</b>	On the issue of redeemable preference shares under the provisions of Article hereof, the following provisions shall take effect: <ul style="list-style-type: none"> <li>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</li> <li>(b) No such Shares shall be redeemed unless they are fully paid;</li> <li>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of</li> </ul>

Article No.	Articles	Particulars
		<p>the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>
10.	<b>Reduction of capital</b>	<p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
11.	<b>Debentures</b>	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>
12.	<b>Issue of Sweat Equity Shares</b>	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>
13.	<b>ESOP</b>	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p>
14.	<b>Buy Back of shares</b>	<p>Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.</p>
15.	<b>Consolidation, Sub-Division And Cancellation</b>	<p>Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which 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.</p>



<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>16.</b>	<b>Issue of Depository Receipts</b>	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.
<b>17.</b>	<b>Issue of Securities</b>	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.
<b>MODIFICATION OF CLASS RIGHTS</b>		
<b>18.</b>	<b>Modification of rights</b>	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.
	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.
<b>19.</b>	<b>Shares at the disposal of the Directors.</b>	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.
<b>20.</b>	<b>Power to issue shares on preferential basis.</b>	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.
<b>21.</b>	<b>Shares should be Numbered progressively and no share to be subdivided.</b>	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
<b>22.</b>	<b>Acceptance of Shares.</b>	An 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 shall for the purposes of these Articles, be a Member.
<b>23.</b>	<b>Directors may allot shares as full paid-up</b>	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or

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		machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.
24.	<b>Deposit and call etc.to be a debt payable immediately.</b>	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 become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.
25.	<b>Liability of Members.</b>	Every Member, or his heirs, executors, administrators, or legal representatives, 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 Company's regulations, require on date fixed for the payment thereof.
26.	<b>Registration of Shares.</b>	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.
<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>		
27.		The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act
<b>CERTIFICATES</b>		
28.	<b>Share Certificates.</b>	<p>(a) Every member 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 provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that 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 one of several joint holders shall be sufficient delivery to all such holder. Such certificate 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 coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. 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.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares</p>

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		<p>which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) 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.</p>
29.	<p><b>Issue of new certificates in place of those defaced, lost or destroyed.</b></p>	<p>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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem 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 Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>
30.	<p><b>The first named joint holder deemed Sole holder.</b></p>	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>
	<p><b>Maximum number of joint holders.</b></p>	<p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>
31.	<p><b>Company not bound to recognise any interest in share other than that of registered holders.</b></p>	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p>
32.	<p><b>Installment on shares to be duly paid.</b></p>	<p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.</p>
<b>UNDERWRITING AND BROKERAGE</b>		
33.	<p><b>Commission</b></p>	<p>Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be</p>

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		satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
34.	<b>Brokerage</b>	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.
<b>CALLS</b>		
35.	<b>Directors may make calls</b>	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.
36.	<b>Notice of Calls</b>	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
37.	<b>Calls to date from resolution.</b>	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.
38.	<b>Calls on uniform basis.</b>	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.
39.	<b>Directors may extend time.</b>	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 members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.
40.	<b>Calls to carry interest.</b>	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
41.	<b>Sums deemed to be calls.</b>	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
42.	<b>Proof on trial of suit for money due on shares.</b>	On the trial or hearing of any action or suit brought by the Company against any Member or his 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 Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that 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 was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

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43.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.
44.	<b>Payments in Anticipation of calls may carry interest</b>	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, 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 on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>
<b>LIEN</b>		
45.	<b>Company to have Lien on shares.</b>	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.
46.	<b>As to enforcing lien by sale.</b>	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.
47.	<b>Application of proceeds of sale.</b>	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.
<b>FORFEITURE AND SURRENDER OF SHARES</b>		

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48.	<b>If call or installment not paid, notice may be given.</b>	If any Member fails to pay the whole or any part of any call or installment or any moneys 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, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.
49.	<b>Terms of notice.</b>	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.
50.	<b>On default of payment, shares to be forfeited.</b>	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.
51.	<b>Notice of forfeiture to a Member</b>	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.
52.	<b>Forfeited shares to be property of the Company and may be sold etc.</b>	Any shares 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 in their absolute discretion shall think fit.
53.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses 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 the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.
54.	<b>Effect of forfeiture.</b>	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
55.	<b>Evidence of Forfeiture.</b>	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have 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.
56.	<b>Title of purchaser and allottee of Forfeited shares.</b>	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share

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		and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.
57.	<b>Cancellation of share certificate in respect of forfeited shares.</b>	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.
58.	<b>Forfeiture may be remitted.</b>	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.
59.	<b>Validity of sale</b>	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 purchasers 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.
60.	<b>Surrender of shares.</b>	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
61.	<b>Execution of the instrument of shares.</b>	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.
62.	<b>Transfer Form.</b>	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;
63.	<b>Transfer not to be registered except on production of instrument of transfer.</b>	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

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64.	<b>Directors may refuse to register transfer.</b>	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however 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;
65.	<b>Notice of refusal to be given to transferor and transferee.</b>	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.
66.	<b>No fee on transfer.</b>	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.
67.	<b>Closure of Register of Members or debenture holder or other security holders.</b>	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
68.	<b>Custody of transfer Deeds.</b>	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.
69.	<b>Application for transfer of partly paid shares.</b>	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
70.	<b>Notice to transferee.</b>	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
71.	<b>Recognition of legal representative.</b>	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
72.	<b>Titles of Shares of deceased Member</b>	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the



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		only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.
73.	<b>Notice of application when to be given</b>	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
74.	<b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b>	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they 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 this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.
75.	<b>Refusal to register nominee.</b>	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
76.	<b>Board may require evidence of transmission.</b>	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
77.	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>	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 or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had 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 require to regard or attend or give effect to any notice which may be given to them 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 Directors shall so think fit.
78.	<b>Form of transfer Outside India.</b>	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>79.</b>	<b>No transfer to insolvent etc.</b>	No transfer shall be made to any minor, insolvent or person of unsound mind.
<b>NOMINATION</b>		
<b>80.</b>	<b>Nomination</b>	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>
<b>81.</b>	<b>Transmission of Securities by nominee</b>	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>
<b>DEMATERIALIZATION OF SHARES</b>		
<b>82.</b>	<b>Dematerialisation of Securities</b>	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.
<b>JOINT HOLDER</b>		
<b>83.</b>	<b>Joint Holders</b>	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.
<b>84.</b>	<b>Joint and several liabilities for all payments in respect of shares.</b>	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
	<b>Title of survivors.</b>	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a

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		deceased joint holder from any liability of shares held by them jointly with any other person;
	<b>Receipts of one sufficient.</b>	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and
	<b>Delivery of certificate and giving of notices to first named holders.</b>	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.
<b>SHARE WARRANTS</b>		
<b>85.</b>	<b>Power to issue share warrants</b>	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon 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 persons 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.
<b>86.</b>	<b>Deposit of share warrants</b>	(a) 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 call in 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 deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.
<b>87.</b>	<b>Privileges and disabilities of the holders of share warrant</b>	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall 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 notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.
<b>88.</b>	<b>Issue of new share warrant coupons</b>	The Board may, from time to time, make bye-laws as to 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 destruction.
<b>CONVERSION OF SHARES INTO STOCK</b>		
<b>89.</b>	<b>Conversion of shares into stock or reconversion.</b>	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.
<b>90.</b>	<b>Transfer of stock.</b>	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
<b>91.</b>	<b>Rights of stock holders.</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, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>92.</b>	<b>Regulations.</b>	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.
<b>BORROWING POWERS</b>		
<b>93.</b>	<b>Power to borrow.</b>	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.
<b>94.</b>	<b>Issue of discount etc. or with special privileges.</b>	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
<b>95.</b>	<b>Securing payment or repayment of Moneys borrowed.</b>	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.
<b>96.</b>	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
<b>97.</b>	<b>Mortgage of uncalled Capital.</b>	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.
<b>98.</b>	<b>Indemnity may be given.</b>	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.
<b>MEETINGS OF MEMBERS</b>		
<b>99.</b>	<b>Distinction between AGM &amp; EGM.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>100.</b>	<b>Extra-Ordinary General Meeting by Board and by requisition</b>	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members
	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.
<b>101.</b>	<b>Meeting not to transact business not mentioned in notice.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.
<b>102.</b>	<b>Chairman of General Meeting</b>	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not 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 Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.
<b>103.</b>	<b>Business confined to election of Chairman or Vice Chairman whilst chair is vacant.</b>	No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.
<b>104.</b>	<b>Chairman with consent may adjourn meeting.</b>	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) 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.
<b>105.</b>	<b>Chairman's casting vote.</b>	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.
<b>106.</b>	<b>In what case poll taken without adjournment.</b>	Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.
<b>107.</b>	<b>Demand for poll not to prevent transaction of other business.</b>	The demand for a poll except on the question of the election of the Chairman or Vice 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.
<b>VOTES OF MEMBERS</b>		
<b>108.</b>	<b>Members in arrears not to vote.</b>	No Member 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, upon a poll or electronically, or be reckoned in a quorum in respect of any shares 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 or lien.
<b>109.</b>	<b>Number of votes each member entitled.</b>	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of

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		shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.
110.	<b>Casting of votes by a member entitled to more than one vote.</b>	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
111.	<b>Vote of member of unsound mind and of minor</b>	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
112.	<b>Postal Ballot</b>	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.
113.	<b>E-Voting</b>	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
114.	<b>Votes of joint members.</b>	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>
115.	<b>Votes may be given by proxy or by representative</b>	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles
116.	<b>Representation of a body corporate.</b>	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.
117.	<b>Members paying money in advance.</b>	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.
	<b>Members not prohibited if share not held for any specified period.</b>	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
118.	<b>Votes in respect of shares of deceased or insolvent members.</b>	Any person entitled under Article 73 (transmission clause) to transfer any share 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 at least forty-eight hours 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 Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.
119.	<b>No votes by proxy on show of hands.</b>	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.
120.	<b>Appointment of a Proxy.</b>	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
121.	<b>Form of proxy.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
122.	<b>Validity of votes given by proxy notwithstanding death of a member.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.
123.	<b>Time for objections to votes.</b>	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.
124.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
<b>DIRECTORS</b>		
125.	<b>Number of Directors</b>	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution
126.	<b>Qualification shares.</b>	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.
127.	<b>Nominee Directors.</b>	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, 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 (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges

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		<p>including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>
128.	<b>Appointment of alternate Director.</b>	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for 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 Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
129.	<b>Additional Director</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.
130.	<b>Directors power to fill casual vacancies.</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.
131.	<b>Sitting Fees.</b>	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.
132.	<b>Travelling expenses Incurred by Director on Company's business.</b>	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
133.	<b>Meetings of Directors.</b>	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>
134.	<b>Chairman and Vice Chairman</b>	a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, to the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.



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		b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.
<b>135.</b>	<b>Questions at Board meeting how decided.</b>	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.
<b>136.</b>	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
<b>137.</b>	<b>Directors may appoint committee.</b>	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee 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 in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
<b>138.</b>	<b>Committee Meetings how to be governed.</b>	The Meetings and proceedings of any such Committee of the Board consisting of two or 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 regulations made by the Directors under the last preceding Article.
<b>139.</b>	<b>Chairperson of Committee Meetings</b>	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
<b>140.</b>	<b>Meetings of the Committee</b>	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
<b>141.</b>	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall 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.
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
<b>142.</b>	<b>Power to fill casual vacancy</b>	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
<b>POWERS OF THE BOARD</b>		
<b>143.</b>	<b>Powers of the Board</b>	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However 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.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>144.</b>	<b>Certain powers of the Board</b>	Without prejudice to the general powers conferred by the Articles 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 Articles, it is hereby, declared that the Directors shall have the following powers, that is to say
	<b>To acquire any property , rights etc.</b>	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.
	<b>To take on Lease.</b>	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.
	<b>To erect &amp; construct.</b>	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.
	<b>To pay for property.</b>	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures 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.
	<b>To insure properties of the Company.</b>	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
	<b>To open Bank accounts.</b>	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.
	<b>To secure contracts by way of mortgage.</b>	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.
	<b>To accept surrender of shares.</b>	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.
	<b>To appoint trustees for the Company.</b>	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to 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.
	<b>To conduct legal proceedings.</b>	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction

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		of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.
	<b>Bankruptcy &amp; Insolvency</b>	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.
	<b>To issue receipts &amp; give discharge.</b>	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.
	<b>To invest and deal with money of the Company.</b>	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the 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 187 of the Act, all investments shall be made and held in the Company's own name.
	<b>To give Security by way of indemnity.</b>	(14) 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 as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;
	<b>To determine signing powers.</b>	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.
	<b>Commission or share in profits.</b>	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.
	<b>Bonus etc. to employees.</b>	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.
	<b>Transfer to Reserve Funds.</b>	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same

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		with the power 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.
	<b>To appoint and remove officers and other employees.</b>	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, 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 to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts 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 and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.
	<b>To appoint Attorneys.</b>	(20) At any time and from time to time by power of attorney 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 their 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 such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager 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 powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
	<b>To enter into contracts.</b>	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose 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.
	<b>To make rules.</b>	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.
	<b>To effect contracts etc.</b>	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.
	<b>To apply &amp; obtain concessions licenses etc.</b>	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.
	<b>To pay commissions or interest.</b>	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.
	<b>To redeem preference shares.</b>	(26) To redeem preference shares.
	<b>To assist charitable or benevolent institutions.</b>	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim

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		to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
		(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.
		(30) 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 dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.
		(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. (38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

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<b>MANAGING AND WHOLE-TIME DIRECTORS</b>		
145.	<b>Powers to appoint Managing/ Whole-time Directors.</b>	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>
146.	<b>Remuneration of Managing or Whole-time Director.</b>	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.
147.	<b>Powers and duties of Managing Director or Whole-time Director.</b>	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>
<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>		
148.	<b>Board to appoint Chief Executive Officer/ Manager/</b>	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such</p>

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	<b>Company Secretary/ Chief Financial Officer</b>	<p>remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>
<b>THE SEAL</b>		
149.	<b>The seal, its custody and use.</b>	<p>(a) The Board shall provide a Common 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 the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>
150.	<b>Deeds how executed.</b>	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.
<b>DIVIDEND AND RESERVES</b>		
151.	<b>Division of profits.</b>	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>
152.	<b>The company in General Meeting may declare Dividends.</b>	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.
153.	<b>Transfer to reserves</b>	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

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		b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
154.	<b>Interim Dividend.</b>	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
155.	<b>Debts may be deducted.</b>	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
156.	<b>Capital paid up in advance not to earn dividend.</b>	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.
157.	<b>Dividends in proportion to amount paid-up.</b>	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.
158.	<b>Retention of dividends until completion of transfer under Articles .</b>	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.
159.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.
160.	<b>Effect of transfer of shares.</b>	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.
161.	<b>Dividend to joint holders.</b>	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.
162.	<b>Dividends how remitted.</b>	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
163.	<b>Notice of dividend.</b>	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
164.	<b>No interest on Dividends.</b>	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.
<b>CAPITALIZATION</b>		
165.	<b>Capitalization.</b>	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;



Article No.	Articles	Particulars
		<ul style="list-style-type: none"> <li>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</li> <li>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</li> <li>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</li> <li>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</li> </ul>
166.	<b>Fractional Certificates.</b>	<ul style="list-style-type: none"> <li>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — <ul style="list-style-type: none"> <li>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</li> <li>(b) generally to do all acts and things required to give effect thereto.</li> </ul> </li> <li>(2) The Board shall have full power - <ul style="list-style-type: none"> <li>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</li> <li>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</li> </ul> </li> <li>(3) Any agreement made under such authority shall be effective and binding on all such members.</li> <li>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</li> </ul>
167.	<b>Inspection of Minutes Books of General Meetings.</b>	<ul style="list-style-type: none"> <li>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</li> <li>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</li> </ul>
168.	<b>Inspection of Accounts</b>	<ul style="list-style-type: none"> <li>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</li> <li>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</li> </ul>
<b>FOREIGN REGISTER</b>		
169.	<b>Foreign Register.</b>	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary

Article No.	Articles	Particulars
		such regulations as it may think fit in regard to the keeping of any such Registers.
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
170.	<b>Signing of documents &amp; notices to be served or given.</b>	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.
171.	<b>Authentication of documents and proceedings.</b>	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.
<b>WINDING UP</b>		
172.		<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>
<b>INDEMNITY</b>		
173.	<b>Directors' and others right to indemnity.</b>	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.
174.	<b>Not responsible for acts of others</b>	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.
<b>SECURITY</b>		

Article No.	Articles	Particulars
175.	Secrecy	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
	Access to property information etc.	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

## SECTION IX - OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Prospectus until the Issue Closing Date and have also been uploaded on the website of our Company at [www.mvkagrofood.com](http://www.mvkagrofood.com).

#### 1. Material Contracts for the Issue

- (i) Issue Agreement dated December 29, 2023 entered into between our Company and the LM.
- (ii) Registrar Agreement dated December 29, 2023 entered into amongst our Company and the Registrar to the Issue.
- (iii) Tripartite agreement dated December 26, 2023 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- (iv) Tripartite agreement dated December 20, 2023 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.
- (v) Banker to the Issue Agreement dated February 20, 2024 among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vi) Market Making Agreement dated February 20, 2024 between our Company, Lead Manager and Market Maker.
- (vii) Underwriting Agreement dated February 20, 2024 amongst our Company and the Underwriters.

#### 2. Material Documents

- (i) Certificate of Incorporation dated February 2, 2018 under the Companies Act, 2013 issued by Deputy Registrar of Companies, Central Registration Centre.
- (ii) Resolution of the Board of Directors dated December 20, 2023 in relation to the Issue.
- (iii) Shareholders' resolution dated December 27, 2023 in relation to the Issue.
- (iv) The examination reports dated December 27, 2023 of the Statutory Auditor, on our Company's Restated Financial Statements, included in this Prospectus.
- (v) Copies of the annual reports of our Company for the Fiscals 2023, 2022 and 2021.
- (vi) Statement of Tax Benefits dated December 27, 2023 from the Statutory Auditor included in this Prospectus.
- (vii) Consent of the Promoters, Directors, the LM, Legal Counsel, Underwriters, Banker to the Issue, Registrar to the Issue, Market Maker, Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

- (viii) Consent letter dated December 27, 2023 of the Statutory Auditor to include their names as experts in relation to their report dated December 27, 2023 on the Restated Financial Information and the Statement of Tax Benefits dated December 27, 2023 included in this Prospectus.
- (ix) Due Diligence Certificate dated February 20, 2024 issued by the LM.
- (x) In principle listing approvals dated February 16, 2024 issued by NSE.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

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**Marottrao Vyankatrao Kawale**  
(Managing Director)

Sd/-

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**Sagarbai Marottrao Kawale**  
(Non-Executive Director)

Sd/-

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**Ganeshrao Vyankatrao Kawale**  
(Non-Executive Director)

Sd/-

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**Kishanrao Vyankatrao Kawale**  
(Non-Executive Director)

Sd/-

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**Inayat Khan Azmat Khan**  
(Independent Director)

Sd/-

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**Brijesh Jaynarayan Didvaniya**  
(Independent Director)

Sd/-

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**Shubham Govindprasad Jakhotiya**  
(Independent Director)

### SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/-

Sd/-

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**Swapna Rajaram Bansode**  
(Company Secretary & Compliance Officer)

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**Sandip Marotrao Kawale**  
(CFO)

**Place: Nanded, Maharashtra**

**Date: February 20, 2024**